PRODUCERS 88 – PAID UP
Rev. No. 5 - 8pt.

OIL AND GAS LEASE

This Oil and Gas Lease ("Lease") is made this 7th day of May, 2003, by and between Kenneth Kip Rost NcNinch and Mary C. McNinch, husband and wife, whose address is 174 Memorial Dr., Gun Barrel City, TX 75156, ("Lessor", whether one or more) and Allen & Kirmse, Ltd., 6304 S. Monaco Ct., Englewood, CO 80111, ("Lessee").

WITNESSETH, For and in consideration of TEN DOLLARS, the covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor does hereby grant, demise, lease and let exclusively unto said Lessee, with the exclusive rights for the purposes of mining, exploring by geophysical and other methods and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines and telecommunications lines, and construction of roadways and structures thereon to produce, save and take care of said products, and the exclusive surface and subsurface rights and privileges related in any manner to any and all such operations, and any and all other rights and privileges necessary, incident to, or convenient for the operation alone or conjointly with neighboring land for such purposes, all that certain tract or tracts of land situated in Sublette County, Wyoming, described as follows, to-wit:

TOWNSHIP 30 NORTH – RANGE 114 WEST, 6th P.M.
Section 12: SW/4NE/4, NE/4SW/4, N/2SE/4

29799?

RECORDED June 20 2003 2:45 PM
IN BOOK 195 016 PAGE 1
FEES $ 14.00
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Zuck

See "Addendum A" attached hereto and made a part hereof.

and containing 160.00 acres, more or less, (the "Premises").

1. It is agreed that this lease shall remain in force for a term of one year from this date ("Primary Term") and as long thereafter as oil or gas of whatsoever nature or kind is produced from the Premises or on acreage pooled or unitized therewith, or operations are continued as hereinafter provided. If, at the expiration of the Primary Term, oil or gas is not being produced from the Premises or on acreage pooled or unitized therewith but Lessee is then engaged in drilling or re-working operations thereon, then this Lease shall continue in force so long as such operations are being continuously prosecuted. Operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on the Premises or on acreage pooled or unitized therewith, the production thereof should cease from any cause after the primary term, this Lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the Primary Term, this Lease shall continue in force so long as oil or gas is produced from the Premises or on acreage pooled or unitized therewith.

2. This is a **PAID-UP LEASE.** In consideration of the payment made herewith, 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 Premises, and as to any strata or stratum, by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligations thereafter accruing as to the acreage surrendered.

3. Lessee covenants and agrees to pay royalty to Lessor as follows:

(a) On oil, to deliver to the credit of Lessor, free of cost in the pipe line to which Lessee may connect wells on the Premises, the equal one-eighth (1/8th) part of all oil produced and saved from the Premises.

(b) On gas of whatsoever nature or kind, including all gases, liquid hydrocarbons and their respective constituent elements, casinghead gas or other gaseous substances, produced from the Premises ("Gas") Lessee shall pay, at its election, either of the following, as royalty: (i)for Gas sold or used off the Premises, one-eighth (1/8th) of the amount realized from Gas so sold or used (Lessor's interest in Gas shall bear its proportionate part of the cost of all compressing, treating, dehydrating and transporting incurred in marketing Gas so sold or used); (ii) for Gas sold at the well, one-eighth (1/8th) of the amount realized from such sale.

4. Where Gas from a well capable of producing Gas is not sold or used, Lessee shall pay or tender as royalty to Lessor at the address set forth above One Dollar per year per net mineral acre, such payment or tender to be made on or before the anniversary date of this Lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this Lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease. Failure to properly or timely pay or tender such shut in royalty shall render Lessee liable for the amount due, but shall not operate to terminate this lease.

5. If Lessor owns a lesser interest in the Premises than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on the Premises for Lessee's operation thereon, except water from wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on the Premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on the Premises.

10. Lessee shall have the right at any time to remove all machinery and fixtures (including casing) Lessee has placed on the Premises.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or in part and liability for breach of any obligation hereunder shall rest exclusively upon the owner hereof who commits such breach. No change in ownership of Leasor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of the Premises shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this Lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the Premises and as to any one or more of the formations thereunder, to pool or unitize the leasehold estate and the mineral estate covered by this Lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this Lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive royalties on production from such unit only on the portion of such production allocated to this Lease. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the Premises 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 Premises, or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation. Any delay or interruption caused by storm, flood, act of God or other event of force majeure shall not be counted against Lessee. If, due to the above causes or any cause whatsoever beyond the control of Lessee, Lessee is prevented from conducting operations hereunder, such time shall not be counted against Lessee, and this Lease shall be extended for a period of time equal to the time Lessee was so prevented, anything in this Lease to the contrary notwithstanding.

14. Lessor hereby warrants and agrees to defend the title to the Premises and agrees that Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the Premises, in the event of default of payment by Lessor, and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the Premises, insofar as said right of dower and homestead may in any way affect the purposes for which this Lease is made, as recited herein.

15. Should any one or more the parties named as Lessor herein fail to execute this Lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this Lease, shall mean any one or more or all of the parties who execute this Lease as Lessor. All the provisions of this Lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Mary C. McNinch

Kenneth Kip Rost McNinch

UNIFORM ACKNOWLEDGMENT - INDIVIDUAL

STATE OF TEXAS

COUNTY OF Henderson

ss.

KATHERINE ANN PUTMAN
Notary Public
State of Texas
Comm. Expires 12-04-2006

The foregoing instrument was acknowledged before me this 24 day of May, 2003 by Kenneth Kip Rost McNinch and Mary C. McNinch.

My Commission Expires: Dec. 04, 2006

Notary Public, State of Texas

Name of Notary Printed Katherine A. Putman

UNIFORM ACKNOWLEDGMENT - CORPORATE

STATE OF _____

ss.

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 2003 by _____ as _____ of _____ a _____ corporation, on behalf of the corporation.

My Commission Expires: _____

Notary Public, State of _____

Name of Notary Printed _____

UNIFORM ACKNOWLEDGMENT - OTHER

STATE OF _____

ss.

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 2003 by _____ as _____ on behalf of _____ a _____.

My Commission Expires: _____

Notary Public, State of _____

Name of Notary Printed _____

No. _____

FROM:

TO:

_____, 20__

Dated _____

No. Acres _____

_____ County, _____

Term _____

This instrument was filed for record on the _____ day of _____, 20__, at _____ o'clock ____M., and duly recorded in Volume _____, Page _____ Of the records of this office.

_____
County Clerk

_____
Deputy

When recorded return to:

[redacted] [redacted] [redacted]

ADDENDUM A

Attached to and made a part of that certain Oil and Gas Lease dated May 7, 2003, by and between Kenneth Kip Rost McNinch and Mary C. McNinch, as Lessor, and Allen & Kirmse, Ltd., as Lessee.

Notwithstanding anything to the contrary contained in this lease, Lessee shall not be permitted to store materials or equipment on the leased premises unless operations are being conducted on the leased premises.

In the event Lessee undertakes any surface operations:

a. Lessee agrees to implement necessary and prudent measures to prevent damage to or contamination of natural springs or existing sources of ground water.
b. Lessee agrees to undertake remediation of all locations, waste reservoirs, and other easements utilized to their natural state, including re-grading, re-seeding, and restoration of natural ground cover and foliage.
c. Lessee will not permanently disrupt the natural flow or availability of water to any part or portion of Lessor's property.
d. Lessee will be responsible to properly secure waste reservoirs to prevent inadvertent or accidental loss of animal life.

Lessee is hereby given the option to extend the primary term of this lease as to all or any portion of the lands covered hereby for two additional one (1) year periods from the original primary term. The first option may be exercised by Lessee at any time within the last sixty days of the original primary term and, if the first option is so exercised, then the second option may be exercised by Lessee at any time within the last sixty days of the first extended term, by paying or tendering to Lessor or to Lessor's credit in Bank One Texas, N.A., 1717 Main St., Dallas, TX 75201, or its successor, the sum of Fifty and No/100 Dollars ($50.00) per net mineral acre then covered by this lease. Said bank shall continue as the depository for said payment until Lessor provides notification of change of depository, said notification to be made in accordance with the provisions contained herein for notification of changes in ownership. It is understood that exercise of the first option does not create an obligation upon Lessee to exercise the second option. Should the first option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of two (2) years. Should both the first and second options be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of three (3) years.

SIGNED FOR IDENTIFICATION:

Kenneth Kip Rost McNinch

Mary C. McNinch

PRODUCERS 88 – PAID UP
Rev. No. 5 - 8pt.

OIL AND GAS LEASE

This Oil and Gas Lease ("Lease") is made this 7th day of May, 2003, by and between Karen Heeren and Lynn Heeren, wife and husband, whose address is 19 Stagecoach Dr., Sheridan, WY 82801, ("Lessor", whether one or more) and Allen & Kirmse, Ltd., 6304 S. Monaco Ct., Englewood, CO 80111, ("Lessee").

WITNESSETH, For and in consideration of TEN DOLLARS, the covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor does hereby grant, demise, lease and let exclusively unto said Lessee, with the exclusive rights for the purposes of mining, exploring by geophysical and other methods and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines and telecommunications lines, and construction of roadways and structures thereon to produce, save and take care of said products, and the exclusive surface and subsurface rights and privileges related in any manner to any and all such operations, and any and all other rights and privileges necessary, incident to, or convenient for the operation alone or conjointly with neighboring land for such purposes, all that certain tract or tracts of land situated in Sublette County, Wyoming, described as follows, to-wit:

TOWNSHIP 30 NORTH – RANGE 114 WEST, 6th P.M.
Section 12: SW/4NE/4, NE/4SW/4, N/2SE/4

297998

RECORDED June 20 2003 2:45 PM
IN BOOK 125 016 PAGE 4
FEES $ 14.00
SUBLETTE COUNTY, PINEDALE, WYOMING

See "Addendum A" attached hereto and made a part hereof.

and containing 160.00 acres, more or less, (the "Premises").

1. It is agreed that this lease shall remain in force for a term of one year from this date ("Primary Term") and as long thereafter as oil or gas of whatsoever nature or kind is produced from the Premises or on acreage pooled or unitized therewith, or operations are continued as hereinafter provided. If, at the expiration of the Primary Term, oil or gas is not being produced from the Premises or on acreage pooled or unitized therewith but Lessee is then engaged in drilling or re-working operations thereon, then this Lease shall continue in force so long as such operations are being continuously prosecuted. Operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on the Premises or on acreage pooled or unitized therewith, the production thereof should cease from any cause after the primary term, this Lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the Primary Term, this Lease shall continue in force so long as oil or gas is produced from the Premises or on acreage pooled or unitized therewith.

2. This is a **PAID-UP LEASE.** In consideration of the payment made herewith, 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 Premises, and as to any strata or stratum, by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligations thereafter accruing as to the acreage surrendered.

3. Lessee covenants and agrees to pay royalty to Lessor as follows:

(a) On oil, to deliver to the credit of Lessor, free of cost in the pipe line to which Lessee may connect wells on the Premises, the equal one-eighth (1/8th) part of all oil produced and saved from the Premises.

(b) On gas of whatsoever nature or kind, including all gases, liquid hydrocarbons and their respective constituent elements, casinghead gas or other gaseous substances, produced from the Premises ("Gas") Lessee shall pay, at its election, either of the following, as royalty: (i)for Gas sold or used off the Premises, one-eighth (1/8th) of the amount realized from Gas so sold or used (Lessor's interest in Gas shall bear its proportionate part of the cost of all compressing, treating, dehydrating and transporting incurred in marketing Gas so sold or used); (ii) for Gas sold at the well, one-eighth (1/8th) of the amount realized from such sale.

4. Where Gas from a well capable of producing Gas is not sold or used, Lessee shall pay or tender as royalty to Lessor at the address set forth above One Dollar per year per net mineral acre, such payment or tender to be made on or before the anniversary date of this Lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this Lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease. Failure to properly or timely pay or tender such shut in royalty shall render Lessee liable for the amount due, but shall not operate to terminate this lease.

5. If Lessor owns a lesser interest in the Premises than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on the Premises for Lessee's operation thereon, except water from wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on the Premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on the Premises.

10. Lessee shall have the right at any time to remove all machinery and fixtures (including casing) Lessee has placed on the Premises.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or in part and liability for breach of any obligation hereunder shall rest exclusively upon the owner hereof who commits such breach. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of the Premises shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this Lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the Premises and as to any one or more of the formations thereunder, to pool or unitize the leasehold estate and the mineral estate covered by this Lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this Lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive royalties on production from such unit only on the portion of such production allocated to this Lease. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the Premises 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 Premises, or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation. Any delay or interruption caused by storm, flood, act of God or other event of force majeure shall not be counted against Lessee. If, due to the above causes or any cause whatsoever beyond the control of Lessee, Lessee is prevented from conducting operations hereunder, such time shall not be counted against Lessee, and this Lease shall be extended for a period of time equal to the time Lessee was so prevented, anything in this Lease to the contrary notwithstanding.

14. Lessor hereby warrants and agrees to defend the title to the Premises and agrees that Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the Premises, in the event of default of payment by Lessor, and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the Premises, insofar as said right of dower and homestead may in any way affect the purposes for which this Lease is made, as recited herein.

15. Should any one or more the parties named as Lessor herein fail to execute this Lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this Lease, shall mean any one or more or all of the parties who execute this Lease as Lessor. All the provisions of this Lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Lynn Heeren

Karen Heeren

[redacted] [redacted] [redacted]

UNIFORM ACKNOWLEDGMENT - INDIVIDUAL

STATE OF WYOMING

COUNTY OF Sheridan) ss.

The foregoing instrument was acknowledged before me this 21 day of May, 2003 by Karen Heeren and Lynn Heeren.

Jo Ellen Grotte
Notary Public
Sheridan County, WY
My Commission Expires:
My Commission Expires
December 9, 2006

My Commission Expires: 2006

Notary Public, State of Wyoming

Name of Notary Printed Jo Ellen Grotte

UNIFORM ACKNOWLEDGMENT - CORPORATE

STATE OF _____

ss.

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 2003 by _____ as _____ of _____ a _____ corporation, on behalf of the corporation.

My Commission Expires: _____

Notary Public, State of _____

Name of Notary Printed _____

UNIFORM ACKNOWLEDGMENT - OTHER

STATE OF _____

ss.

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 2003 by _____ as _____ on behalf of _____ a _____.

My Commission Expires: _____

Notary Public, State of _____

Name of Notary Printed _____

No. _____

FROM: _____

TO: _____

Dated _____

No. Acres _____

_____ County, _____

Term _____

This instrument was filed for record on the _____ Day of _____, 20__ at _____ o'clock _____ M., and duly recorded in Volume _____, Page _____ Of the records of this office.

_____
County Clerk

_____
Deputy

When recorded return to:

ADDENDUM A

Attached to and made a part of that certain Oil and Gas Lease dated May 7, 2003, by and between Karen Heeren and Lynn Heeren, as Lessor, and Allen & Kirmse, Ltd., as Lessee.

Notwithstanding anything to the contrary contained in this lease, Lessee shall not be permitted to store materials or equipment on the leased premises unless operations are being conducted on the leased premises.

In the event Lessee undertakes any surface operations:

a. Lessee agrees to implement necessary and prudent measures to prevent damage to or contamination of natural springs or existing sources of ground water.

b. Lessee agrees to undertake remediation of all locations, waste reservoirs, and other easements utilized to their natural state, including re-grading, re-seeding, and restoration of natural ground cover and foliage.

c. Lessee will not permanently disrupt the natural flow or availability of water to any part or portion of Lessor's property.

d. Lessee will be responsible to properly secure waste reservoirs to prevent inadvertent or accidental loss of animal life.

Lessee is hereby given the option to extend the primary term of this lease as to all or any portion of the lands covered hereby for two additional one (1) year periods from the original primary term. The first option may be exercised by Lessee at any time within the last sixty days of the original primary term and, if the first option is so exercised, then the second option may be exercised by Lessee at any time within the last sixty days of the first extended term, by paying or tendering to Lessor or to Lessor's credit in Cowlitz Bank, 195 N. 1st St., Kalama, WA 98625, or its successor, the sum of Fifty and No/100 Dollars ($50.00) per net mineral acre then covered by this lease. Said bank shall continue as the depository for said payment until Lessor provides notification of change of depository, said notification to be made in accordance with the provisions contained herein for notification of changes in ownership. It is understood that exercise of the first option does not create an obligation upon Lessee to exercise the second option. Should the first option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of two (2) years. Should both the first and second options be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of three (3) years.

SIGNED FOR IDENTIFICATION:

Karen Heeren

Lynn Heeren

PRODUCERS 88 – PAID UP
Rev. No. 5 - 8pt.

OIL AND GAS LEASE

This Oil and Gas Lease ("Lease") is made this 7th day of May, 2003, by and between Randal E. McNinch, as Personal Representative of the Estate of Keith E. McNinch, deceased; and Marilyn June McNinch, as sole devisee under the Last Will and Testament of Keith E. McNinch dated July 9, 1973, whose address is P. O. Box 633, Big Piney, WY 83113, ("Lessor", whether one or more) and Allen & Kirmse, Ltd., 6304 S. Monaco Ct., Englewood, CO 80111, ("Lessee").

WITNESSETH, For and in consideration of TEN DOLLARS, the covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor does hereby grant, demise, lease and let exclusively unto said Lessee, with the exclusive rights for the purposes of mining, exploring by geophysical and other methods and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines and telecommunications lines, and construction of roadways and structures thereon to produce, save and take care of said products, and the exclusive surface and subsurface rights and privileges related in any manner to any and all such operations, and any and all other rights and privileges necessary, incident to, or convenient for the operation alone or conjointly with neighboring land for such purposes, all that certain tract or tracts of land situated in Sublette County, Wyoming, described as follows, to-wit:

TOWNSHIP 30 NORTH – RANGE 114 WEST, 6th P.M.
Section 12: SW/4NE/4, NE/4SW/4, N/2SE/4

297999

RECORDED JUN 20 2003 2:45 PM
IN BOOK 135 PAGE 36
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

See "Addendum A" attached hereto and made a part hereof.

and containing 160.00 acres, more or less, (the "Premises").

1. It is agreed that this lease shall remain in force for a term of one year from this date ("Primary Term") and as long thereafter as oil or gas of whatsoever nature or kind is produced from the Premises or on acreage pooled or unitized therewith, or operations are continued as hereinafter provided. If, at the expiration of the Primary Term, oil or gas is not being produced from the Premises or on acreage pooled or unitized therewith but Lessee is then engaged in drilling or re-working operations thereon, then this Lease shall continue in force so long as such operations are being continuously prosecuted. Operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on the Premises or on acreage pooled or unitized therewith, the production thereof should cease from any cause after the primary term, this Lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the Primary Term, this Lease shall continue in force so long as oil or gas is produced from the Premises or on acreage pooled or unitized therewith.

2. This is a **PAID-UP LEASE.** In consideration of the payment made herewith, 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 Premises, and as to any strata or stratum, by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligations thereafter accruing as to the acreage surrendered.

3. Lessee covenants and agrees to pay royalty to Lessor as follows:

(a) On oil, to deliver to the credit of Lessor, free of cost in the pipe line to which Lessee may connect wells on the Premises, the equal one-eighth (1/8th) part of all oil produced and saved from the Premises.

(b) On gas of whatsoever nature or kind, including all gases, liquid hydrocarbons and their respective constituent elements, casinghead gas or other gaseous substances, produced from the Premises ("Gas") Lessee shall pay, at its election, either of the following, as royalty: (i)for Gas sold or used off the Premises, one-eighth (1/8th) of the amount realized from Gas so sold or used (Lessor's interest in Gas shall bear its proportionate part of the cost of all compressing, treating, dehydrating and transporting incurred in marketing Gas so sold or used); (ii) for Gas sold at the well, one-eighth (1/8th) of the amount realized from such sale.

4. Where Gas from a well capable of producing Gas is not sold or used, Lessee shall pay or tender as royalty to Lessor at the address set forth above One Dollar per year per net mineral acre, such payment or tender to be made on or before the anniversary date of this Lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this Lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease. Failure to properly or timely pay or tender such shut in royalty shall render Lessee liable for the amount due, but shall not operate to terminate this lease.

5. If Lessor owns a lesser interest in the Premises than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on the Premises for Lessee's operation thereon, except water from wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on the Premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on the Premises.

10. Lessee shall have the right at any time to remove all machinery and fixtures (including casing) Lessee has placed on the Premises.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or in part and liability for breach of any obligation hereunder shall rest exclusively upon the owner hereof who commits such breach. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of the Premises shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this Lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the Premises and as to any one or more of the formations thereunder, to pool or unitize the leasehold estate and the mineral estate covered by this Lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this Lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive royalties on production from such unit only on the portion of such production allocated to this Lease. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the Premises 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 Premises, or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation. Any delay or interruption caused by storm, flood, act of God or other event of force majeure shall not be counted against Lessee. If, due to the above causes or any cause whatsoever beyond the control of Lessee, Lessee is prevented from conducting operations hereunder, such time shall not be counted against Lessee, and this Lease shall be extended for a period of time equal to the time Lessee was so prevented, anything in this Lease to the contrary notwithstanding.

14. Lessor hereby warrants and agrees to defend the title to the Premises and agrees that Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the Premises, in the event of default of payment by Lessor, and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the Premises, insofar as said right of dower and homestead may in any way affect the purposes for which this Lease is made, as recited herein.

15. Should any one or more the parties named as Lessor herein fail to execute this Lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this Lease, shall mean any one or more or all of the parties who execute this Lease as Lessor. All the provisions of this Lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Marilyn June McNinch, as sole devisee under the Last Will and Testament of Keith E. McNinch dated July 9, 1973

Randal E. McNinch, as Personal Representative of the Estate of Keith E. McNinch, deceased

UNIFORM ACKNOWLEDGMENT - INDIVIDUAL

STATE OF WYOMING
ss.
COUNTY OF SUBLETTE

The foregoing instrument was acknowledged before me this _____ day of May, 2003 by Randal E. McNinch, as Personal Representative of the Estate of Keith E. McNinch, deceased.

My Commission Expires: _____

Notary Public, State of _____

Name of Notary Printed _____

UNIFORM ACKNOWLEDGMENT - INDIVIDUAL

STATE OF WYOMING
ss.
COUNTY OF SUBLETTE

The foregoing instrument was acknowledged before me this 30th day of May, 2003 by Marilyn June McNinch, as sole devisee under the Last Will and Testament of Keith E. McNinch dated July 9, 1973.

KAREN S. WENZ - NOTARY PUBLIC
COUNTY OF SUBLETTE STATE OF WYOMING
MY COMMISSION EXPIRES JAN. 4, 2004

My Commission Expires: _____

Karen S Wenz

Notary Public, State of Wyoming

Name of Notary Printed Karen S Wenz

UNIFORM ACKNOWLEDGMENT - OTHER

STATE OF Wyoming
ss.
COUNTY OF Sublette

The foregoing instrument was acknowledged before me this 30th day of May, 2003 by Randal McNinch as Personal Representative on behalf of Marilyn June McNinch a sole devisee.

KAREN S. WENZ - NOTARY PUBLIC
COUNTY OF SUBLETTE STATE OF WYOMING
MY COMMISSION EXPIRES JAN. 4, 2004

My Commission Expires: _____

Karen S Wenz

Notary Public, State of Wyoming

Name of Notary Printed Karen S. Wenz

No. _____

FROM:

TO:

_____, 20__

Dated _____, 20__

No. Acres _____

_____ County, _____

Term _____

This instrument was filed for record on the _____ day of _____, 20__ at _____ o'clock ____M., and duly recorded in Volume _____, Page _____ Of the records of this office.

_____
County Clerk

_____
Deputy

When recorded return to:

ADDENDUM A

Attached to and made a part of that certain Oil and Gas Lease dated May 7, 2003, by and between Randal E. McNinch, as Personal Representative of the Estate of Keith E. McNinch, deceased; and Marilyn June McNinch, as sole devisee under the Last Will and Testament of Keith E. McNinch dated July 9, 1973, as Lessor, and Allen & Kirmse, Ltd., as Lessee.

Notwithstanding anything to the contrary contained in this lease, Lessee shall not be permitted to store materials or equipment on the leased premises unless operations are being conducted on the leased premises.

In the event Lessee undertakes any surface operations:

a. Lessee agrees to implement necessary and prudent measures to prevent damage to or contamination of natural springs or existing sources of ground water.
b. Lessee agrees to undertake remediation of all locations, waste reservoirs, and other easements utilized to their natural state, including re-grading, re-seeding, and restoration of natural ground cover and foliage.
c. Lessee will not permanently disrupt the natural flow or availability of water to any part or portion of Lessor's property.
d. Lessee will be responsible to properly secure waste reservoirs to prevent inadvertent or accidental loss of animal life.

Lessee is hereby given the option to extend the primary term of this lease as to all or any portion of the lands covered hereby for two additional one (1) year periods from the original primary term. The first option may be exercised by Lessee at any time within the last sixty days of the original primary term and, if the first option is so exercised, then the second option may be exercised by Lessee at any time within the last sixty days of the first extended term, by paying or tendering to Lessor or to Lessor's credit in Community First Bank, 440 Budd Ave., Big Piney, WY 83113, or its successor, the sum of Fifty and No/100 Dollars ($50.00) per net mineral acre then covered by this lease. Said bank shall continue as the depository for said payment until Lessor provides notification of change of depository, said notification to be made in accordance with the provisions contained herein for notification of changes in ownership. It is understood that exercise of the first option does not create an obligation upon Lessee to exercise the second option. Should the first option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of two (2) years. Should both the first and second options be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of three (3) years.

SIGNED FOR IDENTIFICATION:

Randal E. McNinch, as Personal Representative of
the Estate of Keith E. McNinch, deceased

Marilyn June McNinch, as sole devisee under the Last Will
and Testament of Keith E. McNinch dated July 9, 1973

PRODUCERS 88 – PAID UP
Rev. No. 5 - 8pt.

OIL AND GAS LEASE

This Oil and Gas Lease ("Lease") is made this 7th day of May, 2003, by and between Terry Dahlby, f/k/a Terry R. McNinch a/k/a Terry McNinch, and Lauritz Dahlby, wife and husband, whose address is 381 500 Street, Northwood, IA 50459 ("Lessor", whether one or more) and Allen & Kirmse, Ltd., 6304 S. Monaco Ct., Englewood, CO 80111 ("Lessee").

WITNESSETH, For and in consideration of TEN DOLLARS, the covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor does hereby grant, demise, lease and let exclusively unto said Lessee, with the exclusive rights for the purposes of mining, exploring by geophysical and other methods and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines and telecommunications lines, and construction of roadways and structures thereon to produce, save and take care of said products, and the exclusive surface and subsurface rights and privileges related in any manner to any and all such operations, and any and all other rights and privileges necessary, incident to, or convenient for the operation alone or conjointly with neighboring land for such purposes, all that certain tract or tracts of land situated in Sublette County, Wyoming, described as follows, to-wit:

TOWNSHIP 30 NORTH – RANGE 114 WEST, 6th P.M.
Section 12: SW/4NE/4, NE/4SW/4, N/2SE/4

298000

RECORDED June 20 2003 2:45 PM
IN BOOK 125 046 PAGE 10
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

See "Addendum A" attached hereto and made a part hereof.

and containing 160.00 acres, more or less, (the "Premises").

1. It is agreed that this lease shall remain in force for a term of one year from this date ("Primary Term") and as long thereafter as oil or gas of whatsoever nature or kind is produced from the Premises or on acreage pooled or unitized therewith, or operations are continued as hereinafter provided. If, at the expiration of the Primary Term, oil or gas is not being produced from the Premises or on acreage pooled or unitized therewith but Lessee is then engaged in drilling or re-working operations thereon, then this Lease shall continue in force so long as such operations are being continuously prosecuted. Operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on the Premises or on acreage pooled or unitized therewith, the production thereof should cease from any cause after the primary term, this Lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the Primary Term, this Lease shall continue in force so long as oil or gas is produced from the Premises or on acreage pooled or unitized therewith.

2. This is a **PAID-UP LEASE**. In consideration of the payment made herewith, 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 Premises, and as to any strata or stratum, by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligations thereafter accruing as to the acreage surrendered.

3. Lessee covenants and agrees to pay royalty to Lessor as follows:

(a) On oil, to deliver to the credit of Lessor, free of cost in the pipe line to which Lessee may connect wells on the Premises, the equal one-eighth (1/8th) part of all oil produced and saved from the Premises.

(b) On gas of whatsoever nature or kind, including all gases, liquid hydrocarbons and their respective constituent elements, casinghead gas or other gaseous substances, produced from the Premises ("Gas") Lessee shall pay, at its election, either of the following, as royalty: (i)for Gas sold or used off the Premises, one-eighth (1/8th) of the amount realized from Gas so sold or used (Lessor's interest in Gas shall bear its proportionate part of the cost of all compressing, treating, dehydrating and transporting incurred in marketing Gas so sold or used); (ii) for Gas sold at the well, one-eighth (1/8th) of the amount realized from such sale.

4. Where Gas from a well capable of producing Gas is not sold or used, Lessee shall pay or tender as royalty to Lessor at the address set forth above One Dollar per year per net mineral acre, such payment or tender to be made on or before the anniversary date of this Lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this Lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease. Failure to properly or timely pay or tender such shut in royalty shall render Lessee liable for the amount due, but shall not operate to terminate this lease.

5. If Lessor owns a lesser interest in the Premises than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on the Premises for Lessee's operation thereon, except water from wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on the Premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on the Premises.

10. Lessee shall have the right at any time to remove all machinery and fixtures (including casing) Lessee has placed on the Premises.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or in part and liability for breach of any obligation hereunder shall rest exclusively upon the owner hereof who commits such breach. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of the Premises shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this Lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the Premises and as to any one or more of the formations thereunder, to pool or unitize the leasehold estate and the mineral estate covered by this Lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this Lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive royalties on production from such unit only on the portion of such production allocated to this Lease. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the Premises 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 Premises, or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation. Any delay or interruption caused by storm, flood, act of God or other event of force majeure shall not be counted against Lessee. If, due to the above causes or any cause whatsoever beyond the control of Lessee, Lessee is prevented from conducting operations hereunder, such time shall not be counted against Lessee, and this Lease shall be extended for a period of time equal to the time Lessee was so prevented, anything in this Lease to the contrary notwithstanding.

14. Lessor hereby warrants and agrees to defend the title to the Premises and agrees that Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the Premises, in the event of default of payment by Lessor, and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the Premises, insofar as said right of dower and homestead may in any way affect the purposes for which this Lease is made, as recited herein.

15. Should any one or more the parties named as Lessor herein fail to execute this Lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this Lease, shall mean any one or more or all of the parties who execute this Lease as Lessor. All the provisions of this Lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Lauritz Dahlby

Terry Dahlby

[redacted] [redacted] [redacted]

UNIFORM ACKNOWLEDGMENT - INDIVIDUAL

STATE OF ~~IOWA~~ Oregon

ss.

COUNTY OF Washington

The foregoing instrument was acknowledged before me this 9th day of May, 2003 by Terry Dahlby and Lauritz Dahlby.

My Commission Expires: 9/18/2005

C. Jane Damiano

Notary Public, State of Oregon

Name of Notary Printed C. Jane Damiano

OFFICIAL SEAL
C. JANE DAMIANO
NOTARY PUBLIC-OREGON
COMMISSION NO. 350026
MY COMMISSION EXPIRES SEPT. 18, 2005

UNIFORM ACKNOWLEDGMENT - CORPORATE

STATE OF _____

ss.

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 2003 by _____ as _____ of _____ a _____ corporation, on behalf of the corporation.

My Commission Expires: _____

Notary Public, State of _____

Name of Notary Printed _____

UNIFORM ACKNOWLEDGMENT - OTHER

STATE OF _____

ss.

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 2003 by _____ as _____ on behalf of _____ a _____.

My Commission Expires: _____

Notary Public, State of _____

Name of Notary Printed _____

No. _____

FROM: _____

TO: _____

Dated _____

No. Acres _____

_____ County, _____

Term _____

This instrument was filed for record on the _____ Day of _____, 20__, at _____ o'clock ____M., and duly recorded in Volume _____, Page _____ Of the records of this office.

_____
County Clerk

_____
Deputy

When recorded return to:

//

ADDENDUM A

Attached to and made a part of that certain Oil and Gas Lease dated May 7, 2003, by and between Terry Dahlby and Lauritz Dahlby, as Lessor, and Allen & Kirmse, Ltd., as Lessee.

Notwithstanding anything to the contrary contained in this lease, Lessee shall not be permitted to store materials or equipment on the leased premises unless operations are being conducted on the leased premises.

In the event Lessee undertakes any surface operations:

a. Lessee agrees to implement necessary and prudent measures to prevent damage to or contamination of natural springs or existing sources of ground water.

b. Lessee agrees to undertake remediation of all locations, waste reservoirs, and other easements utilized to their natural state, including re-grading, re-seeding, and restoration of natural ground cover and foliage.

c. Lessee will not permanently disrupt the natural flow or availability of water to any part or portion of Lessor's property.

d. Lessee will be responsible to properly secure waste reservoirs to prevent inadvertent or accidental loss of animal life.

Lessee is hereby given the option to extend the primary term of this lease as to all or any portion of the lands covered hereby for two additional one (1) year periods from the original primary term. The first option may be exercised by Lessee at any time within the last sixty days of the original primary term and, if the first option is so exercised, then the second option may be exercised by Lessee at any time within the last sixty days of the first extended term, by paying or tendering to Lessor or to Lessor's credit in Cowlitz Bank, 195 N. 1st St., Kalama, WA 98625, or its successor, the sum of Fifty and No/100 Dollars ($50.00) per net mineral acre then covered by this lease. Said bank shall continue as the depository for said payment until Lessor provides notification of change of depository, said notification to be made in accordance with the provisions contained herein for notification of changes in ownership. It is understood that exercise of the first option does not create an obligation upon Lessee to exercise the second option. Should the first option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of two (2) years. Should both the first and second options be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of three (3) years.

Lessors, by execution of this lease, expressly grant their consent to Jerry L. McNinch and Cherie L. Przymus to lease their respective undivided mineral interests in the leased premises under the same terms and conditions as Lessor's interest is herein leased.

SIGNED FOR IDENTIFICATION:

Terry Dahlby

Lauritz Dahlby

PRODUCERS 88 – PAID UP
Rev. No. 5 - 8pt.

OIL AND GAS LEASE

This Oil and Gas Lease ("Lease") is made this 7th day of May, 2003, by and between Jerry L. McNinch, a/k/a Jerry McNinch, a single man, whose address is 1023 Jones St., #810, Omaha, NE 68112, ("Lessor", whether one or more) and Allen & Kirmse, Ltd., 6304 S. Monaco Ct., Englewood, CO 80111, ("Lessee").

WITNESSETH, For and in consideration of TEN DOLLARS, the covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor does hereby grant, demise, lease and let exclusively unto said Lessee, with the exclusive rights for the purposes of mining, exploring by geophysical and other methods and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines and telecommunications lines, and construction of roadways and structures thereon to produce, save and take care of said products, and the exclusive surface and subsurface rights and privileges related in any manner to any and all such operations, and any and all other rights and privileges necessary, incident to, or convenient for the operation alone or conjointly with neighboring land for such purposes, all that certain tract or tracts of land situated in Sublette County, Wyoming, described as follows, to-wit:

TOWNSHIP 30 NORTH – RANGE 114 WEST, 6th P.M.
Section 12: SW/4NE/4, NE/4SW/4, N/2SE/4

298001

RECORDED Jun 10 2003 2:45 PM
IN BOOK 185 ONE PAGE 13
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

See "Addendum A" attached hereto and made a part hereof.

and containing 160.00 acres, more or less, (the "Premises").

1. It is agreed that this lease shall remain in force for a term of one year from this date ("Primary Term") and as long thereafter as oil or gas of whatsoever nature or kind is produced from the Premises or on acreage pooled or unitized therewith, or operations are continued as hereinafter provided. If, at the expiration of the Primary Term, oil or gas is not being produced from the Premises or on acreage pooled or unitized therewith but Lessee is then engaged in drilling or re-working operations thereon, then this Lease shall continue in force so long as such operations are being continuously prosecuted. Operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on the Premises or on acreage pooled or unitized therewith, the production thereof should cease from any cause after the primary term, this Lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the Primary Term, this Lease shall continue in force so long as oil or gas is produced from the Premises or on acreage pooled or unitized therewith.

2. This is a **PAID-UP LEASE**. In consideration of the payment made herewith, 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 Premises, and as to any strata or stratum, by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligations thereafter accruing as to the acreage surrendered.

3. Lessee covenants and agrees to pay royalty to Lessor as follows:

(a) On oil, to deliver to the credit of Lessor, free of cost in the pipe line to which Lessee may connect wells on the Premises, the equal one-eighth (1/8th) part of all oil produced and saved from the Premises.

(b) On gas of whatsoever nature or kind, including all gases, liquid hydrocarbons and their respective constituent elements, casinghead gas or other gaseous substances, produced from the Premises ("Gas") Lessee shall pay, at its election, either of the following, as royalty: (i)for Gas sold or used off the Premises, one-eighth (1/8th) of the amount realized from Gas so sold or used (Lessor's interest in Gas shall bear its proportionate part of the cost of all compressing, treating, dehydrating and transporting incurred in marketing Gas so sold or used); (ii) for Gas sold at the well, one-eighth (1/8th) of the amount realized from such sale.

4. Where Gas from a well capable of producing Gas is not sold or used, Lessee shall pay or tender as royalty to Lessor at the address set forth above One Dollar per year per net mineral acre, such payment or tender to be made on or before the anniversary date of this Lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this Lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease. Failure to properly or timely pay or tender such shut in royalty shall render Lessee liable for the amount due, but shall not operate to terminate this lease.

5. If Lessor owns a lesser interest in the Premises than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on the Premises for Lessee's operation thereon, except water from wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on the Premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on the Premises.

10. Lessee shall have the right at any time to remove all machinery and fixtures (including casing) Lessee has placed on the Premises.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or in part and liability for breach of any obligation hereunder shall rest exclusively upon the owner hereof who commits such breach. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of the Premises shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this Lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the Premises and as to any one or more of the formations thereunder, to pool or unitize the leasehold estate and the mineral estate covered by this Lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this Lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive royalties on production from such unit only on the portion of such production allocated to this Lease. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the Premises 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 Premises, or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation. Any delay or interruption caused by storm, flood, act of God or other event of force majeure shall not be counted against Lessee. If, due to the above causes or any cause whatsoever beyond the control of Lessee, Lessee is prevented from conducting operations hereunder, such time shall not be counted against Lessee, and this Lease shall be extended for a period of time equal to the time Lessee was so prevented, anything in this Lease to the contrary notwithstanding.

14. Lessor hereby warrants and agrees to defend the title to the Premises and agrees that Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the Premises, in the event of default of payment by Lessor, and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the Premises, insofar as said right of dower and homestead may in any way affect the purposes for which this Lease is made, as recited herein.

15. Should any one or more the parties named as Lessor herein fail to execute this Lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this Lease, shall mean any one or more or all of the parties who execute this Lease as Lessor. All the provisions of this Lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Jerry L. McNinch

UNIFORM ACKNOWLEDGMENT - INDIVIDUAL

STATE OF NEBRASKA

COUNTY OF Douglas ss.

The foregoing instrument was acknowledged before me this 9th day of May, 2003 by Jerry L. McNinch.

My Commission Expires: March 30, 2006

GENERAL NOTARY - State of Nebraska
DEBRA L. WAGMAN
My Comm. Exp. March 30, 2006

Debra L. Wagman
Notary Public, State of Nebraska
Name of Notary Printed DEBRA L. WAGMAN

UNIFORM ACKNOWLEDGMENT - CORPORATE

STATE OF _____

COUNTY OF _____ ss.

The foregoing instrument was acknowledged before me this _____ day of _____, 2003 by _____ as _____ of _____, a _____ corporation, on behalf of the corporation.

My Commission Expires: _____

_____
Notary Public, State of _____
Name of Notary Printed _____

UNIFORM ACKNOWLEDGMENT - OTHER

STATE OF _____

COUNTY OF _____ ss.

The foregoing instrument was acknowledged before me this _____ day of _____, 2003 by _____ as _____ on behalf of _____, a _____.

My Commission Expires: _____

_____
Notary Public, State of _____
Name of Notary Printed _____

No. _____

FROM:

TO:

Dated _____, 20__

No. Acres _____

_____ County, _____

Term _____

This instrument was filed for record on the _____, at _____ recorded in

Day of _____, 20__

_____ o'clock _____ M., and duly recorded in

Volume _____, Page _____

Of the records of this office.

_____
County Clerk

_____
Deputy

When recorded return to:

[redacted] [redacted] [redacted]

ADDENDUM A

Attached to and made a part of that certain Oil and Gas Lease dated May 7, 2003, by and between Jerry L. McNinch, as Lessor, and Allen & Kirmse, Ltd., as Lessee.

Notwithstanding anything to the contrary contained in this lease, Lessee shall not be permitted to store materials or equipment on the leased premises unless operations are being conducted on the leased premises.

In the event Lessee undertakes any surface operations:

a. Lessee agrees to implement necessary and prudent measures to prevent damage to or contamination of natural springs or existing sources of ground water.
b. Lessee agrees to undertake remediation of all locations, waste reservoirs, and other easements utilized to their natural state, including re-grading, re-seeding, and restoration of natural ground cover and foliage.
c. Lessee will not permanently disrupt the natural flow or availability of water to any part or portion of Lessor's property.
d. Lessee will be responsible to properly secure waste reservoirs to prevent inadvertent or accidental loss of animal life.

Lessee is hereby given the option to extend the primary term of this lease as to all or any portion of the lands covered hereby for two additional one (1) year periods from the original primary term. The first option may be exercised by Lessee at any time within the last sixty days of the original primary term and, if the first option is so exercised, then the second option may be exercised by Lessee at any time within the last sixty days of the first extended term, by paying or tendering to Lessor or to Lessor's credit in U.S.A.A. Federal Savings Bank, 10750 McDermott Freeway, San Antonio, TX 78288-0544, or its successor, the sum of Fifty and No/100 Dollars ($50.00) per net mineral acre then covered by this lease. Said bank shall continue as the depository for said payment until Lessor provides notification of change of depository, said notification to be made in accordance with the provisions contained herein for notification of changes in ownership. It is understood that exercise of the first option does not create an obligation upon Lessee to exercise the second option. Should the first option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of two (2) years. Should both the first and second options be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of three (3) years.

Lessor, by execution of this lease, expressly grants his consent to Terry Dahlby, f/k/a Terry R. McNinch, and Cherie L. Przymus to lease their respective undivided mineral interests in the leased premises under the same terms and conditions as Lessor's interest is herein leased.

SIGNED FOR IDENTIFICATION:

Jerry L. McNinch

PRODUCERS 88 – PAID UP
Rev. No. 5 - 8pt.

OIL AND GAS LEASE

This Oil and Gas Lease ("Lease") is made this 7th day of May, 2003, by and between Cherie L. Przymus, a/k/a Cherie Przymus, and Michael R. Przymus, wife and husband, whose address is 4615 Bony Brae Loop, Cheyenne, WY 82009, ("Lessor", whether one or more) and Allen & Kirmse, Ltd., 6304 S. Monaco Ct., Englewood, CO 80111, ("Lessee").

WITNESSETH, For and in consideration of TEN DOLLARS, the covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor does hereby grant, demise, lease and let exclusively unto said Lessee, with the exclusive rights for the purposes of mining, exploring by geophysical and other methods and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines and telecommunications lines, and construction of roadways and structures thereon to produce, save and take care of said products, and the exclusive surface and subsurface rights and privileges related in any manner to any and all such operations, and any and all other rights and privileges necessary, incident to, or convenient for the operation alone or conjointly with neighboring land for such purposes, all that certain tract or tracts of land situated in Sublette County, Wyoming, described as follows, to-wit:

TOWNSHIP 30 NORTH – RANGE 114 WEST, 6th P.M.
Section 12: SW/4NE/4, NE/4SW/4, N/2SE/4

298002

RECORDED June 20 2003 2:45PM
IN BOOK 125 OR6 PAGE 16
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING By Cathy Sucker

See "Addendum A" attached hereto and made a part hereof.

and containing 160.00 acres, more or less, (the "Premises").

1. It is agreed that this lease shall remain in force for a term of one year from this date ("Primary Term") and as long thereafter as oil or gas of whatsoever nature or kind is produced from the Premises or on acreage pooled or unitized therewith, or operations are continued as hereinafter provided. If, at the expiration of the Primary Term, oil or gas is not being produced from the Premises or on acreage pooled or unitized therewith but Lessee is then engaged in drilling or re-working operations thereon, then this Lease shall continue in force so long as such operations are being continuously prosecuted. Operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on the Premises or on acreage pooled or unitized therewith, the production thereof should cease from any cause after the primary term, this Lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the Primary Term, this Lease shall continue in force so long as oil or gas is produced from the Premises or on acreage pooled or unitized therewith.

2. This is a **PAID-UP LEASE**. In consideration of the payment made herewith, 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 Premises, and as to any strata or stratum, by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligations thereafter accruing as to the acreage surrendered.

3. Lessee covenants and agrees to pay royalty to Lessor as follows:

(a) On oil, to deliver to the credit of Lessor, free of cost in the pipe line to which Lessee may connect wells on the Premises, the equal one-eighth (1/8th) part of all oil produced and saved from the Premises.

(b) On gas of whatsoever nature or kind, including all gases, liquid hydrocarbons and their respective constituent elements, casinghead gas or other gaseous substances, produced from the Premises ("Gas") Lessee shall pay, at its election, either of the following, as royalty: (i)for Gas sold or used off the Premises, one-eighth (1/8th) of the amount realized from Gas so sold or used (Lessor's interest in Gas shall bear its proportionate part of the cost of all compressing, treating, dehydrating and transporting incurred in marketing Gas so sold or used); (ii) for Gas sold at the well, one-eighth (1/8th) of the amount realized from such sale.

4. Where Gas from a well capable of producing Gas is not sold or used, Lessee shall pay or tender as royalty to Lessor at the address set forth above One Dollar per year per net mineral acre, such payment or tender to be made on or before the anniversary date of this Lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this Lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease. Failure to properly or timely pay or tender such shut in royalty shall render Lessee liable for the amount due, but shall not operate to terminate this lease.

5. If Lessor owns a lesser interest in the Premises than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on the Premises for Lessee's operation thereon, except water from wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on the Premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on the Premises.

10. Lessee shall have the right at any time to remove all machinery and fixtures (including casing) Lessee has placed on the Premises.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or in part and liability for breach of any obligation hereunder shall rest exclusively upon the owner hereof who commits such breach. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of the Premises shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this Lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the Premises and as to any one or more of the formations thereunder, to pool or unitize the leasehold estate and the mineral estate covered by this Lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this Lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive royalties on production from such unit only on the portion of such production allocated to this Lease. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the Premises 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 Premises, or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation. Any delay or interruption caused by storm, flood, act of God or other event of force majeure shall not be counted against Lessee. If, due to the above causes or any cause whatsoever beyond the control of Lessee, Lessee is prevented from conducting operations hereunder, such time shall not be counted against Lessee, and this Lease shall be extended for a period of time equal to the time Lessee was so prevented, anything in this Lease to the contrary notwithstanding.

14. Lessor hereby warrants and agrees to defend the title to the Premises and agrees that Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the Premises, in the event of default of payment by Lessor, and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the Premises, insofar as said right of dower and homestead may in any way affect the purposes for which this Lease is made, as recited herein.

15. Should any one or more the parties named as Lessor herein fail to execute this Lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this Lease, shall mean any one or more or all of the parties who execute this Lease as Lessor. All the provisions of this Lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Michael R. Przymus

Cherie L. Przymus

[redacted] [redacted] [redacted]

UNIFORM ACKNOWLEDGMENT - INDIVIDUAL

STATE OF WYOMING

COUNTY OF Laramie ss.

The foregoing instrument was acknowledged before me this 13 day of May, 2003 by Cherie L. Przymus and Michael R. Przymus.

My Commission Expires: 8-7-06

DANA McKENZIE - NOTARY PUBLIC
COUNTY OF LARAMIE STATE OF WYOMING
MY COMMISSION EXPIRES AUG. 7, 2006

Dana McKenzie
Notary Public, State of Wyoming
Name of Notary Printed Dana McKenzie

UNIFORM ACKNOWLEDGMENT - CORPORATE

STATE OF _____

COUNTY OF _____ ss.

The foregoing instrument was acknowledged before me this _____ day of _____, 2003 by _____ as _____ of _____ a _____ corporation, on behalf of the corporation.

My Commission Expires: _____

_____
Notary Public, State of _____
Name of Notary Printed _____

UNIFORM ACKNOWLEDGMENT - OTHER

STATE OF _____

COUNTY OF _____ ss.

The foregoing instrument was acknowledged before me this _____ day of _____, 2003 by _____ as _____ on behalf of _____ a _____.

My Commission Expires: _____

_____
Notary Public, State of _____
Name of Notary Printed _____

No. _____

FROM: _____

TO: _____

Dated _____, 20__

No. Acres _____

_____ County, _____

Term _____

This instrument was filed for record on the _____ day of _____, 20__ at _____ o'clock ____M., and duly recorded in Volume _____, Page _____ Of the records of this office.

_____
County Clerk

_____
Deputy

When recorded return to:

ADDENDUM A

Attached to and made a part of that certain Oil and Gas Lease dated May 7, 2003, by and between Cherie L. Przymus and Michael R. Przymus, as Lessor, and Allen & Kirmse, Ltd., as Lessee.

Notwithstanding anything to the contrary contained in this lease, Lessee shall not be permitted to store materials or equipment on the leased premises unless operations are being conducted on the leased premises.

In the event Lessee undertakes any surface operations:

a. Lessee agrees to implement necessary and prudent measures to prevent damage to or contamination of natural springs or existing sources of ground water.
b. Lessee agrees to undertake remediation of all locations, waste reservoirs, and other easements utilized to their natural state, including re-grading, re-seeding, and restoration of natural ground cover and foliage.
c. Lessee will not permanently disrupt the natural flow or availability of water to any part or portion of Lessor's property.
d. Lessee will be responsible to properly secure waste reservoirs to prevent inadvertent or accidental loss of animal life.

Lessee is hereby given the option to extend the primary term of this lease as to all or any portion of the lands covered hereby for two additional one (1) year periods from the original primary term. The first option may be exercised by Lessee at any time within the last sixty days of the original primary term and, if the first option is so exercised, then the second option may be exercised by Lessee at any time within the last sixty days of the first extended term, by paying or tendering to Lessor or to Lessor's credit in Wyoming Federal Credit Union, 2223 Warren Ave., Cheyenne, WY 82001, or its successor, the sum of Fifty and No/100 Dollars ($50.00) per net mineral acre then covered by this lease. Said bank shall continue as the depository for said payment until Lessor provides notification of change of depository, said notification to be made in accordance with the provisions contained herein for notification of changes in ownership. It is understood that exercise of the first option does not create an obligation upon Lessee to exercise the second option. Should the first option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of two (2) years. Should both the first and second options be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of three (3) years.

Lessors, by execution of this lease, expressly grant their consent to Jerry L. McNinch and Terry Dahlby, f/k/a Terry R. McNinch, to lease their respective undivided mineral interests in the leased premises under the same terms and conditions as Lessor's interest is herein leased.

SIGNED FOR IDENTIFICATION:

Cherie L. Przymus
Cherie L. Przymus

Michael R. Przymus
Michael R. Przymus

[redacted] [redacted] [redacted]

PRODUCERS 88 – PAID UP
Rev. No. 5 - 8pt.

OIL AND GAS LEASE

This Oil and Gas Lease ("Lease") is made this 29th day of May, 2003, by and between Robert V. Thompson and Tharon Greenwood Thompson, husband and wife, whose address is P. O. Box 220, Big Piney, WY 83113, ("Lessor", whether one or more) and Allen & Kirmse, Ltd., 6304 S. Monaco Ct., Englewood, CO 80111, ("Lessee").

WITNESSETH, For and in consideration of TEN DOLLARS, the covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor does hereby grant, demise, lease and let exclusively unto said Lessee, with the exclusive rights for the purposes of mining, exploring by geophysical and other methods and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines and telecommunications lines, and construction of roadways and structures thereon to produce, save and take care of said products, and the exclusive surface and subsurface rights and privileges related in any manner to any and all such operations, and any and all other rights and privileges necessary, incident to, or convenient for the operation alone or conjointly with neighboring land for such purposes, all that certain tract or tracts of land situated in Sublette County, Wyoming, described as follows, to-wit:

See "ADDENDUM A" attached hereto and made a part hereof.

298003

RECORDED Jun 9 2003 2:45 PM
IN BOOK 185 016 PAGE 19
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE, WYOMING

and containing 720.00 acres, more or less, (the "Premises").

1. It is agreed that this lease shall remain in force for a term of three years from this date ("Primary Term") and as long thereafter as oil or gas of whatsoever nature or kind is produced from the Premises or on acreage pooled or unitized therewith, or operations are continued as hereinafter provided. If, at the expiration of the Primary Term, oil or gas is not being produced from the Premises or on acreage pooled or unitized therewith but Lessee is then engaged in drilling or re-working operations thereon, then this Lease shall continue in force so long as such operations are being continuously prosecuted. Operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on the Premises or on acreage pooled or unitized therewith, the production thereof should cease from any cause after the primary term, this Lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the Primary Term, this Lease shall continue in force so long as oil or gas is produced from the Premises or on acreage pooled or unitized therewith.

2. This is a **PAID-UP LEASE**. In consideration of the payment made herewith, 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 Premises, and as to any strata or stratum, by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligations thereafter accruing as to the acreage surrendered.

3. Lessee covenants and agrees to pay royalty to Lessor as follows:

(a) On oil, to deliver to the credit of Lessor, free of cost in the pipe line to which Lessee may connect wells on the Premises, the equal fifteen percent part of all oil produced and saved from the Premises.

(b) On gas of whatsoever nature or kind, including all gases, liquid hydrocarbons and their respective constituent elements, casinghead gas or other gaseous substances, produced from the Premises ("Gas") Lessee shall pay, at its election, either of the following, as royalty: (i)for Gas sold or used off the Premises, fifteen percent of the amount realized from Gas so sold or used (Lessor's interest in Gas shall bear its proportionate part of the cost of all compressing, treating, dehydrating and transporting incurred in marketing Gas so sold or used); (ii) for Gas sold at the well, fifteen percent of the amount realized from such sale.

4. Where Gas from a well capable of producing Gas is not sold or used, Lessee shall pay or tender as royalty to Lessor at the address set forth above One Dollar per year per net mineral acre, such payment or tender to be made on or before the anniversary date of this Lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this Lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease. Failure to properly or timely pay or tender such shut in royalty shall render Lessee liable for the amount due, but shall not operate to terminate this lease.

5. If Lessor owns a lesser interest in the Premises than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on the Premises for Lessee's operation thereon, except water from wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 400 feet to the house or barn now on the Premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations ~~to growing crops~~ on the Premises.

10. Lessee shall have the right at any time to remove all machinery and fixtures (including casing) Lessee has placed on the Premises.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or in part and liability for breach of any obligation hereunder shall rest exclusively upon the owner hereof who commits such breach. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of the Premises shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this Lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the Premises and as to any one or more of the formations thereunder, to pool or unitize the leasehold estate and the mineral estate covered by this Lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this Lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive royalties on production from such unit only on the portion of such production allocated to this Lease. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the Premises 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 Premises, or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation. Any delay or interruption caused by storm, flood, act of God or other event of force majeure shall not be counted against Lessee. If, due to the above causes or any cause whatsoever beyond the control of Lessee, Lessee is prevented from conducting operations hereunder, such time shall not be counted against Lessee, and this Lease shall be extended for a period of time equal to the time Lessee was so prevented, anything in this Lease to the contrary notwithstanding.

14. Lessor hereby ~~warrants and agrees to defend the title to the Premises and~~ agrees that Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the Premises, in the event of default of payment by Lessor, and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the Premises, insofar as said right of dower and homestead may in any way affect the purposes for which this Lease is made, as recited herein.

15. Should any one or more the parties named as Lessor herein fail to execute this Lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this Lease, shall mean any one or more or all of the parties who execute this Lease as Lessor. All the provisions of this Lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Tharon Greenwood Thompson

Robert V. Thompson

UNIFORM ACKNOWLEDGMENT - INDIVIDUAL

STATE OF WYOMING

ss.

COUNTY OF SUBLETTE

The foregoing instrument was acknowledged before me this 4th day of June, 2003 by Robert V. Thompson and Tharon Greenwood Thompson.

Amber Hammer

My Commission Expires: 11/06/2003

AMBER HAMMER - NOTARY PUBLIC
COUNTY OF SUBLETTE STATE OF WYOMING
MY COMMISSION EXPIRES NOV. 06, 2003

Notary Public, State of Wyoming

Name of Notary Printed Amber Hammer

UNIFORM ACKNOWLEDGMENT - CORPORATE

STATE OF _____

ss.

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 2003 by _____ as _____ of _____, a _____ corporation, on behalf of the corporation.

My Commission Expires: _____

_____

Notary Public, State of _____

Name of Notary Printed _____

UNIFORM ACKNOWLEDGMENT - OTHER

STATE OF _____

ss.

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 2003 by _____ as _____ on behalf of _____, a _____.

My Commission Expires: _____

_____

Notary Public, State of _____

Name of Notary Printed _____

No. _____

FROM: _____

TO: _____

_____

_____

_____

Dated _____

No. Acres _____

_____ County, _____

Term _____

_____

This instrument was filed for record on the _____ Day of _____, 20__ at _____ o'clock _____ M., and duly recorded in Volume _____, Page _____ Of the records of this office.

_____

County Clerk

_____

Deputy

When recorded return to:

ADDENDUM A

Attached to and made a part of that certain Oil and Gas Lease dated May 29, 2003, by and between Robert V. Thompson and Tharon Greenwood Thompson, as Lessor, and Allen & Kirmse, Ltd., as Lessee covering the following described lands in Sublette County, Wyoming:

TOWNSHIP 30 NORTH – RANGE 114 WEST, 6th P.M.
Section 3: NE/4SE/4
Section 10: SE/4SE/4
Section 14: SW/4NE/4, W/2NW/4, SE/4NW/4, SW/4, W/2SE/4
Section 15: NE/4NE/4, SE/4
Section 22: NE/4NE/4

containing 720.0 acres, more or less

Notwithstanding anything to the contrary contained herein, if at the expiration of the primary term of this lease a federal exploratory unit encompasses all or part of the lands covered hereby, Lessee shall have the option to either release this lease as to those lands not included within a Participating Area of said unit, or to extend the primary term of this lease in its entirety for an additional three years by tendering to Lessor or to Lessor's credit in Community First Bank, 440 Budd Ave, Big Piney, WY 83113, which bank and its successors shall continue as the depository until Lessor provides notification of change of depository in accordance with the provisions contained herein for notification of changes in ownership, an additional paid-up rental payment totaling three dollars ($3.00) per net mineral acre then covered by this lease and not included in such Participating Area(s). If, at the expiration of said three-year extension of the primary term, there are lands covered hereby not included within a Participating Area and as to which this lease is not being maintained in any other manner provided for herein, Lessee shall have the right to maintain this lease as to said lands until such time as said federal unit is contracted to its Participating Area(s) by tendering to Lessor or to Lessor's credit in the lease depository an additional paid-up rental payment totaling five dollars ($5.00) per net mineral acre then covered by this lease and not included in such Participating Area(s). Upon contraction of said federal unit to its Participating Area(s), this lease shall be released of record as to any lands not included within the contracted unit.

SIGNED FOR IDENTIFICATION:

Robert V. Thompson

Tharon Greenwood Thompson

ASSIGNMENT OF OIL AND GAS LEASES

RECORDED June 20, 2003 2:45pM
IN BOOK 125 PAGE 22
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

STATE OF WYOMING)
) ss. 298004
COUNTY OF SUBLETTE)

KNOW ALL MEN BY THESE PRESENTS,

THAT, Dolar Energy, L.L.C., 935 East South Union Avenue, Suite D-202, Midvale, UT 84047-2393, represented herein by Mark S. Dolar, Managing Member, hereinafter referred to as "Assignor", for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, without warranty of title, express or implied, and subject to the reservations, conditions and covenants provided for herein, does hereby grant, bargain, sell, transfer, assign and convey unto Allen & Kirmse, Ltd., a Louisiana corporation, 6304 S. Monaco Ct., Englewood, CO 80111, hereinafter referred to as "Assignee", all of Assignor's right, title, interest and estate in and to the oil and gas leases, hereinafter referred to as "said leases", described in "Exhibit A" attached hereto and made a part hereof.

Assignor hereby reserves unto itself, its successors and assigns an exclusive 2.50% of 8/8ths overriding royalty interest, proportionately reduced to the interest conveyed herein, from any production attributable to said leases.

This assignment is made without warranty of any kind.

To have and to hold the assigned interest unto Assignee, Assignee's heirs, personal representatives, successors and assigns, subject to all of the express and implied covenants and obligations of said leases and this assignment.

Executed this 29th day of May, 2003.

ATTEST:

DOLAR ENERGY, L.L.C.

By: _____
Mark S. Dolar, Managing Member

ACKNOWLEDGMENT

STATE OF UTAH)
) ss.
COUNTY OF Salt Lake)

The foregoing instrument was acknowledged before me this 29th day of May, 2003, by Mark S. Dolar, as Managing Member of Dolar Energy, L.L.C., on behalf of said Limited Liability Company.

Witness my hand and official seal.

Notary Public
CATHI L. SWENSON
948 East 7145 South Ste. C-102
Midvale, Utah 84047
My Commission Expires
January 17, 2006
State of Utah

Cathi L. Swenson
Notary Public

EXHIBIT A

Attached to and made a part of that certain Assignment of Oil and Gas Leases covering lands in Sublette County, Wyoming, dated May 29, 2003 by and between Dolar Energy, L.L.C., as Assignor, and Allen & Kirmse, Ltd., as Assignee.

Lease No.	Lessor	Legal Description	Lease Date	Book/ Page
	Sharon Wheat and Harris Wheat	Township 30 North, Range 114 West, 6th P.M. Section 8: S/2NW/4, NW/4SE/4, NE/4SW/4	12/3/02	123/549
	Dan Walker and Shirley Walker	Township 30 North, Range 114 West, 6th P.M. Section 8: S/2NW/4, NW/4SE/4, NE/4SW/4	12/3/02	123/553
	Betty Sorenson and Karl Sorenson	Township 30 North, Range 114 West, 6th P.M. Section 8: S/2NW/4, NW/4SE/4, NE/4SW/4	12/3/02	123/616
	Charles Walker and Sue Walker	Township 30 North, Range 114 West, 6th P.M. Section 8: S/2NW/4, NW/4SE/4, NE/4SW/4	11/15/02	123/657
	Mary Mikesell and Ken Mikesell	Township 30 North, Range 114 West, 6th P.M. Section 8: S/2NW/4, NW/4SE/4, NE/4SW/4	12/3/02	123/659
	Bill Walker and Dorene Walker	Township 30 North, Range 114 West, 6th P.M. Section 8: S/2NW/4, NW/4SE/4, NE/4SW/4	12/3/02	123/710
	Pat Haugan and Hal Haugan	Township 30 North, Range 114 West, 6th P.M. Section 8: S/2NW/4, NW/4SE/4, NE/4SW/4	12/3/02	123/712

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 **02-00356** Assignment Approval Date 05-28-03P04:04 FILE

ASSIGNOR, with name and address at, **Hannon & Associates, Inc.**
1645 Court Place, Suite 215
Denver, CO 80202

being the owner of **100** percent LEASEHOLD

(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 34 North, Range 112 West
Section 4: S/2NW/4, N/2S/2

For good and valuable consideration, hereby assigns to:

1) ASSIGNEE, with name and address at: **Prima Oil & Gas Company**
1099 18th Street, Suite 400
Denver, CO 80202

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:

298045

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

RECORDED June 25 2003 11:00AM
IN BOOK 125 OG PAGE 24
FEES $11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Seaton

and reserving unto ASSIGNOR, (NONE)

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.

SIGNED AS TO TRANSFER AND ACCEPTANCE this 11th day of February 2003.

ASSIGNOR – Hannon & Associates	Assignee (1) – Prima Oil & Gas Company
By – Ted R. Hannon	By – G. Walter Lunsford
Title – President	Title – Attorney-in-fact
Attest -	Attest -

Assignee (2) –

By –

Title –

Attest -

STATE OF COLORADO

CITY AND COUNTY OF DENVER

This instrument was acknowledged before me this 11th day of February, 2003, by **Ted R. Hannon**, President of Hannon & Associates, Inc.

Morgan Childs
Notary Public

My Commission Expires: 5/30/06

5360 72

MORGAN CHILDS NOTARY PUBLIC STATE OF COLORADO

My Commission Expires 05/30/2006

STATE OF COLORADO

CITY AND COUNTY OF DENVER

This instrument was acknowledged before me this 2nd day of June, 2003, by **G. Walter Lunsford**, Attorney-in-fact for Prima Oil & Gas Company.

Disa Gargala
Notary Public

My Commission Expires: 12/24/06

DISA GARGALA NOTARY PUBLIC STATE OF COLORADO

STATE OF COLORADO

CITY AND COUNTY OF DENVER

This instrument was acknowledged before me this _____ day of _____, 2003,

_____
Notary Public

My Commission Expires: _____

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 States Office, and general partnership papers are required to be filed with the State Land and Farm Loan Office prior to, and as a condition of Board approval of any assignment.

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

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

State of Wyoming
Board of Land Commissioners
Oil & Gas Lease Interest Assignment

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

Wyoming Oil & Gas Lease Serial Number **02-00357** Assignment Approval Date 05-28-03P04:05 FILE

ASSIGNOR, with name and address at, **Hannon & Associates, Inc.**
1645 Court Place, Suite 215
Denver, CO 80202

being the owner of **100** percent LEASEHOLD

(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 34 North, Range 112 West
Section 5: S/2N/2, Lot 4, N/2SE/4

For good and valuable consideration, hereby assigns to:

1) ASSIGNEE, with name and address at: **Prima Oil & Gas Company**
1099 18th Street, Suite 400
Denver, CO 80202

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:

298046
298046

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

RECORDED June 25 2003 11:00 AM
IN BOOK 125+6 PAGE 26
FEES $ 11.00 Mary L. Lee COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

5) ASSIGNEE, with name and address at:

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

and reserving unto ASSIGNOR, (NONE)

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.

SIGNED AS TO TRANSFER AND ACCEPTANCE this 11th day of February 2003.

ASSIGNOR – Hannon & Associates	Assignee (1) – Prima Oil & Gas Company
By – Ted R. Hannon	By – G. Walter Lunsford
Title – President	Title – Attorney-in-fact
Attest -	Attest -

Assignee (2) –

By –

Title –

Attest -

STATE OF COLORADO

CITY AND COUNTY OF DENVER

This instrument was acknowledged before me this 11th day of February, 2003, by **Ted R. Hannon**, President of Hannon & Associates, Inc.

Morgan Childs
Notary Public

My Commission Expires: 5/30/06

MORGAN CHILDS NOTARY PUBLIC STATE OF COLORADO

My Commission Expires 05/30/2006

STATE OF COLORADO

CITY AND COUNTY OF DENVER

This instrument was acknowledged before me this 2nd day of June 2003, by **G. Walter Lunsford**, Attorney-in-fact for Prima Oil & Gas Company.

Disa Gargala
Notary Public

My Commission Expires: 12/24/06

DISA GARGALA NOTARY PUBLIC STATE OF COLORADO

STATE OF COLORADO

CITY AND COUNTY OF DENVER

This instrument was acknowledged before me this _____ day of _____, 2003,

_____
Notary Public

My Commission Expires: _____

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 States Office, and general partnership papers are required to be filed with the State Land and Farm Loan Office prior to, and as a condition of Board approval of any assignment.

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

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

State of Wyoming
Board of Land Commissioners
Oil & Gas Lease Interest Assignment

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

Wyoming Oil & Gas Lease Serial Number **02-00358** Assignment Approval Date 05-28-03P04:07 FILE

ASSIGNOR, with name and address at, **Hannon & Associates, Inc.**
1645 Court Place, Suite 215
Denver, CO 80202

being the owner of **100** percent LEASEHOLD

(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 34 North, Range 112 West
Section 6: Lots 1, 2, 3, 4, S/2NE/4

For good and valuable consideration, hereby assigns to:

1) ASSIGNEE, with name and address at: **Prima Oil & Gas Company**
1099 18th Street, Suite 400
Denver, CO 80202

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:

298047

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

RECORDED Jun 25 2003 11:00 AM
IN BOOK 125 O+G PAGE 28
FEES $ 11.00 [illegible] COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By [illegible]

5) ASSIGNEE, with name and address at:

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

and reserving unto ASSIGNOR, (NONE)

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.

SIGNED AS TO TRANSFER AND ACCEPTANCE this 11th day of February 2003.

ASSIGNOR – Hannon & Associates	Assignee (1) – Prima Oil & Gas Company
By – Ted R. Hannon	By – G. Walter Lunsford
Title – President	Title – Attorney-in-fact
Attest -	Attest -

Assignee (2) –

By –

Title –

Attest -

STATE OF COLORADO

CITY AND COUNTY OF DENVER

This instrument was acknowledged before me this 11th day of February, 2003, by **Ted R. Hannon**, President of Hannon & Associates, Inc.

Morgan Childs
Notary Public

My Commission Expires: 5/30/06

MORGAN CHILDS NOTARY PUBLIC STATE OF COLORADO

STATE OF COLORADO

CITY AND COUNTY OF DENVER

This instrument was acknowledged before me this 2nd day of June, 2003, by **G. Walter Lunsford**, Attorney-in-fact for Prima Oil & Gas Company.

My Commission Expires: 05/30/2006

Disa Gargala
Notary Public

My Commission Expires: 12/24/06

DISA GARGALA NOTARY PUBLIC STATE OF COLORADO

STATE OF COLORADO

CITY AND COUNTY OF DENVER

This instrument was acknowledged before me this _____ day of _____, 2003,

_____
Notary Public

My Commission Expires: _____

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 States Office, and general partnership papers are required to be filed with the State Land and Farm Loan Office prior to, and as a condition of Board approval of any assignment.

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

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

State of Wyoming
Board of Land Commissioners
Oil & Gas Lease Interest Assignment

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

Wyoming Oil & Gas Lease Serial Number **02-00359** Assignment Approval Date 05-28-03P04:08 FILE

ASSIGNOR, with name and address at, **Hannon & Associates, Inc.**
1645 Court Place, Suite 215
Denver, CO 80202

being the owner of **100** percent LEASEHOLD

(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 34 North, Range 112 West
Section 16: All

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1099 18th Street, Suite 400
Denver, CO 80202

100% percent interest in the total leasehold, or as described in particular above.

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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:

298048

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

RECORDED June 25 2003 11:00AM
IN BOOK 125 O+G PAGE 30
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

and reserving unto ASSIGNOR, (NONE)

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.

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By – Ted R. Hannon	By – G. Walter Lunsford
Title – President	Title – Attorney-in-fact
Attest -	Attest -

Assignee (2) –

By –

Title –

Attest -

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Morgan Childs
Notary Public

My Commission Expires: 5/30/06

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CITY AND COUNTY OF DENVER

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My Commission Expires 05/30/2006

Disa Gargala
Notary Public

My Commission Expires: 12/24/06

DISA GARGALA NOTARY PUBLIC STATE OF COLORADO

STATE OF COLORADO

CITY AND COUNTY OF DENVER

This instrument was acknowledged before me this _____ day of _____, 2003,

_____
Notary Public

My Commission Expires: _____

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32

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 6th day of May, 2003, by and between Pamela C. Johnson, also known as Pamela Chrisman Johnson and Lou W. Johnson, Individually and as wife and husband

of 1267 East 5425 South, Ogden, Utah 84403, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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

298053

RECORDED June 25 2003 2:10PM
IN BOOK 125 O+6 PAGE 32
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

And containing 470.29 acres, more or less.

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.

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 noncombustible, 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 Direct to Lessor, at Address listed above (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.

Pamela C. Johnson, also known as Pamela Chrisman Johnson

Lou W. Johnson

STATE of Utah

COUNTY of Weber

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 30 day of May, 200 3,

Personally appeared Pamela C. Johnson, also known as Pamela Chrisman Johnson and Lou W. Johnson

Identical person s, described in and who executed the within and foregoing instrument of writing and acknowledged to me that t he y duly executed the same as their free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: Dec 30, 2006

Andrea Favero
Weber County

NOTARY PUBLIC
ANDREA FAVERO
1344 West 4675 South
Ogden, Utah 84405
My Commission Expires
December 30, 2006
STATE OF UTAH

STATE of

COUNTY of

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this day of , 200 ,

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.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires:

Notary Public:
Address:

EXHIBIT "A"

This Exhibit "A" attached to and made a part of that certain Oil and Gas Lease dated May 6, 2003, by and between, Pamela C. Johnson, also known as Pamela Chrisman Johnson and Lou W. Johnson, Individually and as wife and husband, Lessor, and Contex Energy Company, Lessee, to-wit:

TOWNSHIP 32 NORTH, RANGE 114 WEST, 6TH P. M.
Section 11: Lots 2 (15.61), 3 (15.13), SENW
TOWNSHIP 33 NORTH, RANGE 113 WEST, 6TH P. M.
Section 30: S/2SE
Section 31: Lots 2 (39.75), 3 (39.85), 4 (39.95), N/2NE, SENW, E/2SW
Containing 470.29 acres more or less
Sublette County, Wyoming

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

SIGNED FOR IDENTIFICATION

Pamela C. Johnson, also known as
Pamela Chrisman Johnson

Lou W. Johnson

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 12th day of May, 2003, by and between Karen E. Shaver, Trustee of the Shaver Family 1990 Trust, dated April 26, 1990

of P. O. Box 2795, Fallbrook, CA 92088, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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

298138

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FEES $ 17.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

And containing 470.29 acres, more or less.

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.

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 noncombustible, 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 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 Direct to Lessor, at Address listed above (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

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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.

THE SHAVER FAMILY 1990 TRUST, DATED APRIL 26, 1990

Karen E Shaver

Karen E Shaver, Trustee

_____

_____

_____

STATE of _____

COUNTY of _____

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of May , 200 3 ,

Personally appeared Karen E Shaver

_____

Identical person S , described in and who executed the within and foregoing instrument of writing and acknowledged to me that S he _____ duly executed the same as her free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: _____

_____

Notary Public:

Address:

STATE of _____

COUNTY of _____

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____ , 200 _____ ,

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.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: _____

_____

Notary Public:

Address:

[redacted] [redacted] [redacted]

EXHIBIT "A"

This Exhibit "A" attached to and made a part of that certain Oil and Gas Lease dated May 12, 2003, by and between, Karen E. Shaver, Trustee of the Shaver Family 1990 Trust, dated April 26, 1990, Lessor, and Contex Energy Company, Lessee, to-wit:

TOWNSHIP 32 NORTH, RANGE 114 WEST, 6TH P. M.
Section 11: Lots 2 (15.61), 3 (15.13), SENW
TOWNSHIP 33 NORTH, RANGE 113 WEST, 6TH P. M.
Section 30: S/2SE
Section 31: Lots 2 (39.75), 3 (39.85), 4 (39.95), N/2NE, SENW, E/2SW
Containing 470.29 acres more or less
Sublette County, Wyoming

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

SIGNED FOR IDENTIFICATION

THE SHAVER FAMILY 1990 TRUST, DATED APRIL 26, 1990

Karen E. Shaver

Karen E. Shaver, Trustee

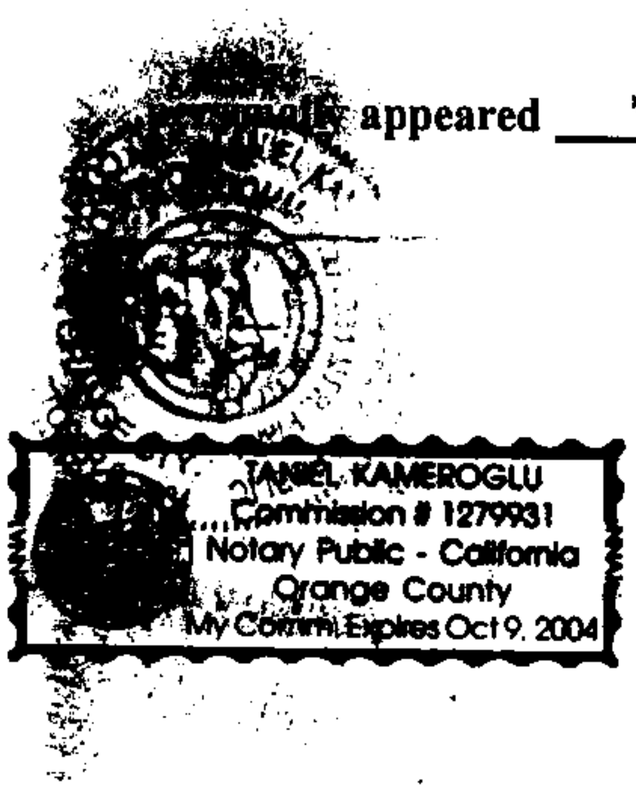
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Orange

On 05/27/03 **before me,** Taniel Kameroglu, Notary Public,
Date — Name and Title of Officer

personally appeared ***Karen E Shaver***,
Name of Signer



proved to me on the basis of satisfactory evidence 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 the person acted, executed the instrument.

WITNESS my hand and official seal.

OPTIONAL

Description of Attached Document

Title or Type of Document: _____
Document Date: _____ #of Pages _____
Signer(s) Other Than Named Above: _____

[redacted] [redacted] [redacted]

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 6th day of May, 2003, by and between Enger S. Lundershausen, also known as Enger K. Lundershausen, a married woman dealing in her sole and separate property

Of 2459 Southwest TV Highway, #356, Hillsboro, Oregon 97121, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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

298139

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SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sater

And containing 470.29 acres, more or less.

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.

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 noncombustible, 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 Direct to Lessor, at Address listed above (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

Horse Creek T54N. R53

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.

Enger K Lundershausen

Enger S. Lundershausen, also known as Enger K. Lundershausen

STATE of CA.

COUNTY of Placer

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 24th day of May, 200 3.

Personally appeared Enger S. Lundershausen, also known as Enger K. Lundershausen

Identical person S, described in and who executed the within and foregoing instrument of writing and acknowledged to me that S he duly executed the same as her free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: 10/20[illegible]

JAN MC PHERSON
COMM. #1380893
NOTARY PUBLIC - CALIFORNIA
PLACER COUNTY
My Comm. Expires Oct. 20, 2006

Jan McPherson
Notary Public:
Address: 2280 Grass Valley
Auburn, CA. 95603

STATE of

COUNTY of

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 200 ____.

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.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: _____

Notary Public:
Address:

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

EXHIBIT "A"

This Exhibit "A" attached to and made a part of that certain Oil and Gas Lease dated May 6, 2003, by and between Enger S. Lundershausen, also known as Enger K. Lundershausen, a married woman dealing in her sole and separate property, Lessor, and Contex Energy Company, Lessee, to-wit:

TOWNSHIP 32 NORTH, RANGE 114 WEST, 6TH P. M.
Section 11: Lots 2 (15.61), 3 (15.13), SENW
TOWNSHIP 33 NORTH, RANGE 113 WEST, 6TH P. M.
Section 30: S/2SE
Section 31: Lots 2 (39.75), 3 (39.85), 4 (39.95), N/2NE, SENW, E/2SW
Containing 470.29 acres more or less
Sublette County, Wyoming

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

SIGNED FOR IDENTIFICATION

Enger K. Lundershausen

Enger S. Lundershausen, also known
as Enger K. Lundershausen

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 **EOG RESOURCES, INC.**, whose address is P. O. Box 4362, Houston, TX 77210-4362 and **ENCANA OIL & GAS (USA) INC.**, whose address is 950 17th Street, Suite 2600, Denver, CO 80202 the receipt of which is hereby acknowledged, and subject to the conditions hereinafter stated, does hereby bargain, sell, transfer, assign and convey an undivided fifty percent (50%) interest unto the said **EOG RESOURCES, INC.**, and an undivided fifty percent (50%) interest unto the said **ENCANA OIL & GAS (USA) INC.**, hereinafter called "Assignees", their successors and assigns, the Oil and Gas Lease, described on EXHIBIT "A" attached hereto and made a part hereof, and all rights thereunder or incident thereto, and personal property thereon or used or obtained in connection therewith which said lease cover the lands identified and described therein situated in Sublette County, Wyoming.

Reference is hereby made to said lease, and the recording thereof in Sublette County, Wyoming, 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 Assignees herein, their successors and assigns, subject to and in accordance with the terms, provisions, and conditions of said lease, and Assignees by acceptance hereof, agree to comply with and hereby assume 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 Assignees, their 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 5th day of May, 2003.

298140

RECORDED July 1 2003 10:15a M
IN BOOK 125 O+G PAGE 42
FEES $. 11.00 Mary L. Lee COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sisler

CONTEX ENERGY COMPANY

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 5th day of May 2003.

My Commission Expires: 01/24/05

ELLY BARNES NOTARY PUBLIC STATE OF COLORADO
My Commission Expires 01/24/2005

Elly Barnes
Notary Public: Elly Barnes
Address: Littleton, Colorado 80127

S. Prod. Drlg Prop. # 0077143-000

[redacted] [redacted] [redacted]

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Lease dated May 5, 2003, by and between Contex Energy Company, Assignor and EOG Resources, Inc. and ENCANA Oil & Gas (USA) Inc., Assignees, to wit:

Assignor hereby assigns all of its right, title and interest in said Oil and Gas Lease to Assignees in the percentages heretofore set out, insofar and ONLY insofar as said Oil and Gas Lease covers the following described lands, to wit:

Lessor:	Margaret S. Ball, a widow
Lessee:	Contex Energy Company
Dated:	April 3, 2003
Recorded:	Book 124, Page 625
	In the records of Sublette County, Wyoming
Covering:	TOWNSHIP 33 NORTH, RANGE 112 WEST
	Section 28: SWNE, S/2NW, SW, W/2SE
	Section 33: NW, NWNE
	Containing 560.0 acres, more or less
	Sublette County, Wyoming

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 **EOG RESOURCES, INC.**, whose address is P. O. Box 4362, Houston, TX 77210-4362 and **ENCANA OIL & GAS (USA) INC.**, whose address is 950 17th Street, Suite 2600, Denver, CO 80202 the receipt of which is hereby acknowledged, and subject to the conditions hereinafter stated, does hereby bargain, sell, transfer, assign and convey an undivided forty percent (40%) interest unto the said **EOG RESOURCES, INC.**, and an undivided sixty percent (60%) interest unto the said **ENCANA OIL & GAS (USA) INC.**, hereinafter called "Assignees", their successors and assigns, the Oil and Gas Lease, described on EXHIBIT "A" attached hereto and made a part hereof, and all rights thereunder or incident thereto, and personal property thereon or used or obtained in connection therewith which said lease cover the lands identified and described therein situated in Sublette County, Wyoming.

Reference is hereby made to said lease, and the recording thereof in Sublette County, Wyoming, 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 Assignees herein, their successors and assigns, subject to and in accordance with the terms, provisions, and conditions of said lease, and Assignees by acceptance hereof, agree to comply with and hereby assume 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 Assignees, their 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 5th day of May, 2003.

298141

RECORDED July 1 2003 10:15 AM
IN BOOK 125 O+G PAGE 44
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

CONTEX ENERGY COMPANY

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 5th day of May 2003.

My Commission Expires: 1/24/05

ELLY BARNES NOTARY PUBLIC STATE OF COLORADO
My Commission Expires 01/24/2005

Elly Barnes
Notary Public: Elly Barnes
Address: Littleton, Colorado 80127

NO 77143-000

[redacted] [redacted] [redacted]

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Lease dated May 5, 2003, by and between Contex Energy Company, Assignor and EOG Resources, Inc. and ENCANA Oil & Gas (USA) Inc., Assignees, to wit:

Assignor hereby assigns all of its right, title and interest in said Oil and Gas Lease to Assignees in the percentages heretofore set out insofar and ONLY insofar as said Oil and Gas Lease covers the following described lands, to wit:

Lessor:	Margaret S. Ball, a widow
Lessee:	Contex Energy Company
Dated:	April 3, 2003
Recorded:	Book 124, Page 625
	In the records of Sublette County, Wyoming
Covering:	TOWNSHIP 33 NORTH, RANGE 112 WEST
	Section 29: SENE, E/2SE
	Section 32: E/2NE, SWNE, S/2NW, N/2S/2
	Containing 480.0 acres, more or less
	Sublette County, Wyoming

Form 3000-3
(January 1996)

007681 2-000

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 155832

Lease Effective Date (Anniversary Date): June 1, 2003

New Serial No.:

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* EOG Resources, Inc.
   Street P. O. Box 4362
   City, State, ZIP Code Houston, TX 77210-4362

*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)* [X] Oil and Gas Lease, or [ ] Geothermal Lease

Interest conveyed: *(Check one or both, as appropriate)* [X] 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 112 WEST, 6TH P.M. Section 12: E2NE Containing 80.00 acres, more or less, in Sublette County, Wyoming	100%	100%	-0-	-0-	-0-

298146

RECORDED July 1 20 03 10:45 AM
IN BOOK 125 O+G PAGE 46
FEES $ 11.00 [illegible] COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
[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 _____

[ ] Assignment approved for attached land description

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

By _____
(Authorized Officer)

_____
(Title)

_____
(Date)

Micro 007681 2-000

[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.

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 17th day of June, 2003.

My Commission Expires: January 24, 2005

ELLY BARNES NOTARY PUBLIC STATE OF COLORADO

My Commission Expires 01/24/2005

Elly Barnes
Notary Public
Address: Elly Barnes
11412 West Prentice Dr
Littleton, CO 80127

COUNTY OF HARRIS >

BEFORE ME, the undersigned authority, on this day personally appeared R. L. Adams known to me to be the person whose name is subscribed to the foregoing instrument as Agent and Attorney-in-fact for EOG RESOURCES, INC. and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 17th day of June, 2003.

My Commission Expires:

Feb. 9, 2004

Carrie Stevens
Notary Public within and for the
State of Texas

NOTARY PUBLIC STATE OF TEXAS
CARRIE STEVENS
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
FEB. 9, 2004

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 June ,2003

Name of Assignor as shown on current lease Contex Energy Company
Please type or print

Assignor [signature] (Signature) Gary Butler, President

or
Attorney–in-fact (Signature)

1645 Court Place, Suite 212
(Assignor's Address)

Denver, CO 80202
(City) (State) (Zip Code)

Executed this 17th day of June ,20 --

EOG Resources, Inc.

Assignee (Signature)

or
Attorney-in-fact [signature] (Signature)

R. L. ADAMS
AGENT AND 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.

*U.S. GPO: 1998-774-004/41005

4 9

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 **EOG RESOURCES, INC.**, whose address is P. O. Box 4362, Houston, TX 77210-4362 and **ENCANA OIL & GAS (USA) INC.**, whose address is 950 17th Street, Suite 2600, Denver, CO 80202 the receipt of which is hereby acknowledged, and subject to the conditions hereinafter stated, does hereby bargain, sell, transfer, assign and convey an undivided forty percent (40%) interest unto the said **EOG RESOURCES, INC.**, and an undivided sixty percent (60%) interest unto the said **ENCANA OIL & GAS (USA) INC.**, hereinafter called "Assignees", their successors and assigns, the Oil and Gas Lease, described on EXHIBIT "A" attached hereto and made a part hereof, and all rights thereunder or incident thereto, and personal property thereon or used or obtained in connection therewith which said lease cover the lands identified and described therein situated in Sublette County, Wyoming.

Reference is hereby made to said lease, and the recording thereof in Sublette County, Wyoming, 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 Assignees herein, their successors and assigns, subject to and in accordance with the terms, provisions, and conditions of said lease, and Assignees by acceptance hereof, agree to comply with and hereby assume 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 Assignees, their 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 21ST day of May, 2003.

298147

RECORDED July 1 2003 10:55 AM
IN BOOK 125 D+G PAGE 48
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By

CONTEX ENERGY COMPANY

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 21ST day of May 2003.

My Commission Expires: 1/24/05

ELLY BARNES NOTARY PUBLIC STATE OF COLORADO
My Commission Expires 01/24/2005

Elly Barnes
Notary Public: Elly Barnes
Address: Littleton, Colorado 80127

House Creek 75496.029

[redacted] [redacted] [redacted]

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Lease dated May 21, 2003, by and between Contex Energy Company, Assignor and EOG Resources, Inc. and ENCANA Oil & Gas (USA) Inc., Assignees, to wit:

Assignor hereby assigns all of its right, title and interest in said Oil and Gas Lease to Assignees in the percentages heretofore set out insofar as said Oil and Gas Lease covers the following described lands, to wit:

Lessor:	Frank W. Sears, also known as Frank W. "Bill" Sears a married man dealing in his sole and separate property
Lessee:	Contex Energy Company
Dated:	May 6, 2003
Recorded:	Book 124, Page 687
	In the records of Sublette County, Wyoming
Covering:	TOWNSHIP 32 NORTH, RANGE 114 WEST
	Section 11: Lot 2 (15.61), Lot 3 (15.13), SENW
	TOWNSHIP 33 NORTH, RANGE 113 WEST
	Section 30: S/2SE
	Section 31: Lot 2 (39.75), Lot 3 (39.85), Lot 4 (39.95) N/2NE, SENW, E/2SW
	Containing 479.29 acres, more or less
	Sublette County, Wyoming

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 **EOG RESOURCES, INC.**, whose address is P. O. Box 4362, Houston, TX 77210-4362 and **ENCANA OIL & GAS (USA) INC.**, whose address is 950 17th Street, Suite 2600, Denver, CO 80202 the receipt of which is hereby acknowledged, and subject to the conditions hereinafter stated, does hereby bargain, sell, transfer, assign and convey an undivided forty percent (40%) interest unto the said **EOG RESOURCES, INC.**, and an undivided sixty percent (60%) interest unto the said **ENCANA OIL & GAS (USA) INC.**, hereinafter called "Assignees", their successors and assigns, the Oil and Gas Lease, described on EXHIBIT "A" attached hereto and made a part hereof, and all rights thereunder or incident thereto, and personal property thereon or used or obtained in connection therewith which said lease cover the lands identified and described therein situated in Sublette County, Wyoming.

Reference is hereby made to said lease, and the recording thereof in Sublette County, Wyoming, 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 Assignees herein, their successors and assigns, subject to and in accordance with the terms, provisions, and conditions of said lease, and Assignees by acceptance hereof, agree to comply with and hereby assume 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 Assignees, their 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 28th day of May, 2003.

298148

RECORDED July 1 2003 10:56 AM
IN BOOK 125 OF G PAGE 50
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

CONTEX ENERGY COMPANY

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 28th day of May, 2003.

My Commission Expires: 1/24/05

ELLY BARMES NOTARY PUBLIC STATE OF COLORADO
My Commission Expires 01/24/2005

Notary Public: Elly Barmes
Address: Littleton, Colorado 80127

Home Copy 75476.038

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Lease dated May 6, 2003, by and between Contex Energy Company, Assignor and EOG Resources, Inc. and ENCANA Oil & Gas (USA) Inc., Assignees, to wit:

Assignor hereby assigns all of its right, title and interest in said Oil and Gas Lease to Assignees in the percentages heretofore set out insofar as said Oil and Gas Lease covers the following described lands, to wit:

Lessor:	Pamela C. Hamilton, formerly Pamela C. Ready, a married woman dealing in her sole and separated property
Lessee:	Contex Energy Company
Dated:	May 6, 2003
Recorded:	Book 124, Page 694 In the records of Sublette County, Wyoming
Covering:	TOWNSHIP 32 NORTH, RANGE 114 WEST Section 11: Lot 2 (15.61), Lot 3 (15.13), SENW TOWNSHIP 33 NORTH, RANGE 113 WEST Section 30: S/2SE Section 31: Lot 2 (39.75), Lot 3 (39.85), Lot 4 (39.95) N/2NE, SENW, E/2SW Containing 479.29 acres, more or less Sublette County, Wyoming

RECORDING REQUESTED BY AND MAIL TO

NAME Elizabeth V. Spillner, Esq.

STREET 5200 N. Palm, Suite 201

CITY & STATE Fresno, California 93704

298175

RECORDED July 1 2023 4:30 PM

IN BOOK 125 O+G PAGE 52

FEES $29.00 COUNTY CLERK

SUBLETTE COUNTY, PINEDALE, WYOMING

By Cathy Scott

AMENDED ASSIGNMENT OF OVER-RIDING ROYALTY
(Corrects Legal Description)

AMENDED ASSIGNMENT OF OVER-RIDING ROYALTY
(Corrects Legal Description)

KNOW ALL MEN BY THESE PRESENTS:

That Helen Frankot, Successor Trustee of the Thomas Halagan 1998 Revocable Trust UDT 6/23/98, 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 Helen Frankot, Trustee of the John & Helen Frankot Trust as Amended and Restated UDT 6/2/97, hereinafter called Assignee (whether one or more) an over-riding royalty in the amount of an undivided .00015930 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:

10,296.64 acres, more or less, out of Sections 3, 4, 5, 8, 9, 10, 15, 16, 17, 20, 21 22, 24, 25, 27, 28, 29, 32, 33, 34 and 36 of T-28N, R-114-W; Sections 33, 34 and 35 of T-29-N, R-114-W; Section 5 of T-27-N, R-114-W; and Sections 1, 12 and 13 of T-28-N, R-150-W; more particularly described in Unit Agreement dated 04/25/75

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 20th day of June, 2003.

Helen Frankot
HELEN FRANKOT

STATE OF NEVADA)
)ss.
COUNTY OF CLARK)

Before me, the undersigned, a Notary Public, in and for said County and State, on this 20th day of June, 2003, personally appeared HELEN FRANKOT, proved to me on the basis of satisfactory evidence to be the person who subscribed to the within instrument, and acknowledged to me that she executed the same as her free and voluntary act and deed, for the uses and purposes 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 April 17, 2005.

, Notary Public

NOTARY PUBLIC
STATE OF NEVADA
County of Clark
LAUREN WOOD
No: 01-68518-1
My Appointment Expires April 17, 2005

[redacted] [redacted] [redacted]

WHEN RECORDED RETURN TO:
VINSON & ELKINS L.L.P.
First City Tower, Suite 3300
1001 Fannin Street
Houston, TX 77002-6760
Attn: Linda Daugherty

Sublette County, Wyoming

MORTGAGE-COLLATERAL REAL ESTATE MORTGAGE, DEED OF TRUST, ASSIGNMENT OF AS-EXTRACTED COLLATERAL, SECURITY AGREEMENT AND FINANCING STATEMENT

FROM

INFINITY OIL & GAS OF WYOMING, INC., AS THE MORTGAGOR

TO

HIGHBRIDGE/ZWIRN SPECIAL OPPORTUNITIES FUND, L.P., AS THE MORTGAGEE

A CARBON, PHOTOGRAPHIC, OR OTHER REPRODUCTION OF THIS INSTRUMENT IS SUFFICIENT AS A FINANCING STATEMENT.

A POWER OF SALE HAS BEEN GRANTED IN THIS INSTRUMENT. IN CERTAIN STATES, A POWER OF SALE MAY ALLOW THE MORTGAGEE TO TAKE THE MORTGAGED PROPERTY AND SELL IT WITHOUT GOING TO COURT IN A FORECLOSURE ACTION UPON DEFAULT BY THE MORTGAGOR UNDER THIS INSTRUMENT.

THIS INSTRUMENT CONTAINS AFTER-ACQUIRED PROPERTY PROVISIONS.

THIS INSTRUMENT SECURES PAYMENT OF FUTURE ADVANCES.

THIS INSTRUMENT COVERS PROCEEDS OF MORTGAGED PROPERTY.

THIS INSTRUMENT COVERS AS-EXTRACTED COLLATERAL AND OTHER 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 THE EXHIBITS 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 THE EXHIBITS HERETO. THE MORTGAGOR HAS AN INTEREST OF RECORD IN THE REAL ESTATE CONCERNED, WHICH INTEREST IS DESCRIBED IN THE EXHIBITS 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 THE EXHIBITS 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. 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.

298212

RECORDED July 2 2003 4:50PM
IN BOOK 125 046 PAGE 55
FEES $ 152.00 M COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Yates

1255816_2.DOC

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Exhibit A - Mortgaged Property

MORTGAGE-COLLATERAL REAL ESTATE MORTGAGE, DEED OF TRUST, ASSIGNMENT OF AS-EXTRACTED COLLATERAL, SECURITY AGREEMENT AND FINANCING STATEMENT

This MORTGAGE-COLLATERAL REAL ESTATE MORTGAGE, DEED OF TRUST, ASSIGNMENT OF AS-EXTRACTED COLLATERAL, SECURITY AGREEMENT AND FINANCING STATEMENT (as the same may from time to time be amended, modified, supplemented or restated, this "Mortgage") is entered into as of the effective time and date hereinafter stated (the "Effective Date") by **INFINITY OIL & GAS OF WYOMING, INC.**, a Wyoming corporation (the "Mortgagor"), in favor of **HIGHBRIDGE/ZWIRN SPECIAL OPPORTUNITIES FUND, L.P.**, a New York limited partnership, as Administrative Agent (in such capacity, together with its successors and assigns in such capacity, the "Mortgagee"), for the benefit of itself and the ratable benefit of the Secured Creditors (as defined below).

RECITALS:

A. Of even date herewith, the Mortgagor, the Mortgagee and the financial institutions now or hereafter signatory thereto (collectively, the "Lenders") have entered into that certain Credit Agreement (as the same may from time to time be amended, modified, supplemented or restated, the "Credit Agreement") pursuant to which the Lenders agreed to make certain extensions of credit available to the Mortgagor.

B. One of the conditions precedent to the effectiveness of the Credit Agreement is that the Mortgagor execute and deliver this Mortgage; and the Mortgagor has agreed to execute and deliver 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, the Mortgagor hereby agrees with the Mortgagee as follows:

ARTICLE I
Grant of Lien and Obligations Secured

Section 1.01 Grant of Liens. The Mortgagor, in order to secure the prompt and complete payment of the Obligations hereinafter referred to and the performance of the obligations, covenants, agreements, warranties and undertakings of the Mortgagor hereinafter described, does hereby MORTGAGE, ASSIGN, WARRANT, HYPOTHECATE and PLEDGE to the Mortgagee with a POWER OF SALE (pursuant to this Mortgage and applicable law), the real and personal property, rights, titles, interests and estates described in Section 1.01(a) through (h) (collectively called the "Mortgaged Property"):

(a) All rights, titles, interests and estates now owned or hereafter acquired by the Mortgagor in and to the oil and gas leases and/or oil, gas and other mineral leases and other interests and estates and the lands and premises covered or affected thereby which are described on Exhibit A hereto (collectively called the "Hydrocarbon Property"), including without

limitation, the undivided interests of the Mortgagor which are more particularly described on attached Exhibit A.

(b) All rights, titles, interests and estates now owned or hereafter acquired by the 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 including, without limitation, those units which may be described or referred to on attached Exhibit A; (iii) all operating agreements, production sales or other contracts, farmout agreements, farm-in agreements, area of mutual interest agreements, equipment leases and other agreements described or referred to in this Mortgage or 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 (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 the Mortgagor or in which the 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 the Mortgagor's interests therein be incorrectly described or a description of a part or all of such Hydrocarbon Property or the Mortgagor's interests therein be omitted; it being intended by the Mortgagor and the Mortgagee herein to cover and affect hereby all interests which the 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 of the Mortgagor's rights, titles and interests in and to all surface fees and fee estates described in Exhibit A, compressor sites, settling ponds, equipment or pipe yards, office sites, office buildings and all property and fixtures located thereon, whether such surface fees, fee estates, compressor sites, settling ponds, equipment or pipe yards, office sites, office buildings are fee simple estates, leasehold estates or otherwise, together with all present and future rights, titles, easements and estates now owned or hereafter acquired by the Mortgagor under or in connection with such interest (all of which properties described in this Section 1.01(c) are referred to collectively as the "Surface Rights").

(d) All rights, titles, interests and estates now owned or hereafter acquired by the Mortgagor in and to all oil, gas, casinghead gas, drip gasoline, natural gasoline, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons and all products refined or separated therefrom and all other minerals (collectively called 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 the 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 the Mortgagor's interests therein which are subjected or required to be subjected to the Liens and security interests of this Mortgage and including specifically but without limitation all Liens and security interests in such Hydrocarbons securing payment of proceeds resulting from the sale of Hydrocarbons.

(e) All tenements, hereditaments, appurtenances and properties in any way appertaining, belonging, affixed or incidental to the Hydrocarbon Property, rights, titles, interests and estates described or referred to in Sections 1.01(a) and (b) above, which are now owned or which may hereafter be acquired by the Mortgagor, including, without limitation, any and all property, real or personal, 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, 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, fixtures, valves, fittings, machinery and parts, engines, boilers, steam generation facilities, 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.

(f) 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 the Mortgagor or by anyone on the Mortgagor's behalf; and the Mortgagee is hereby authorized to receive the same at any time as additional security hereunder.

(g) All of the rights, titles and interests of every nature whatsoever now owned or hereafter acquired by the 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 Excepted Liens or Liens permitted to exist by Section 9.03 of the Credit Agreement to which any of the Hydrocarbon Property rights, titles, interests or estates are subject, or otherwise; all rights of the Mortgagor to Liens and security interests securing payment of proceeds from the sale of production from the Mortgaged Property; 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 the Mortgagor in and to the Hydrocarbon Property rights, titles, interests or estates.

(h) All property of every kind and character which the Mortgagor has or at any time hereafter acquires, whether real or personal property, tangible or intangible, or mixed, all other interests of every kind and character which the Mortgagor has or at any time hereafter acquires in and to the types and items of property and interests described in Section 1.01(a) through (g) preceding, all property which is used or useful in connection with the Mortgaged

Property or otherwise, and the proceeds and products of all of the foregoing, whether now owned or hereafter acquired, including, without limitation:

(i) All present and future personal property;

(ii) All present and future increases, profits, combinations, reclassifications, improvements and products of, accessions, attachments and other additions to, tools, parts and equipment used in connection with, and substitutes and replacements for, all or any part of the Mortgaged Property described in this or any other clause of this Section 1.01(h);

(iii) All present and future As-extracted collateral, Accounts, Equipment, Inventory, contract rights, General Intangibles, Chattel Paper, Documents, Instruments, Fixtures, cash and noncash Proceeds and other rights arising from or by virtue of, or from the voluntary or involuntary sale or other disposition of, or collections with respect to, or insurance proceeds or unearned insurance premiums payable with respect to, or proceeds payable by virtue of warranty or other claims against manufacturers of, or claims against any other person or entity with respect to, all or any part of the Hydrocarbons or the Mortgaged Property; and

(iv) All present and future security for the payment to the Mortgagor of any of the Mortgaged Property and goods which gave or will give rise to any of such Mortgaged Property or are evidenced, identified, or represented therein or thereby.

There shall be excluded from the definition of Mortgaged Property all in interest in the 1981 Watson Hopper Well Service Rig and associated tools. Any fractions or percentages specified on attached Exhibit A in referring to the Mortgagor's interests are solely for purposes of the warranties made by the Mortgagor pursuant to Section 3.01 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 the Mortgaged Property unto the Mortgagee and its successors and assigns forever to secure the payment of the Obligations (as defined herein) and to secure the performance of the covenants, agreements, and obligations of the Mortgagor herein contained.

Section 1.02 Grant of Security Interest. The Mortgagor hereby grants to the Mortgagee, for its benefit and the ratable benefit of the Secured Creditors, a security interest in and to all of the Mortgagor's right, title and interest in and to the following Property of the Mortgagor now owned or at any time hereafter acquired by the Mortgagor or in which the Mortgagor now has or at any time in the future may acquire any right, title or interest and whether now existing or hereafter coming into existence (collectively, the "Collateral") as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Obligations (as defined herein):

(a) all Accounts;

(b) all Chattel Paper (whether Tangible Chattel Paper or Electronic Chattel Paper);

(c) all Commercial Tort Claims;

(d) all Deposit Accounts other than payroll, withholding tax and other fiduciary Deposit Accounts;

(e) all Documents;

(f) all General Intangibles (including, without limitation, rights in and under any Swap Agreement) and all rights under insurance contracts and rights to insurance proceeds;

(g) all Instruments;

(h) all Goods (including, without limitation, all Inventory, all Equipment and all Fixtures);

(i) all Letter-of-Credit Rights (whether or not the letter of credit is evidenced by a writing);

(j) all As-extracted collateral;

(k) all books and records pertaining to the Collateral;

(l) to the extent not otherwise included in the Collateral, the Mortgaged Property insofar as the Mortgaged Property consists of personal property of any kind or character; and

(m) to the extent not otherwise included, all Proceeds and products of any and all of the foregoing and all collateral security, guarantees and other Supporting Obligations given with respect to any of the foregoing.

Section 1.03 Obligations Secured. This Mortgage is executed and delivered by the Mortgagor to secure and enforce the following (collectively, the "Obligations"):

(a) all indebtedness, obligations, liabilities and undertakings (including, without limitation, the Indebtedness) of any kind or description, whether now in existence or hereafter arising, whether by acceleration or otherwise, of the Mortgagor, arising out of or outstanding under, advanced or issued pursuant to, or evidenced by, the Credit Agreement, the Notes and each other Loan Document to which the Mortgagor is a party, including, without limitation, all Indebtedness evidenced by those certain promissory notes in the aggregate principal amount of Three Million Eight Hundred Fifty Thousand Dollars and No/100 ($3,850,000.00) executed by the Mortgagor and payable to the order of the Lenders on or before the Termination Date, and all other notes given in substitution for the foregoing promissory notes, or in modification, renewal, rearrangement or extension thereof, in whole or in part (such

promissory notes, as from time to time supplemented, amended or modified and all other notes given in substitution therefor or in modification, renewal, rearrangement or extension thereof, in whole or in part, being hereafter collectively called the "Notes"), and with interest, collection and attorneys' fees, all as provided therein.

(b) all additional loans or advances made by the Lenders to or for the benefit of the Mortgagor pursuant to the Credit Agreement or any other Loan Document (it being contemplated that the Lenders may lend additional sums to the Mortgagor pursuant to the Credit Agreement from time to time, but shall not be obligated to do so, and the Mortgagor agrees that the payment of any such additional loans shall be secured by this Mortgage).

(c) all indebtedness, obligations, liabilities and undertakings (including, without limitation, the Indebtedness) of any kind or description, whether now in existence or hereafter arising, whether by acceleration or otherwise, of the Mortgagor, arising out of or outstanding under, or evidenced by, any Secured Swap Agreement (as defined in Section 1.06), including, without limitation, any amounts payable in respect of a liquidation of, an acceleration of obligations under, or an early termination of, such Secured Swap Agreement, and any unpaid amounts owing in respect thereof.

(d) any sums which may be advanced or paid by the Mortgagee or the Lenders under the terms hereof or of the Credit Agreement or other Loan Documents on account of the failure of the Mortgagor or any other obligor to comply with the covenants of the Mortgagor or the obligor contained herein, in the Credit Agreement or in the other Loan Documents; and all other indebtedness, obligations, liabilities and undertakings of the Mortgagor arising out of or outstanding under, or evidenced by, this Mortgage, including penalties, indemnities, legal and other fees, charges and expenses, and amounts advanced by and expenses incurred in order to preserve any collateral or security interest, whether due after acceleration or otherwise.

(e) all interest (including, without limitation, interest accruing at any post-default rate and interest accruing after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding) in respect of all of the Obligations described in this Section 1.03 and all costs of collection and attorneys' fees, all as provided herein and in the other Loan Documents.

(f) All renewals, extensions, amendments and changes of, or substitutions or replacements for, all or any part of the Obligations described under paragraphs (a) through (e) in this Section 1.03.

Section 1.04 Fixture Filing, Etc. Without in any manner limiting the generality of any of the other provisions of this Mortgage: (a) 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; (b) the security interests created hereby under applicable provisions of the Uniform Commercial Code will attach to all As-extracted collateral, including the Hydrocarbons (minerals including oil and gas) or the Accounts resulting from the sale thereof at the wellhead or minehead located on the land described or to which reference is

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made herein; (c) this Mortgage is to be filed of record in the real estate records of the County in which the Mortgaged Property is located as a financing statement and a fixture filing; and (d) the Mortgagor is the record owner of the real estate or interests in the real estate comprised of the Mortgaged Property. A carbon, photographic, facsimile or other reproduction of this Mortgage or of any financing statement relating to this Mortgage shall be sufficient as a financing statement for any of the purposes referred to in this Section 1.04.

Section 1.05 Pro Rata Benefit. This Mortgage is executed and granted for the pro rata benefit and security of the Secured Creditors, any Person secured hereby and any and all future holders of an interest in the Obligations and the interest thereon for so long as same remains unpaid and thereafter for so long as any Lender or any Person secured hereby (or any Affiliate) has any obligations under the Credit Agreement to lend money or has any obligations under any Secured Swap Agreement (including those described in Section 1.03) or until the Liens hereby created are released by the Mortgagee; it being understood and agreed that possession of any Note at any time by the Mortgagor shall not in any manner extinguish the Obligations, such Notes or this Mortgage securing payment thereof, and the 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 Obligations, the obligations under any of the Notes, or the security of this Mortgage.

Section 1.06 Defined Terms. Each capitalized term used in this Mortgage and not defined in this Mortgage shall have the meaning assigned such term in the Credit Agreement, and if not therein defined, such capitalized term shall have the meaning assigned such term in the Uniform Commercial Code. Terms used herein that are defined in the Uniform Commercial Code shall have the same meanings in this Mortgage. As used herein, "Uniform Commercial Code" means the Uniform Commercial Code presently in effect in the State of New York, as the same may be amended from time to time, and any successor statute thereto, except to the extent that the Uniform Commercial Code of some other jurisdiction applies mandatorily. In addition, as used herein, the following terms shall have the following meanings:

"Secured Creditors" means the Administrative Agent, the Lenders, and the Lenders and Affiliates of Lenders that are parties to Secured Swap Agreements.

"Secured Swap Agreement" means any Swap Agreement between the Mortgagor and any Lender or any Affiliate of any Lender while such Person (or, in the case of an Affiliate of a Lender, the Person affiliated therewith) is a Lender, including any Swap Agreement between such Persons in existence prior to the Effective Date. For the avoidance of doubt, a Swap Agreement ceases to be a Secured Swap Agreement if the Person that is the counterparty to the Mortgagor under a Swap Agreement ceases to be a Lender under the Credit Agreement (or, in the case of an Affiliate of a Lender, the Person affiliated therewith ceases to be a Lender under the Credit Agreement).

"Swap Agreement" means any agreement with respect to any swap, cap, collar, forward, future or derivative transaction or option or similar agreement, whether exchange traded, "over-the-counter" or otherwise, involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices

or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions.

ARTICLE II
Assignment of As-Extracted Collateral

Section 2.01 Assignment.

(a) The Mortgagor has absolutely and unconditionally assigned, transferred, conveyed and granted a security interest, and does hereby absolutely and unconditionally assign, transfer, convey and grant a security interest unto the Mortgagee, its successors and assigns, in and to:

(i) all of its As-extracted collateral located in or relating to Oil and Gas Properties located in the county where this Mortgage is filed, including without limitation, all As-extracted collateral relating to the Hydrocarbon Properties, the Hydrocarbons and all products obtained or processed therefrom;

(ii) the revenues and proceeds now and hereafter attributable to such Oil and Gas Properties, including the Hydrocarbons, and said products and all payments in lieu, such as "take or pay" payments or settlements; and

(iii) all amounts and proceeds hereafter payable to or to become payable to the Mortgagor or now or hereafter relating to any part of the subject interests or the Surface Rights and all amounts, sums, monies, revenues and income which become payable to the Mortgagor from, or with respect to, any of the Mortgaged Property, present or future, now or hereafter constituting a part of the Mortgaged Property.

It is understood that the assignment described above does not include any interest in the Coalbed Gas Exploration Agreement dated April 1, 2000, between Infinity Oil & Gas of Wyoming, Inc. and Union Pacific Land Resources Corporation.

(b) 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 the Mortgagee, free and clear of all taxes, charges, costs, and expenses; and all such revenues and proceeds shall be paid directly to the Mortgagee, at its offices in New York, New York with no duty or obligation of any party paying the same to inquire into the rights of the Mortgagee to receive the same, what application is made thereof, or as to any other matter. The 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 the Mortgagee or any party in order to have said proceeds and revenues so paid to the Mortgagee. In addition to any and all rights of a secured party under Sections 9-607 and 9-609 of the Uniform Commercial Code, the 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 the Mortgagor or the Mortgagee for the account of the 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 Obligations; and to execute transfer and division orders in the name of the Mortgagor, or otherwise, with warranties binding the Mortgagor. During the continuation of an Event of

Default, all proceeds received by the Mortgagee pursuant to this grant and assignment shall be at the Mortgagee's sole discretion either remitted to the Mortgagor or applied as provided in Section 10.02(c) of 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. During the continuation of an Event of Default, the Mortgagee shall have the right, at its election, in the name of the Mortgagor or otherwise, to prosecute and defend any and all actions or legal proceedings deemed advisable by the Mortgagee in order to collect such funds and to protect the interests of the Mortgagee, and/or the Mortgagor, with all costs, expenses and attorneys' fees incurred in connection therewith being paid by the Mortgagor. The Mortgagor hereby appoints the Mortgagee as its attorney-in-fact to pursue any and all rights of the Mortgagor to Liens on and security interests in the Hydrocarbons securing payment of proceeds of runs attributable to the Hydrocarbons which may be exercised during the continuation of an Event of Default. In addition to the rights granted to the Mortgagee in Section 1.01 of this Mortgage, the Mortgagor hereby further transfers and assigns to the Mortgagee any and all such Liens, security interests, financing statements or similar interests of the Mortgagor attributable to its interest in the Hydrocarbons and proceeds of runs therefrom arising under or created by any statutory provision, judicial decision or otherwise. The power of attorney granted to the Mortgagee in this Section 2.01, being coupled with an interest, shall be irrevocable so long as the Obligations or any part thereof remains unpaid. Until such time as an Event of Default has occurred and is continuing, the Mortgagee hereby grants to the Mortgagor a license to sell such Hydrocarbons and receive proceeds from the sale of Hydrocarbons, which license shall automatically terminate upon such Event of Default and for so long as the same continues.

Section 2.02 No Modification of Payment Obligations. Nothing herein contained shall modify or otherwise alter the obligation of the Mortgagor to make prompt payment of all principal and interest owing on the Obligations 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 Obligations. Nothing in this Article II is intended to be an acceptance of collateral in satisfaction of the Obligations.

Section 2.03 Rights of Producers. The Mortgagor hereby grants, sells, assigns, sets over and mortgages unto the Mortgagee during the term hereof, all of the Mortgagor's rights and interests pursuant to any provision of applicable law granting producers of oil and gas a lien on the oil and gas produced by them and on the resulting accounts receivable hereby vesting in the Mortgagee all of the Mortgagor's rights as an interest owner to the continuing security interest in and lien upon the Mortgaged Property.

ARTICLE III
Representations, Warranties and Covenants

The Mortgagor hereby represents, warrants and covenants as follows:

Section 3.01 Title. To the extent of the undivided interests specified on attached Exhibit A, the 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 9.03 of the Credit Agreement. The Mortgagor is the legal and beneficial owner of the Collateral free and clear of any and all Liens except Liens allowed by Section 9.03 of the Credit Agreement. No financing statement or other public notice with respect to all or any part of the Collateral is on file or of record in any public office, except such as have been filed in favor of the Mortgagee, for its benefit and the ratable benefit of the Secured Creditors, pursuant to this Mortgage, the Security Instruments or as are filed to secure Liens permitted by Section 9.03 of the Credit Agreement.

Section 3.02 Perfected Liens; Defend Title.

(a) This Mortgage is, and always will be kept, a direct first priority Lien and security interest upon the real and personal property presently constituting the Mortgaged Property, subject only to Liens described in clauses (a) to (d) and (f) of the definition of Excepted Liens in Section 1.01 of the Credit Agreement (provided that the Liens described in clauses (a) to (d) and (f) of the definition of Excepted Liens in Section 1.01 of the Credit Agreement shall remain "Excepted Liens" only for so long as no action to enforce such Lien has been commenced and no intention to subordinate the first priority Lien granted in favor of the Mortgagee is to be hereby implied or expressed by the permitted existence of any Excepted Liens). The security interests granted in the Collateral pursuant to this Mortgage upon the filing of financing statements in the appropriate offices in the appropriate jurisdictions (which filings have been delivered to the Mortgagee in completed form) will constitute valid perfected security interests in all of the Collateral in favor of the Mortgagee, for the ratable benefit of the Secured Creditors, as collateral security for the Obligations, enforceable in accordance with the terms hereof against all creditors of the Mortgagor and any Persons purporting to purchase any Collateral from the Mortgagor and are prior to all other Liens on the Collateral in existence on the date hereof except for Liens that have priority claim on the Collateral by operation of law.

(b) The Mortgagor will not create or suffer to be created or permit to exist any Lien, security interest or charge prior to or on a parity with the Lien and security interest of this Mortgage upon the Mortgaged Property or the Collateral or any part thereof or upon the rents, issues, revenues, profits and other income therefrom other than as contemplated by Section 3.02(a) and as permitted by Section 9.03 of the Credit Agreement to exist, to the extent contemplated by the terms thereof. The Mortgagor will not create or suffer to be created or permit to exist any Lien, security interest or charge junior to the Lien and security interest of this Mortgage upon the Mortgaged Property or the Collateral or any part thereof or upon the rents, issues, revenues, profits and other income therefrom other than as contemplated by Section 9.03 of the Credit Agreement.

(c) The Mortgagor will warrant and defend the title to the Mortgaged Property and the Collateral 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 Obligations secured hereby remains unpaid. Should an adverse claim (other than as contemplated by this Section 3.02) be made against or a cloud develop upon the title which materially affects part of the Mortgaged Property or the Collateral, the Mortgagor agrees it will immediately defend against such adverse claim or take appropriate action to remove such cloud at the Mortgagor's cost and expense, and the Mortgagor further agrees that the Mortgagee may take such other action as they deem

advisable to protect and preserve their interests in the Mortgaged Property and the Collateral, and in such event the Mortgagor will indemnify the 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 Further Assurances.

(a) At any time and from time to time, upon the request of the Mortgagee or any Lender, and at the sole expense of the Mortgagor, the Mortgagor will promptly and duly give, execute, deliver, indorse, file or record any and all financing statements, continuation statements, amendments, notices (including, without limitation, notifications to financial institutions and any other Person), contracts, agreements, assignments, certificates, stock powers or other instruments, obtain any and all governmental approvals and consents and take or cause to be taken any and all steps or acts that may be necessary or advisable or as the Mortgagee or any Lender may reasonably request to create, perfect, establish the priority of, or to preserve the validity, perfection or priority of, the Liens granted by this Mortgage or to enable the Mortgagee or any Lender to enforce its rights, remedies, powers and privileges under this Mortgage and any other Loan Document with respect to such Liens or to otherwise obtain or preserve the full benefits of this Mortgage and the rights, powers and privileges herein granted.

(b) Without limiting the obligations of the Mortgagor under Section 3.03(a) or under any other provision of this Mortgage, upon the request of the Mortgagee, the Mortgagor shall take or cause to be taken all actions (other than any actions required to be taken by the Mortgagee) requested by the Mortgagee to cause the Mortgagee to (i) have "control" (within the meaning of Sections 9-104, 9-105, 9-106 and 9-107 of the Uniform Commercial Code) over any Mortgaged Property or Collateral constituting Deposit Accounts, Electronic Chattel Paper, Investment Property or Letter-of-Credit Rights, including, without limitation, executing and delivering any agreements, in form and substance satisfactory to the Mortgagee, with securities intermediaries, issuers or other Persons in order to establish "control", and the Mortgagor shall promptly notify the Mortgagee of the Mortgagor's acquisition of any such Collateral, and (ii) be a "protected purchaser" (as defined in Section 8-303 of the Uniform Commercial Code); (iii) with respect to Collateral other than Goods covered by a Document in the possession of a Person other than the Mortgagor or the Mortgagee, the Mortgagor shall obtain written acknowledgment that such Person holds possession for the Mortgagee's benefit; and (iv) with respect to any Collateral constituting Goods that are in the possession of a bailee, the Mortgagor shall provide prompt notice to the Mortgagee of any such Collateral then in the possession of such bailee, and the Mortgagor shall take or cause to be taken all actions (other than any actions required to be taken by the Mortgagee) necessary or requested by the Mortgagee to cause the Mortgagee to have a perfected security interest in such Mortgaged Property or Collateral under applicable law.

(c) This Section 3.03 and the obligations imposed on the Mortgagor by this Section 3.03 shall be interpreted as broadly as possible in favor of the Mortgagee and the Secured Creditors in order to effectuate the purpose and intent of this Mortgage.

Section 3.04 The Mortgagee's Information. On the date hereof, the correct legal name of the Mortgagee is Infinity Oil & Gas of Wyoming, Inc. The Mortgagee has not used any name other than Infinity Oil & Gas of Wyoming, Inc. or any trade name since the date of its

incorporation. The Mortgagee's jurisdiction of organization is Wyoming and Wyoming has been the Mortgagee's jurisdiction of organization since the date of its incorporation. The Mortgagee's organizational number is 200000400599. The Mortgagee's federal taxpayor identification number is _____. The location(s) of the Mortgagee's chief executive office or sole place of business since the date of its incorporation is Denver, Colorado.

Section 3.05 Not a Foreign Person. The 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. the 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 3.06 Power to Create Lien and Security. The Mortgagor has full power and lawful authority to grant, bargain, sell, assign, transfer, mortgage, and convey a security interest in all of the Mortgaged Property and the Collateral in the manner and form herein provided and without obtaining the authorization, approval, consent or waiver of any lessor, sublessor, Governmental Authority or other party or parties whomsoever.

Section 3.07 Revenue and Cost Bearing Interest. The Mortgagor's ownership of the Hydrocarbon Property and the undivided interests therein as specified on Exhibit A will, after giving full effect to all Excepted Liens, afford the Mortgagor an interest in production not in any material respect less than those net interests in the production from or which is allocated to such Hydrocarbon Property specified as "Net Revenue Interest" or "NRI" on Exhibit A (expressed as a fraction, percentage or decimal), and will cause the Mortgagor to bear not more than that portion (expressed as a fraction, percentage or decimal), specified as "Working Interest" or "WI" on Exhibit A, of the costs of drilling, developing and operating the wells identified on Exhibit A except to the extent of any proportionate corresponding increase in the Net Revenue Interest.

Section 3.08 Rentals Paid; Leases in Effect. 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 3.09 Operation of the Mortgaged Property, Etc. Except with respect to those which the Mortgagor elects to allow to expire in the ordinary course of business, the 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 the Mortgagor's interests in the Mortgaged Property, and will do all other things necessary to keep unimpaired the Mortgagor's rights with respect thereto and prevent any forfeiture thereof or default thereunder. The Mortgaged Property material to the Mortgagor and the Mortgaged Properties when taken as a whole (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 except where the failure to so maintain,

operate or develop would not have a Material Adverse Effect. The Mortgagor will operate its Mortgaged Property material to the Mortgagor and the Mortgaged Properties when taken as a whole 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 therefrom. The 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 material to the Mortgagor and the Mortgaged Properties when taken as a whole in accordance with the most approved practices of 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 material to the Mortgagor and the Mortgaged Properties when taken as a whole against drainage whenever and as often as is necessary.

Section 3.10 Operation By Third Parties. All or portions of the Mortgaged Property may be comprised of interests in the Hydrocarbon Property which are other than working interests or which may be operated by a party or parties other than the Mortgagor and with respect to all or any such interests and properties as may be comprised of interests other than working interests or which may be operated by parties other than the Mortgagor, the Mortgagor's covenants as expressed in this ARTICLE III are modified to require that the Mortgagor use commercially reasonable efforts to obtain compliance with such covenants by the working interest owners or the operator or operators of such leases or properties.

Section 3.11 Abandon, Sales. The Mortgagor will not sell, lease, assign, transfer or otherwise dispose or abandon any of the Mortgaged Property or the Collateral except as permitted by the Credit Agreement or this Mortgage.

Section 3.12 Instruments and Chattel Paper. The Mortgagor shall notify the Mortgagee promptly after the receipt of any Collateral constituting Instruments or Chattel Paper in which the amount payable thereunder equals to or exceeds $100,000. At the request of the Mortgagee, the Mortgagor shall deliver to the Mortgagee all Collateral constituting Instruments and Tangible Chattel Paper, duly endorsed in a manner satisfactory to the Mortgagee, to be held as collateral pursuant to this Agreement. No Collateral constituting Chattel Paper or Instruments contains, nor will it hereafter contain, any statement therein to the effect that such Collateral has been assigned to an identified party other than the Mortgagee, and the grant of a security interest in such Collateral in favor of the Mortgagee hereunder does not violate the rights of any other Person as a secured party.

Section 3.13 Accounts. The amount represented by the Mortgagor to the Mortgagee and the Secured Creditors from time to time as owing by each Account Debtor or by all Account Debtors in respect of the Accounts, Chattel Paper and Payment Intangibles will at such time be the correct amount actually owing by such Account Debtor or Account Debtors thereunder. The

places where the Mortgagor keeps its records concerning the Accounts, Chattel Paper and Payment Intangibles is 950 17th Street, Ste. 800, Denver, Colorado 80202.

Section 3.14 Limitations on Modifications, Waivers, Extensions of Agreements Giving Rise to Accounts. Except in the ordinary course of business, the Mortgagor will not (a) amend, modify, terminate or waive any provision of any Chattel Paper, Instrument or any agreement giving rise to an Account or Payment Intangible in any manner which could reasonably be expected to materially adversely affect the value of such Chattel Paper, Instrument, Payment Intangible or Account as Collateral, or (b) fail to exercise promptly and diligently each and every material right which it may have under any Chattel Paper, Instrument and each agreement giving rise to an Account or Payment Intangible (other than any right of termination). The Mortgagor shall deliver to the Mortgagee a copy of each material demand, notice or document received by it relating in any way to any Chattel Paper, Instrument or any agreement giving rise to an Account or Payment Intangible.

Section 3.15 Analysis of Accounts, Etc. The Mortgagee shall have the right from time to time to make test verifications of the Accounts, Chattel Paper and Payment Intangibles in any manner and through any medium that it reasonably considers advisable, and the Mortgagor, at the Mortgagor's sole cost and expense, shall furnish all such assistance and information as the Mortgagee may reasonably require in connection therewith. At any time and from time to time, upon the Mortgagee's reasonable request and at the expense of the Mortgagor, the Mortgagor shall furnish to the Mortgagee reports showing reconciliations, aging and test verifications of, and trial balances for, the Accounts, Chattel Paper and Payment Intangibles, and all original and other documents evidencing, and relating to, the agreements and transactions which gave rise to the Accounts, Chattel Paper and Payment Intangibles, including, without limitation, all original orders, invoices and shipping receipts.

Section 3.16 Commercial Tort Claims. If the Mortgagor shall at any time hold or acquire a Commercial Tort Claim that satisfies the requirements of the following sentence, the Mortgagor shall, within thirty (30) days after such Commercial Tort Claim satisfies such requirements, notify the Mortgagee in a writing signed by the Mortgagor containing a brief description thereof, and granting to the Mortgagee, for its benefit and the ratable benefit of the Secured Creditors, in such writing a security interest therein and in the Proceeds thereof, all upon the terms of this Mortgage, with such writing to be in form and substance satisfactory to the Mortgagee. The provisions of the preceding sentence shall apply only to a Commercial Tort Claim that satisfies the following requirements: (a) the monetary value claimed by or payable to the Mortgagor in connection with such Commercial Tort Claim shall exceed $100,000, and either (b) (i) the Mortgagor shall have filed a law suit or counterclaim or otherwise commenced legal proceedings (including, without limitation, arbitration proceedings) against the Person against whom such Commercial Tort Claim is made, or (ii) the Mortgagor and the Person against whom such Commercial Tort Claim is asserted shall have entered into a settlement agreement with respect to such Commercial Tort Claim. In addition, to the extent that the existence of any Commercial Tort Claim held or acquired by the Mortgagor is disclosed by the Mortgagor in any public filing with the SEC or any successor thereto or analogous Governmental Authority, or to the extent that the existence of any such Commercial Tort Claim is disclosed in any press release issued by the Mortgagor, then, upon the request of the Mortgagee, the Mortgagor shall, within thirty (30) days after such request is made, transmit to the Mortgagee a writing signed by the

Mortgagor containing a brief description of such Commercial Tort Claim and granting to the Mortgagee, for its benefit and the ratable benefit of the Secured Creditors, in such writing a security interest therein and in the Proceeds thereof, all upon the terms of this Mortgage, with such writing to be in form and substance satisfactory to the Mortgagee.

Section 3.17 Insurance. In the event of any loss under any insurance policies required to be carried by the Mortgagor pursuant to Section 8.07 of the Credit Agreement, the Mortgagee shall have the right (but not the obligation) to make proof of loss and collect the same, and all amounts so received shall be applied toward costs, charges and expenses (including reasonable attorneys' fees), if any, incurred in the collection thereof, then to the payment, in the order determined by the Mortgagee, in its own discretion, of the Obligations, and any balance remaining shall be subject to the order of the Mortgagor. During the continuation of an Event of Default, the Mortgagee is hereby authorized but not obligated to enforce in its name or in the name of the Mortgagor payment of any or all of said policies or settle or compromise any claim in respect thereof, and to collect and make receipts for the proceeds thereof and the Mortgagee is hereby appointed the Mortgagor's agent and attorney-in-fact to endorse any check or draft payable to the Mortgagor in order to collect the proceeds of insurance. In the event of foreclosure of this Mortgage, or other transfer of title to the Mortgaged Property in extinguishment in whole or in part of the Obligations, all right, title and interest of the Mortgagor in and to such policies then in force concerning the Mortgaged Property and all proceeds payable thereunder shall thereupon vest in the purchaser at such foreclosure or the Mortgagee, or other transferee in the event of such other transfer of title.

Section 3.18 Further Identification of Collateral. The Mortgagor will furnish to the Mortgagee and the Lenders from time to time, at the Mortgagor's sole cost and expense, statements and schedules further identifying and describing the Mortgaged Property and the Collateral and such other reports in connection with the Mortgaged Property and Collateral as the Mortgagee may reasonably request, all in reasonable detail.

Section 3.19 Failure to Perform. The Mortgagor agrees that if the Mortgagor fails to perform any act or to take any action which the Mortgagor is required to perform or take hereunder or pay any money which the Mortgagor is required to pay hereunder, the Mortgagee 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 the Mortgagor to the Mortgagee and the Mortgagee, upon making such payment, shall be subrogated to all of the rights of the Person receiving such payment. Each amount due and owing by the Mortgagor to the Mortgagee 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 the Applicable Rate, and all such amounts together with such interest thereon shall be a part of the Obligations described in Section 1.03.

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. If an Event of Default shall occur and be continuing, the Mortgagee shall become and be entitled, as of right, without notice and without regard to the adequacy of the Mortgaged Property or the Collateral as security for the Obligations hereby secured, to employ counsel to enforce payment of the obligations secured hereby, and this Mortgage may be foreclosed as to the Mortgaged Property or any part thereof, in any manner permitted by applicable law, and the Mortgagee may exercise such other rights and remedies granted herein, in any other Loan Document or by law and equity, which rights and remedies shall be cumulative and not exclusive. The Mortgagee may sell said Mortgaged Property either as a whole or in separate parcels, and in such order as it may determine. The purchase price shall be payable in lawful money of the United States at the time of sale. Cumulative of the foregoing and the other provisions of this Section 4.02, as to the Mortgaged Property now or hereafter located in, or otherwise subject to the law of, the State of Wyoming, the Mortgagee may foreclose this Mortgage by filing an action in foreclosure in any county in Wyoming where any part of the Mortgaged Property is located, or in Federal Court for the District in which any of the Mortgaged Property is located. Nothing contained herein shall be construed so as to limit in any way the Mortgagee's rights to sell the 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. The Mortgagor hereby irrevocably appoints the Mortgagee to be the attorney of the Mortgagor and in the name and on behalf of the Mortgagor after the occurrence and during the continuance of an Event of Default to execute and deliver any deeds, transfers, conveyances, assignments, assurances and notices which the Mortgagor ought to execute and deliver and do and perform any and all such acts and things which the Mortgagor ought to do and perform under the covenants herein contained and generally, to use the name of the Mortgagor in the exercise of all or any of the powers hereby conferred on the Mortgagee. At any such sale: (a) 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 the Mortgagee to have physically present, or to have constructive possession of, the Mortgaged Property (the Mortgagor hereby covenanting and agreeing to deliver to the Mortgagee any portion of the Mortgaged Property not actually or constructively possessed by the Mortgagee immediately upon demand by the Mortgagee) 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, (b) each instrument of conveyance executed by the Mortgagee shall contain a general warranty of title, binding upon the Mortgagor and its successors and assigns, (c) each and every recital contained in any instrument of conveyance made by the Mortgagee shall conclusively establish the truth and accuracy of the matters recited therein, including, without limitation, nonpayment of the Obligations, advertisement and conduct of such sale in the manner provided herein and otherwise by law and appointment of any successor the Mortgagee hereunder, (d) any and all prerequisites to the validity thereof shall be conclusively presumed to have been performed, (e) the receipt of the Mortgagee 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, and (f) to the fullest extent permitted by law, the 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 the Mortgagor, and against any and all other persons claiming or to claim the property sold or any part thereof, by, through or under the Mortgagor.

Section 4.03 Partial Foreclosure. To the extent permitted by applicable law, the sale of less than the whole of the Mortgaged Property shall not exhaust the power of sale herein granted or the right to judicial foreclosure, and a successive sale or sales may be made until the whole of the Mortgaged Property shall be sold, and, if the proceeds of such sale of less than the whole of the Mortgaged Property shall be less than the aggregate of the Obligations and the expense of conducting such sale, this Mortgage and the liens and security interests hereof shall remain in full force and effect as to the unsold portion of the Mortgaged Property just as though no sale had been made; provided, however, that the Mortgagor shall never have any right to require the sale of less than the whole of the Mortgaged Property. In the event any sale hereunder is not completed or is defective in the opinion of the Mortgagee, such sale shall not exhaust the powers of sale hereunder or the right to judicial foreclosure, and the Mortgagee shall have the right to cause a subsequent sale or sales to be made.

Section 4.04 Power of Sale. **A POWER OF SALE HAS BEEN GRANTED IN THIS MORTGAGE. A POWER OF SALE MAY ALLOW THE MORTGAGEE TO TAKE THE MORTGAGED PROPERTIES AND SELL THEM WITHOUT GOING TO COURT IN A FORECLOSURE ACTION UPON DEFAULT BY THE MORTGAGOR UNDER THIS MORTGAGE.**

WARNING: THIS MORTGAGE CONTAINS A POWER OF SALE AND UPON DEFAULT MAY BE FORECLOSED BY ADVERTISEMENT. IN FORECLOSURE BY ADVERTISEMENT AND THE SALE OF THE MORTGAGED PROPERTY IN CONNECTION THEREWITH, NO HEARING IS REQUIRED AND THE ONLY NOTICE REQUIRED IS THE PUBLICATION OF NOTICE IN A LOCAL NEWSPAPER.

Section 4.05 Receiver. In addition to all other remedies herein provided for, the Mortgagor agrees that, upon the occurrence of an Event of Default or any event or circumstance which, with the lapse of time or the giving of notice, or both, would constitute an Event of Default hereunder, the Mortgagee shall as a matter of right be entitled to the appointment of a receiver or receivers for all or any part of the Mortgaged Property, whether such receivership be incident to a proposed sale (or sales) of such property or otherwise, and without regard to the value of the Mortgaged Property or the solvency of any person or persons liable for the payment of the Obligations, and the Mortgagor does hereby consent to the appointment of such receiver or receivers, waives any and all defenses to such appointment, and agrees not to oppose any application therefor by the Mortgagee and agrees that such appointment shall in no manner impair, prejudice or otherwise affect the rights of the Mortgagee under Article II hereof. The Mortgagor expressly waives notice of a hearing for appointment of a receiver and the necessity for bond or an accounting by the receiver. Nothing herein is to be construed to deprive the Mortgagee or any Lender of any other right, remedy or privilege it may now or hereafter have under the law to have a receiver appointed. Any money advanced by the Mortgagee or any Lender in connection with any such receivership shall be a demand obligation (which obligation the Mortgagor hereby expressly promises to pay) owing by the Mortgagor to the Mortgagee or

such Lender and shall bear interest from the date of making such advancement by the Mortgagee or such Lender until paid, at the Applicable Rate.

Section 4.06 Personal Property Remedies.

(a) Upon the happening and during the continuance of any of the Events of Default, the Mortgagee is and shall be entitled to all of the rights, powers and remedies afforded a secured party by the Uniform Commercial Code with respect to the Collateral, or the 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. Without limiting the generality of the foregoing, the Mortgagee, without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except any notice required by law referred to below) to or upon the Mortgagor or any other Person (all and each of which demands, defenses, advertisements and notices are hereby waived), may in such circumstances forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give option or options to purchase, or otherwise dispose of and deliver the Collateral or any part thereof (or contract to do any of the foregoing), in one or more parcels at public or private sale or sales, at any exchange, broker's board or office of the Mortgagee or any Lender or elsewhere upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk. The Mortgagee or any Lender shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption in the Mortgagor, which right or equity is hereby waived and released. If an Event of Default shall occur and be continuing, the Mortgagor further agrees, at the Mortgagee's request, to assemble the Collateral and make it available to the Mortgagee at places which the Mortgagee shall reasonably select, whether at the Mortgagor's premises or elsewhere. Any such sale or transfer by the Mortgagee either to itself or to any other Person shall be absolutely free from any claim of right by the Mortgagor, including any equity or right of redemption, stay or appraisal which the Mortgagor has or may have under any rule of law, regulation or statute now existing or hereafter adopted. Upon any such sale or transfer, the Mortgagee shall have the right to deliver, assign and transfer to the purchaser or transferee thereof the Collateral so sold or transferred. The Mortgagee shall apply the net proceeds of any action taken by it pursuant to this Section 4.07, after deducting all reasonable costs and expenses of every kind incurred in connection therewith or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Mortgagee and the Secured Creditors hereunder, including, without limitation, reasonable attorneys' fees and disbursements, to the payment in whole or in part of the Obligations, in accordance with Section 10.02(c) of the Credit Agreement, and only after such application and after the payment by the Mortgagee of any other amount required by any provision of law, including, without limitation, Section 9-615 of the Uniform Commercial Code, need the Mortgagee account for the surplus, if any, to the Mortgagor. To the extent permitted by applicable law, the Mortgagor waives all claims, damages and demands it may acquire against the Mortgagee or any Lender arising out of the exercise by them of any rights hereunder. If any notice of a proposed sale or other disposition of Collateral shall be required by law, such notice shall be deemed reasonable and proper if given at least 10 days before such sale or other disposition.

(b) In the event that the Mortgagee elects not to sell the Collateral, the Mortgagee retains its rights to dispose of or utilize the Collateral or any part or parts thereof in any manner authorized or permitted by law or in equity, and to apply the proceeds of the same towards payment of the Obligations. Each and every method of disposition of the Collateral described in this Mortgage shall constitute disposition in a commercially reasonable manner. The Mortgagee may appoint any Person as agent to perform any act or acts necessary or incident to any sale or transfer of the Collateral.

(c) The Mortgagee may proceed as to the Mortgaged Property constituting Collateral in accordance with the Mortgagee's rights and remedies in respect to the Mortgaged Property or sell the Mortgaged Property constituting Collateral separately and without regard to the remainder of the Mortgaged Property in accordance with the Mortgagee's rights and remedies provided by this Mortgage, the other Loan Documents, the Uniform Commercial Code, as well as other rights and remedies at law or in equity.

Section 4.07 Collections on Accounts, Etc. The Mortgagee hereby authorizes the Mortgagor to collect upon the Accounts, Instruments, Chattel Paper and Payment Intangibles subject to the Mortgagee's direction and control, and the Mortgagee may curtail or terminate said authority at any time after the occurrence and during the continuance of an Event of Default. Upon the request of the Mortgagee at any time after the occurrence and during the continuance of an Event of Default, the Mortgagor shall notify the Account Debtors that the applicable Accounts, Chattel Paper and Payment Intangibles have been assigned to the Mortgagee, for its benefit and the ratable benefit of the Secured Creditors, and that payments in respect thereof shall be made directly to the Mortgagee. The Mortgagee may in its own name or in the name of others communicate with the Account Debtors to verify with them to its satisfaction the existence, amount and terms of any Accounts, Chattel Paper or Payment Intangibles.

Section 4.08 Proceeds. If required by the Mortgagee at any time after the occurrence and during the continuance of an Event of Default, any payments of Accounts, Instruments, Chattel Paper and Payment Intangibles, when collected or received by the Mortgagor, and any other cash or non-cash Proceeds received by the Mortgagor upon the sale or other disposition of any Collateral, shall be forthwith (and, in any event, within two Business Days) deposited by the Mortgagor in the exact form received, duly indorsed by the Mortgagor to the Mortgagee if required, in a special collateral account maintained by the Mortgagee, subject to withdrawal by the Mortgagee, for the its benefit and the ratable benefit of the Secured Creditors, only, as hereinafter provided, and, until so turned over, shall be held by the Mortgagor in trust for the Mortgagee, for its benefit and the ratable benefit of the Secured Creditors, segregated from other funds of the Mortgagor. All Proceeds (including, without limitation, Proceeds constituting collections of Accounts, Chattel Paper, Instruments) while held by the Mortgagee (or by the Mortgagor in trust for the Mortgagee, for its benefit and the ratable benefit of the Secured Creditors) shall continue to be collateral security for all of the Obligations and shall not constitute payment thereof until applied as hereinafter provided. If an Event of Default shall have occurred and be continuing, at any time at the Mortgagee's election, the Mortgagee shall apply all or any part of the funds on deposit in said special collateral account on account of the Obligations in such order as the Mortgagee may elect, and any part of such funds which the Mortgagee elects not so to apply and deems not required as collateral security for the Obligations

shall be paid over from time to time by the Mortgagee to the Mortgagor or to whomsoever may be lawfully entitled to receive the same.

Section 4.09 The Mortgagee and Agents. The Mortgagee or its 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 the Mortgagee, including, without limitation, the posting of notices and the conduct of sale, but in the name and on behalf of the Mortgagee or its successor or substitute, as applicable. If the Mortgagee or its successor or substitute shall have given notice of sale hereunder, any successor or substitute to such Person 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 conducting the sale.

Section 4.10 Foreclosure for Installments. The Mortgagee shall also have the option to proceed with foreclosure in satisfaction of any installments of the Obligations which have not been paid when due through the courts in satisfaction of the matured but unpaid portion of the Obligations 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 Obligations, and any such sale shall not in any manner affect the unmatured portion of the Obligations, but as to such unmatured portion of the Obligations 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 Obligations, it being the purpose hereof to provide for a foreclosure and sale of the security for any matured portion of the Obligations without exhausting the power to foreclose and sell the Mortgaged Property or the Collateral for any subsequently maturing portion of the Obligations.

Section 4.11 Separate Sales. The Mortgaged Property and the Collateral may be sold in one or more parcels and to the extent permitted by applicable law in such manner and order as the Mortgagee, in its 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 4.12 The Mortgagee and the Lenders as Purchasers. The Mortgagee and each of the Lenders shall have the right to become the purchaser at any sale held in foreclosure of the Liens evidenced hereby, and any such party purchasing at any such sale shall have the right to credit upon the amount of the bid made therefor, to the extent necessary to satisfy such bid, the Obligations owing to such party, or if such party holds less than all of such Obligations, the pro rata part thereof owing to such party, accounting to all other parties not joining in such bid in cash for the portion of such bid or bids apportionable to such non-bidding parties.

Section 4.13 Possession of the Mortgaged Property and Collateral. The Mortgagor agrees to the full extent that it lawfully may, that, in case one or more of the Events of Default shall have occurred and shall not have been remedied, then, and in every such case, the Mortgagee shall have the right and power to enter into and upon and take possession of all or any part of the Mortgaged Property or the Collateral in the possession of the Mortgagor, its successors or assigns, or its or their agents or servants, and may exclude the Mortgagor, its successors or assigns, and all Persons claiming under the Mortgagor, and its or their agents or servants wholly or partly therefrom; and, holding the same, the Mortgagee may use, administer,

manage, operate and control the Mortgaged Property or the Collateral and conduct the business thereof to the same extent as the Mortgagor, its successors or assigns, might at the time do and may exercise all rights and powers of the Mortgagor, in the name, place and stead of the Mortgagor, or otherwise as the Mortgagee shall deem best. All out-of-pocket or reasonable and customary costs, expenses and liabilities incurred by the Mortgagee in administering, managing, operating, and controlling the Mortgaged Property or the Collateral shall constitute a demand obligation (which obligation the Mortgagor hereby expressly promises to pay) owing by the Mortgagor to the Mortgagee and shall bear interest from date of expenditure until paid at the Applicable Rate, all of which shall constitute a portion of the Obligations and shall be secured by this Mortgage and all other Security Instruments.

Section 4.14 Occupancy After Foreclosure. In the event there is a foreclosure sale hereunder and at the time of such sale the Mortgagor or the Mortgagor's heirs, devisees, representatives, successors or assigns or any other Person claiming any interest in the Mortgaged Property or the Collateral by, through or under the Mortgagor, are occupying or using the Mortgaged Property or the Collateral 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, or 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 or the Collateral (such as an action for forcible entry and detainer) in any court having jurisdiction.

Section 4.15 Remedies Cumulative, Concurrent and Nonexclusive. Each and every right, power, privilege and remedy shall be cumulative and in addition to those granted to the Mortgagee or any Lender under this Mortgage, any other Loan Document and in any other instrument or agreement securing, evidencing or relating to the Obligations, all rights, remedies, powers and privileges of a secured party under the applicable Uniform Commercial Code (whether the Uniform Commercial Code is in effect in the jurisdiction where such rights, remedies, powers or privileges are asserted) or any other applicable law or otherwise available at law or equity; each and every right, power, privilege 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 Mortgagee or any Secured Creditor and the exercise, or the beginning of the exercise, or the abandonment, of any such right, power, privilege or remedy shall not be deemed a waiver of the right to exercise, at the same time or thereafter any other right, power, privilege or remedy. No delay or omission by the Mortgagee or any Secured Creditor in the exercise of any right, power, privilege or remedy shall impair any such right, power, privilege or remedy or operate as a waiver thereof or of any other right, power, privilege or remedy then or thereafter existing.

Section 4.16 No Release of Obligations. Neither the Mortgagor nor any other Person hereafter obligated for payment of all or any part of the Obligations shall be relieved of such obligation by reason of (a) the failure of the Mortgagee to comply with any request of the Mortgagor or any other Person so obligated to foreclose the Lien of this Mortgage or to enforce

any provision hereunder or under the Credit Agreement or any other Loan Document; (b) the release, regardless of consideration, of the Mortgaged Property or the Collateral or any portion thereof or interest therein or the addition of any other Property to the Mortgaged Property or the Collateral or the release of any other collateral or credit support arrangement securing the Obligations; (c) the release, regardless of consideration, of any party liable, either directly or indirectly, for the Obligations or for any covenant herein or in any other Loan Document; (d) any agreement or stipulation between any subsequent owner of the Mortgaged Property and the 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 the Mortgagor or such other Person, and in such event the 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 the Mortgagee; or (e) by any other act or occurrence save and except the complete payment of the Obligations and the complete fulfillment of all obligations hereunder and under the Credit Agreement. The Mortgagor authorizes the Mortgagee and each Secured Creditor, without notice or demand and without any reservation of rights against the Mortgagor and without affecting the Mortgagor's liability hereunder or on the Obligations, and without impairing the Liens and rights of the Mortgagee hereunder, from time to time to (i) take or hold any other Property of any type from any other Person as security for the Obligations, and exchange, enforce, waive and release any or all of such other Property; (ii) apply the Mortgaged Property or such other Property and direct the order or manner of sale thereof as the Mortgagee may in its discretion determine; (iii) renew, extend for any period, accelerate, modify, compromise, settle or release any of the obligations of any other Person liable on the Obligations in respect to any or all of the Obligations or other security for the Obligations; (iv) waive, enforce, modify, amend or supplement any of the provisions of any Loan Document with any Person other than the Mortgagor and (v) release or substitute any other Person liable on the Obligations. The Liens and other security rights of the Mortgagee hereunder shall not be impaired by any indulgence, moratorium or release granted by the Mortgagee including, but not limited to, any renewal, extension or modification which the Mortgagee may grant with respect to any of the Obligations, or any surrender, compromise, release, renewal, extension, exchange or substitution which the Mortgagee may grant in respect of the Mortgaged Property or any part thereof or any interest therein, or any release or indulgence granted to any endorser, guarantor or surety of any of the Obligations. To the maximum extent permitted by law, all rights of the Mortgagor, all security interests hereunder, and all obligations of the Mortgagor hereunder, shall be absolute and unconditional irrespective of: (A) any lack of validity or enforceability of any of the Obligations or any other agreement or instrument relating thereto, including any of the Loan Documents; (B) any change in the time, manner or place of payment of, or in any other term of, all or any part of the Obligations, or any other amendment or waiver of or any consent to any departure from any of the Loan Documents, or any other agreement or instrument relating thereto; (C) any exchange, release, or non-perfection of any other collateral, or any release or amendment or waiver of or consent to departure from any guaranty for all or any of the Obligations or (D) any other circumstance that might otherwise constitute a defense available to, or a discharge of, the Mortgagor. Each successor and assign of the Mortgagor, including without limitation, a holder of a Lien subordinate to the Lien created hereby (without implying that the Mortgagor has, except as expressly provided herein, a right to grant an interest in, or a subordinate Lien on, the

Mortgaged Property), by acceptance of its interest or Lien agrees that it shall be bound by the waivers contained herein, as if it gave the waiver itself.

Section 4.17 Release of and Resort to Collateral. The Mortgagee may release, regardless of consideration, any part of the Mortgaged Property or the Collateral 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 the Collateral, and without in any way releasing or diminishing the liability of any Person or entity liable for the repayment of the Obligations. For payment of the Obligations, the Mortgagee may resort to any other security therefor held by the Mortgagee in such order and manner as the Mortgagee may elect.

Section 4.18 Certain Waivers. To the fullest extent permitted by law, the Mortgagor hereby irrevocably and unconditionally waives and releases (a) all benefits that might accrue to the Mortgagor by virtue of any present or future moratorium law or other law exempting the Mortgaged Property or the Collateral 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) all notices of any default or of the Mortgagee's intention to accelerate maturity of the Obligations or of the Mortgagee's election to exercise or its actual exercise of any right, remedy or recourse provided for hereunder or under the Credit Agreement or any other Loan Document; (c) any rights, legal and equitable, to a marshalling of assets or a sale in inverse order of alienation (the Mortgagor acknowledges and agrees that in exercising any rights under or with respect to the Mortgaged Property or the Collateral, the Mortgagee is under no obligation to marshal any Mortgaged Property or Collateral; the Mortgagee may, in its absolute discretion, realize upon the Mortgaged Property in any order and in any manner it so elects and may, in its absolute discretion, apply the proceeds of any or all the Mortgaged Property or the Collateral to the Obligations in any order and in any manner it so elects); (d) any right to require the Mortgagee or Secured Creditors to proceed against any other Person, exhaust any Mortgaged Property or any Collateral or other security for the Obligations, or to have any other Person liable on the Obligations joined with the Mortgagor in any suit arising out of the Obligations or this Agreement, or pursue any other remedy in the Mortgagee's power; (e) until all of the Obligations shall have been paid in full in cash, any right to subrogation and the Mortgagor waives the right to enforce any remedy which the Mortgagee or any Secured Creditor has or may hereafter have against any other Person liable on the Obligations, and waives any benefit of and any right to participate in any other security whatsoever now or hereafter held by the Mortgagee; (f) any and all legal rights which might otherwise require the Mortgagee to enforce its rights by judicial process; (g) and the Mortgagor agrees not to assert any rights or privileges which it may acquire under the Uniform Commercial Code, any analogous common law rights or privileges or any other applicable law; (h) the right to plead any and all statutes of limitation as a defense to any demand secured by or made pursuant to this Mortgage; (i) all claims, damages and demands it may acquire against the Mortgagee or any Secured Creditor arising out of the exercise by them of any rights hereunder; (j) any and all notice of the creation, renewal, extension or accrual of any of the Obligations and notice of or proof of reliance by the Mortgagee or any Secured Creditor upon the provision of collateral contemplated hereby or acceptance of the provision of collateral contemplated hereby; the Obligations, and any of them, shall conclusively be deemed to have been created, contracted or incurred, or renewed, extended, amended or waived, in reliance upon the provision of collateral contemplated hereby and no

notice of creation of the Obligations or any extension of credit already or hereafter contracted by or extended to the Mortgagor or any other Person need be given to the Mortgagor; (k) any and all notice of the creation, modification, rearrangement, renewal or extension for any period of any of the Obligations of any other Person liable on the Obligations from time to time; (l) any and all notice to the Mortgagor of the acceptance of this Mortgage and of the making, renewing or assignment of the Obligations and each item thereof, acceptance on the part of the Mortgagee and the Secured Creditors being conclusively presumed by their request for this Mortgage and delivery of the same to the Mortgagee; (m) any defense arising by reason of any disability or other defense of any other Person or by reason of the cessation from any cause whatsoever of the liability of any other Person; and (n) diligence, presentment, protest, demand for payment and notice of default or nonpayment to or upon the Mortgagor with respect to the Obligations and any other notice of any kind whatsoever. If any law referred to in this Mortgage and now in force, of which the 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.

Section 4.19 Discontinuance of Proceedings. In case the Mortgagee shall have proceeded to invoke any right, remedy or recourse permitted hereunder or under the Credit Agreement or under any other Loan Document and shall thereafter elect to discontinue or abandon same for any reason, the Mortgagee shall have the unqualified right so to do and, in such an event, the Mortgagor and the Mortgagee shall be restored to their former positions with respect to the Obligations, this Mortgage, the Credit Agreement, the other Loan Documents, the Mortgaged Property and the Collateral and otherwise, and the rights, remedies, recourses and powers of the Mortgagee shall continue as if same had never been invoked.

Section 4.20 Application of Proceeds. The proceeds of any sale of the Mortgaged Property or the Collateral or any part thereof and all other monies received by the Mortgagee in any proceedings for the enforcement hereof, whose application has not elsewhere herein been specifically provided for, shall be applied first to the payment of all reasonable expenses incurred by the Mortgagee incident to the enforcement of this Mortgage, the Credit Agreement or any of the Obligations (including, without limiting the generality of the foregoing, expenses of any entry or taking of possession, of any sale, of advertisement thereof, and of conveyances, and court costs, compensation of agents and employees, legal fees and a reasonable commission to the Mortgagee acting), and to the payment of all other reasonable charges, expenses, liabilities and advances incurred or made by the Mortgagee under this Mortgage or in executing any power hereunder; and then as set forth in Section 10.02(c) of the Credit Agreement.

Section 4.21 Resignation of Operator. In addition to all rights and remedies under this Mortgage, at law and in equity, if any Event of Default shall occur and the Mortgagee shall exercise any remedies under this Mortgage with respect to any portion of the Mortgaged Property or the Collateral (or the Mortgagor shall transfer any of the Mortgaged Property or the Collateral "in lieu of" foreclosure), the Mortgagee has the right to request that any operator of any of the Mortgaged Property which is either the Mortgagor or any Affiliate of the Mortgagor resign as operator under the joint operating agreement applicable thereto, and no later than 60 days after receipt by the Mortgagor of any such request, the Mortgagor shall resign (or cause such other party to resign) as operator of such of the Mortgaged Property.

SECTION 4.22 INDEMNITY. **IN CONNECTION WITH ANY ACTION TAKEN BY THE MORTGAGEE PURSUANT TO THIS MORTGAGE, THE MORTGAGEE, EACH AGENT, THE SECURED CREDITORS AND THEIR OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES, AGENTS, ATTORNEYS, ACCOUNTANTS AND EXPERTS ("INDEMNIFIED PARTIES") SHALL NOT BE LIABLE FOR ANY LOSS SUSTAINED BY THE MORTGAGOR RESULTING FROM AN ASSERTION THAT THE MORTGAGEE 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 OR THE COLLATERAL INCLUDING SUCH LOSS WHICH MAY RESULT FROM THE ORDINARY NEGLIGENCE OF AN INDEMNIFIED PARTY UNLESS SUCH LOSS IS CAUSED BY THE WILLFUL MISCONDUCT OR GROSS NEGLIGENCE OF AN INDEMNIFIED PARTY, NOR SHALL THE MORTGAGEE AND ANY OTHER INDEMNIFIED PARTY BE OBLIGATED TO PERFORM OR DISCHARGE ANY OBLIGATION, DUTY OR LIABILITY OF THE MORTGAGOR. THE MORTGAGOR SHALL AND DOES HEREBY AGREE TO INDEMNIFY EACH INDEMNIFIED PARTY FOR, AND TO HOLD EACH INDEMNIFIED PARTY HARMLESS FROM, ANY AND ALL LIABILITY, LOSS 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; SHOULD THE MORTGAGEE MAKE ANY EXPENDITURE ON ACCOUNT OF ANY SUCH LIABILITY, LOSS OR DAMAGE, THE AMOUNT THEREOF, INCLUDING COSTS, EXPENSES AND REASONABLE OUT OF POCKET ATTORNEYS' FEES, SHALL BE A DEMAND OBLIGATION (WHICH OBLIGATION THE MORTGAGOR HEREBY EXPRESSLY PROMISES TO PAY) OWING BY THE MORTGAGOR TO THE MORTGAGEE AND SHALL BEAR INTEREST FROM THE DATE EXPENDED UNTIL PAID AT THE APPLICABLE RATE, SHALL BE A PART OF THE OBLIGATIONS AND SHALL BE SECURED BY THIS MORTGAGE AND ANY OTHER SECURITY INSTRUMENT. THE MORTGAGOR HEREBY ASSENTS TO, RATIFIES AND CONFIRMS ANY AND ALL ACTIONS OF THE MORTGAGEE WITH RESPECT TO THE MORTGAGED PROPERTY OR THE COLLATERAL TAKEN UNDER THIS MORTGAGE. THE LIABILITIES OF THE MORTGAGOR AS SET FORTH IN THIS SECTION 4.22 SHALL SURVIVE THE TERMINATION OF THIS MORTGAGE.**

Section 4.23 The Mortgagee Not "Mortgagee-In-Possession". It is understood and agreed that neither the assignment of Hydrocarbons, products therefrom, revenues and proceeds to the Mortgagee pursuant to Section 2.01 nor the exercise by the Mortgagee of any of its rights or remedies hereunder shall be deemed to make the Mortgagee a "Mortgagee-in-possession" or otherwise responsible or liable in any manner with respect to the Mortgaged Property or the use, occupancy, enjoyment or operation of all or any portion thereof, nor shall appointment of a receiver for the Mortgaged Property by any court at the request of the Mortgagee or by agreement with the Mortgagor or the entering into possession of the Mortgaged Property or any part thereof by such receiver be deemed to make the Mortgagee a "Mortgagee-in-possession" or otherwise responsible or liable in any manner with respect to the Mortgaged Property or the use, occupancy, enjoyment or operation of all or any portion thereof.

Section 4.24 The Mortgagee Attorney In Fact. The Mortgagor hereby irrevocably constitutes and appoints the Mortgagee the attorney in fact of the Mortgagor, and in such capacity, the Mortgagee, its counsel or its representative, may from time to time, execute, deliver and file with the appropriate filing officer or office such security agreements, financing statements, continuation statements, amendments, other filing or recording documents or instruments as the Mortgagee may request or require, in such form as the Mortgagee reasonably determines appropriate, in order to impose, perfect, protect, preserve the priority of, or enforce, the Liens on the Collateral.

ARTICLE V
Miscellaneous

Section 5.01 Scope of Mortgage. This Mortgage is a mortgage of both real and personal property, a security agreement, a financing statement and an assignment, and also covers proceeds and fixtures.

Section 5.02 Place of Payment. All of the Obligations which may be owing hereunder at any time by the Mortgagor shall be payable at the place designated in the Credit Agreement (or if no such designation is made, at the address of the Mortgagee), or at such other place as the Mortgagee may designate in writing.

Section 5.03 Release of Mortgage. If all of the Obligations secured hereby shall be indefeasibly paid in full in cash and all of the Commitments of the Lenders under the Credit Agreement terminated, the Mortgagee shall forthwith cause reconveyance, satisfaction and discharge of this Mortgage to be entered upon the record at the expense of the Mortgagor and shall execute and deliver or cause to be executed and delivered such instruments of reconveyance, satisfaction and reassignment as may be appropriate. Otherwise, this Mortgage shall remain and continue in full force and effect.

Section 5.04 Partial Releases. If any of the Mortgaged Property or the Collateral shall be sold, transferred or otherwise disposed of by the Mortgagor in a transaction permitted by the Credit Agreement, then the Mortgagee, at the request and sole expense of the Mortgagor, shall promptly execute and deliver to the Mortgagor all releases or other documents reasonably necessary or desirable for the release of the Liens created hereby on the Mortgaged Property or the Collateral, as the case may be.

Section 5.05 Acts Not Constituting Waiver. Any default may be waived without waiving any other prior or subsequent default. Any default may be remedied without waiving the default remedied. Neither failure to exercise, nor delay in exercising, any right, power or remedy upon any default shall be construed as a waiver of such default or as a waiver of the right to exercise any such right, power or remedy at a later date. No single or partial exercise of any right, power or remedy hereunder shall exhaust the same or shall preclude any other or further exercise thereof, and every such right, power or remedy hereunder may be exercised at any time and from time to time. No modification or waiver of any provision hereof nor consent to any departure by the Mortgagor therefrom shall in any event be effective unless the same shall be in writing and signed by the Mortgagee and/or the Lenders, as specified in and in accordance with the Credit Agreement, and then such waiver or consent shall be effective only in the specific

instances, for the purpose for which given and to the extent therein specified. No notice to nor demand on the Mortgagor in any case shall of itself entitle the Mortgagor to any other or further notice or demand in similar or other circumstances. Acceptance of any payment in an amount less than the amount then due on any Obligations shall be deemed an acceptance on account only and shall not in any way excuse the existence of a default hereunder.

Section 5.06 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 Mortgagee 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 5.07 Successors and Assigns of Parties. The term "Mortgagee" as used herein shall mean and include Highbridge/Zwirn Special Opportunities Fund, L.P. and its successors and assigns acting as Administrative Agent for the benefit of any legal owner, holder, assignee or pledgee of any of the Obligations secured hereby. The terms used to designate the Mortgagee and the Mortgagor shall be deemed to include the respective heirs, legal representatives, successors and assigns of such parties.

Section 5.08 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 by the Mortgagee at the Mortgagor's request, and the Mortgagee 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 Mortgagee, the 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 5.09 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 5.10 Notices. All notices, requests, consents, demands and other communications required or permitted hereunder shall be in writing and shall be deemed sufficiently given or furnished if delivered by registered or certified United States mail, postage prepaid, or by personal service (including express or courier service) at the addresses specified at the end of this Mortgage (unless changed by similar notice in writing given by the particular party whose address is to be changed). Any such notice or communication shall be deemed to have been given either at the time of personal delivery or, in the case of delivery at the address and in the manner provided herein, upon receipt; provided that, service of notice as required by the laws of any state in which portions of the Mortgaged Property may be situated shall for all purposes be deemed appropriate and sufficient with the giving of such notice.

Section 5.11 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 county, descriptions of only those portions of the Mortgaged Property located in the county 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 5.12 **GOVERNING LAW. INSOFAR AS PERMITTED BY OTHERWISE APPLICABLE LAW, THIS MORTGAGE AND THE OBLIGATIONS SHALL BE CONSTRUED UNDER AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK (EXCLUDING CHOICE OF LAW AND CONFLICT OF LAW RULES); PROVIDED, HOWEVER, THAT, WITH RESPECT TO ANY PORTION OF THE MORTGAGED PROPERTY OR COLLATERAL LOCATED OUTSIDE OF THE STATE OF NEW YORK, THE LAWS OF THE PLACE IN WHICH SUCH PROPERTY IS OR IS DEEMED TO BE LOCATED IN, 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 OR COLLATERAL.**

Section 5.13 Exculpation Provisions. **EACH OF THE PARTIES HERETO SPECIFICALLY AGREES THAT IT HAS A DUTY TO READ THIS MORTGAGE; AND AGREES THAT IT IS CHARGED WITH NOTICE AND KNOWLEDGE OF THE TERMS OF THIS MORTGAGE; THAT IT HAS IN FACT READ THIS MORTGAGE AND IS FULLY INFORMED AND HAS FULL NOTICE AND KNOWLEDGE OF THE TERMS, CONDITIONS AND EFFECTS OF THIS MORTGAGE; THAT IT HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL OF ITS CHOICE THROUGHOUT THE NEGOTIATIONS PRECEDING ITS EXECUTION OF THIS MORTGAGE; AND HAS RECEIVED THE ADVICE OF ITS ATTORNEY IN ENTERING INTO THIS MORTGAGE; AND THAT IT RECOGNIZES THAT CERTAIN OF THE TERMS OF THIS MORTGAGE RESULT IN ONE PARTY ASSUMING THE LIABILITY INHERENT IN SOME ASPECTS OF THE TRANSACTION AND RELIEVING THE OTHER PARTY OF ITS RESPONSIBILITY FOR SUCH LIABILITY. EACH PARTY HERETO AGREES AND COVENANTS THAT IT WILL NOT CONTEST THE VALIDITY OR ENFORCEABILITY OF ANY EXCULPATORY PROVISION OF THIS MORTGAGE ON THE BASIS THAT THE PARTY HAD NO NOTICE OR KNOWLEDGE OF SUCH PROVISION OR THAT THE PROVISION IS NOT "CONSPICUOUS."**

Section 5.14 Terms Generally; Rules of Construction. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase

"without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any law shall be construed as referring to such law as amended, modified, codified or reenacted, in whole or in part, and in effect from time to time, (c) any reference herein to any Person shall be construed to include such Person's successors and assigns (subject to the restrictions contained herein), (d) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (e) with respect to the determination of any time period, the word "from" means "from and including" and the word "to" means "to and including" and (f) any reference herein to Articles, Sections or Exhibits shall be construed to refer to Articles and Sections of, or Exhibits to, this Mortgage. No provision of this Mortgage or any other Loan Document shall be interpreted or construed against any Person solely because such Person or its legal representative drafted such provision. Each covenant contained herein shall be construed (absent express provision to the contrary) as being independent of each other covenant contained herein, so that compliance with any one covenant shall not (absent such an express contrary provision) be deemed to excuse compliance with any other covenant. Where any provision herein refers to action to be taken by any Person, or which such Person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such Person.

Section 5.15 Recording. The Mortgagor will cause this Mortgage and all amendments and supplements thereto and substitutions therefor and all financing statements and continuation statements relating thereto to be recorded, filed, re-recorded and refiled in such a manner and in such places as the Mortgagee shall reasonably request and will pay all such recording, filing, re-recording and refiling taxes, fees and other charges.

Section 5.16 Application of Payments to Certain Obligations. If any part of the Obligations cannot be lawfully secured by this Mortgage or if any part of the Mortgaged Property cannot be lawfully subject to the lien and security interest hereof to the full extent of the Obligations, then all payments made shall be applied on said Obligations first in discharge of that portion thereof which is not secured by this Mortgage.

Section 5.17 Compliance with Usury Laws. It is the intention of the parties hereto that the Mortgagee and all Lenders conform strictly to usury laws applicable to them, and this Mortgage is expressly made subject to the provisions of the Credit Agreement pertaining to applicable usury laws. In furtherance thereof, it is stipulated and agreed that none of the terms and provisions contained herein shall ever be construed to create a contract to pay, for the use, forbearance or detention of money, interest in excess of the maximum amount of interest permitted to be charged by applicable law from time to time in effect, and neither the Mortgagor nor any present or future guarantors, endorsers or other parties now or hereafter becoming liable for payment of the Obligations shall ever be liable for unearned interest thereon or shall ever be required to pay interest thereon in excess of the maximum interest that may be lawfully charged under applicable law from time to time in effect; reference is made to the Credit Agreement for further provisions with respect thereto.

[redacted] [redacted] [redacted]

WITNESS THE EXECUTION HEREOF, this 2nd day of July, 2003, to be effective as of the 2nd day of July, 2003.

Mortgagor:

INFINITY OIL & GAS OF WYOMING, INC.

By: _____
Stanton E. Ross
President and Chief Executive Officer

The name, address and taxpayer identification number of the Debtor/Mortgagor is:

Infinity Oil & Gas of Wyoming, Inc.
Tax I.D. No. 48-1225829
950 17th Street, Ste. 800
Denver, CO 80202
Phone: 720-932-7800
Fax: 720-932-5409
Attn: Stanton Ross

The name and address of the Secured Party/Mortgagee is:

Highbridge/Zwirn Special Opportunities Fund, L.P.
9 West 57th Street
New York, New York 10019
Phone: (212) 287-4676
Fax: (212) 287-4263
Attn: Morris W. Macleod

THE STATE OF Colorado §
§
COUNTY OF Denver §

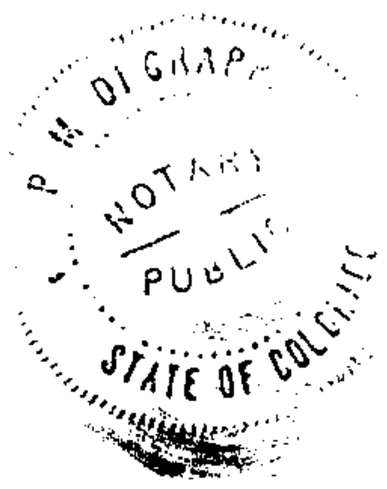
This instrument was acknowledged before me by Stanton E. Ross, President of Infinity Oil & Gas of Wyoming, Inc., this 2nd day of July, 2003.

Witness my hand and official seal.

Notary Public

P. M. D Joffe

(Signature of notarial officer)



My commission expires: 3/23/08

[redacted] [redacted] [redacted]

EXHIBIT A

Hydrocarbon Property

See the attached.

Exhibit "A"

Attached to and made a part of that certain Mortgage Agreement dated July 2, 2003, by and between Highbridge/Zwirn Special Opportunities Fund, L.P. and Infinity Oil Gas of Wyoming, Inc.

Lease Number			Lessor	Township	Range	Description	County	State	Book/Page
LEASES									
WY	013	A	Mary Hay	18	100	Sec 16: E2,SENW,NESW,S2SW	Sweetwater	Wyoming	930/1247
WY	013	B	Mary Hay, trustee	18	100	Sec 16: E2,SENW,NESW,S2SW	Sweetwater	Wyoming	930/1249
WY	013	C	Mary Hay, trustee	18	100	Sec 16: E2,SENW,NESW,S2SW	Sweetwater	Wyoming	930/1251
WY	013	D	Susan Hay Bell	18	100	Sec 16: E2,SENW,NESW,S2SW	Sweetwater	Wyoming	930/1226
WY	013	E	Susan Hay Bell, trustee	18	100	Sec 16: E2,SENW,NESW,S2SW	Sweetwater	Wyoming	930/1228
WY	013	F	Susan Hay Bell, trustee	18	100	Sec 16: E2,SENW,NESW,S2SW	Sweetwater	Wyoming	930/1230
WY	013	G	Emily Frances Bunning	18	100	Sec 16: E2,SENW,NESW,S2SW	Sweetwater	Wyoming	930/1232
WY	013	H	Joe Garrett Hay	18	100	Sec 16: E2,SENW,NESW,S2SW	Sweetwater	Wyoming	930/1238
WY	013	I	John W. Hay III	18	100	Sec 16: E2,SENW,NESW,S2SW	Sweetwater	Wyoming	930/1243
WY	013	J	Keith N. Hay	18	100	Sec 16: E2,SENW,NESW,S2SW	Sweetwater	Wyoming	930/1245
WY	013	K	Lucy Suzanne Bunning	18	100	Sec 16: E2,SENW,NESW,S2SW	Sweetwater	Wyoming	930/1234
WY	013	L	John R. & Valerie M. Radford	18	100	Sec 16: E2,SENW,NESW,S2SW	Sweetwater	Wyoming	930/1255
WY	013	M	Hannah Hay Force	18	100	Sec 16: E2,SENW,NESW,S2SW	Sweetwater	Wyoming	930/1236
WY	013	N	Keith N., John W. III & Frances	18	100	Sec 16: E2,SENW,NESW,S2SW	Sweetwater	Wyoming	930/1240
WY	013	O	Maisie H. Hart	18	100	Sec 16: E2,SENW,NESW,S2SW	Sweetwater	Wyoming	930/1253
WY	013	P	Leonard Hay	18	100	Sec 16: E2,SENW,NESW,S2SW	Sweetwater	Wyoming	940/92
WY	014		WYW-151781	18	100	Sec 12: N2,SW,N2SE,SWSE	Sweetwater	Wyoming	977/1354
WY	015		WYW-151782	18	100	Sec 12: SESE	Sweetwater	Wyoming	977/1346

Exhibit "A"

Attached to and made a part of that certain Mortgage Agreement dated July 2, 2003, by and between Highbridge/Zwirn Special Opportunities Fund, L.P. and Infinity Oil Gas of Wyoming, Inc.

Lease Number			Lessor	Township	Range	Description	County	State	Book/Page
WY	016		WYW-151787	19	100	Sec 26: Lots 9-16 (S2)	Sweetwater	Wyoming	977/1344
WY	017		WYW-151786	19	100	Sec 24: All	Sweetwater	Wyoming	977/1342
WY	018		WY 00-559	19	100	Sec 36: All	Sweetwater	Wyoming	977/1348
WY	019		WYW-152185	19	100	Sec 4: Lots 5-8 (N2N2), S2NE,SENW,SE	Sweetwater	Wyoming	977/1340
WY	020		WYW-152186	19	100	Sec 4: SWNW, Sec 18: SE/4, Sec 28: S/2S/2	Sweetwater	Wyoming	977/1316
WY	021		WYW-152187	19	100	Sec 4: SW, Sec 18: W/2NE/4, SE/4NE/4, Sec 26: Lots 1-8 (N/2)	Sweetwater	Wyoming	977/1318
WY	022		WYW-152188	19	100	Sec 14: Lots 1-8 (N2), Lots 11-14 (SW), Sec 34: Lots 1-7, (N/2N/2, S/2NW/4, SW/4NE/4), Lots 9, 10, 15, & 16 (SE/4).	Sweetwater	Wyoming	977/1320
WY	023		WYW-152190	19	100	Sec22: NENE,S2NE, Sec34: Lots 11-14 (SW/4)	Sweetwater	Wyoming	977/1322
WY	024		WYW-152192	19	100	Sec 30: Lots 5-8 (W2W2), NE,E2W2,N2SE	Sweetwater	Wyoming	977/1324
WY	025		WYW-152193	19	100	Sec 34: Lot 8 (SENE)	Sweetwater	Wyoming	977/1326
WY	026		WY 00-789	19	100	Sec 16: W2NE,NW,S2	Sweetwater	Wyoming	977/1350
WY	027		WYW-152191	19	100	Sec 28: NW	Sweetwater	Wyoming	977/1328
WY	028		WYW-152189	19	100	Sec 22: SE	Sweetwater	Wyoming	977/1330
WY	029	A	Mike J. Vase	18	100	Sec 20: Lots 1,8, ada E2NE	Sweetwater	Wyoming	930/1578 Cor 932/1225
WY	029	B	John M. Anselmi	18	100	Sec 20: Lots 1,8, ada E2NE	Sweetwater	Wyoming	930/156 Cor 932/1223
WY	029	C	Donald Anselmi	18	100	Sec 20: Lots 1,8, ada E2NE	Sweetwater	Wyoming	930/1574 Cor 932/1224

Exhibit "A"

Attached to and made a part of that certain Mortgage Agreement dated July 2, 2003, by and between Highbridge/Zwirn Special Opportunities Fund, L.P. and Infinity Oil Gas of Wyoming, Inc.

Lease Number			Lessor	Township	Range	Description	County	State	Book/Page
WY	029	D	Jerry M. Murray	18	100	Sec 20: Lots 1,8, ada E2NE	Sweetwater	Wyoming	931/1727 Cor 934/1406
WY	033		WY153196	19	99	Sec 8: SW, Sec 18: Lots 5-8, E2,E2W2, Sec 20: W2, Sec 30 NE.E2NW	Sweetwater	Wyoming	997/1352
WY	034	A	Jeanne Marie Pelletier	19	100	Sec 22: NWNW, SW, Sec 28: NE, N2S2	Sweetwater	Wyoming	934/1398
WY	034	B	Joseph Rudolph Galicich	19	100	Sec 22: NWNW, SW, Sec 28: NE, N2S2	Sweetwater	Wyoming	934/1400
WY	034	C	Anne Marie Galicich	19	100	Sec 22: NWNW, SW, Sec 28: NE, N2S2	Sweetwater	Wyoming	934/1404
WY	034	D	Katherine Jaris	19	100	Sec 22: NWNW, SW, Sec 28: NE, N2S2	Sweetwater	Wyoming	931/1729
WY	035		WY153197	20	99	Sec 6: Lots 8-13, E2SW,SE	Sweetwater	Wyoming	997/1334
WY	036		WY153201	20	100	Sec 2: Lots 5-8, S2, Sec 12: All, Sec 14: N2NE,SENE	Sweetwater	Wyoming	977/1336
WY	037		WY153203	20	100	Sec 22: NE,NENW,S2NW,S2, Sec 26: NE, N2SE, SESE	Sweetwater	Wyoming	977/1332
WY	038		WY153204	20	100	Sec 24: All	Sweetwater	Wyoming	977/1356
WY	039		WY153206	21	100	Sec 14: N2,SE	Sweetwater	Wyoming	977/1338
WY	041		RME Land Corp	18	100	Sec 1: SE	Sweetwater	Wyoming	945/694
WY	042		RME Land Corp	18	100	Sec 1: NW, ada Lots 3,4, S2NW	Sweetwater	Wyoming	945/666
WY	043		RME Land Corp	18	100	Sec 1: SW	Sweetwater	Wyoming	945/708
WY	044		RME Land Corp	18	100	Sec 1: NE ada Lots 1,2, S2NE	Sweetwater	Wyoming	945/680
WY	045		WYW-028211	18	100	Sec 2: SENE, Lots 5-8, S/2,S/2NW,SWNE, Sec 6: Lots 13,14,19,20, Sec 8: Lots 1-16, T19N-R100W, Sec20: Lots 1-16, Sec 32: Lots 1-16	Sweetwater	Wyoming	
WY	046		WYW-030074	18	100	Sec 14: ALL	Sweetwater	Wyoming	
WY	084		RME Land Corp	19	100	Sec 23: NE	Sweetwater	Wyoming	962/645
WY	092		RME Land Corp	19	100	Sec 23: SE	Sweetwater	Wyoming	962/658
WY	093		RME Land Corp	19	100	Sec 23: SW	Sweetwater	Wyoming	962/671

Exhibit "A"

Attached to and made a part of that certain Mortgage Agreement dated July 2, 2003, by and between Highbridge/Zwirn Special Opportunities Fund, L.P. and Infinity Oil Gas of Wyoming, Inc.

Lease Number			Lessor	Township	Range	Description	County	State	Book/Page
WY	094		RME Land Corp	19	100	Sec 23: NW	Sweetwater	Wyoming	962/684
WY	001		WYW-136852	29	114	Sec 1: LOTS 1-4, S2NW4,N2SW4, Sec 2: LOTS 1,4, SE/4NE/4, SW/4NW/4, NE/4SE/4, Sec 11: SW/4NE/4, W/2, SE/4, Sec 12: NW/4SW/4, S/2S/2, Sec 13: ALL, Sec 14: ALL	Sublette	Wyoming	
WY	002		WYW-136855	30	114	Sec 6: LOTS 1-7, S/2NE/4,SE/4NW/4,E/2SW/4,SE/4, Sec 7: E/2SW/4, N/2SE/4, Sec 17: SW/4, Sec 19: SW/4NE/4, NW/4SE/4, Sec 20: N/2SW/4, Sec 22: S/2, Sec 23: S/2SW/4, SW/4SE/4, Sec 27: N/2N/2, Sec 30: LOTS 3 & 4, SE/4NE/4, E/2SW/4	Sublette	Wyoming	
WY	003		WYW-136857	30	114	Sec 27: S2N2,N2SW,SE	Sublette	Wyoming	
WY	048		WYW-56739	30	114	Sec 32: SE,SENE,E2SW,SWSW	Sublette	Wyoming	58/470
WY	049		WYW-36438	30	114	Sec 33: ALL	Sublette	Wyoming	64/168
WY	050		WYW-38887	29	114	Sec 4: Lot 4, SWNW, S/2, S/2NE; Sec 5: Lots 1-3, S2N2,NESW,SE, W/2SW. SESW	Sublette	Wyoming	52/119
WY	055		Robert V. Thompson	29	113 & 114	Sec. 7: Lots 1,2, W2NE, E2NW, Sec 8: NENW;R114W, Sec 1: Lots 5-7, SWNE, W2SE, Sec 11: SENE, Sec 12: NE. N2SE.NESW. S2NW	Sublette	Wyoming	117/597 ext 124/622
WY	056		Gordon M. Mickelson, Trustee	29	113	Sec 5: Lots 2,3, S2NW,SWNE,SW,W2SE, Sec 6: Lots 5-7. SE.E2SW.SENW.S2NE	Sublette	Wyoming	118/528 ext 124/622
WY	057	A	May Brown Jones	30	114	Sec 15: SW; Sec 21: E2NE; Sec 22: SENE,W2NE,NW; Sec 23: SENE.W2NE.NW.N2S2	Sublette	Wyoming	121/111
WY	057	B	Kathleen King, Trustee	30	114	Sec 15: SW; Sec 21: E2NE; Sec 22: SENE,W2NE,NW; Sec 23: SENE.W2NE.NW.N2S2	Sublette	Wyoming	121/107

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Exhibit "A"

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Lease Number			Lessor	Township	Range	Description	County	State	Book/Page
WY	057	C	Beulah Riggan	30	114	Sec 15: SW; Sec 21: E2NE; Sec 22: SENE,W2NE,NW; Sec 23: SENE.W2NE.NW.N2S2	Sublette	Wyoming	121/105
WY	057	D	Kathleen King, Trustee	30	114	Sec 15: SW; Sec 21: E2NE; Sec 22: SENE,W2NE,NW; Sec 23: SENE.W2NE.NW.N2S2	Sublette	Wyoming	121/138
WY	090		WYW-136357	29	113	Sec 6: Lots 1-4	Sublette	Wyoming	
WY	110		ST-98-00213	30	114	Sec 36: E2,SW	Sublette	Wyoming	
WY	111		WYW-136564	30	113	Sec 31: Lots 2,3,4, E2SW,SWSE	Sublette	Wyoming	
WY	115		WYW118393	30	114	Sec 32: NW,N/2NE,SWNE,NWSW	Sublette	Wyoming	
WY	116		WYW49663	29	114	Sec 4: Lots 1,2,3,SENW	Sublette	Wyoming	
WY	117		WYW60620	29	114	Sec 5: Lot 4	Sublette	Wyoming	

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Exhibit "A"

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Lease Number	Lessor	Township	Range	Description	County	State	Book/Page

WELLS

SECTION 1 TOWNSHIP 18 NORTH, RANGE 100 WEST

WELL NAME	LOCATION	WI	NRI
PIPELINE 1-1-18-100	NENW	100.000000%	82.500000%
PIPELINE 1-2-18-100	NWNE	100.000000%	82.500000%
PIPELINE 1-3-18-100	NESE	100.000000%	82.500000%
PIPELINE 1-4-18-100	SWSW	100.000000%	82.500000%
PIPELINE 1-5-18-100	NESW	100.000000%	82.500000%
PIPELINE 1-6-18-100	NENW	100.000000%	82.500000%
PIPELINE 1-7-18-100	NWNE	100.000000%	82.500000%
PIPELINE 1-8-18-100	SESE	100.000000%	82.500000%
PIPELINE 1-9-18-100	NWSW	100.000000%	82.500000%

SECTION 2 TOWNSHIP 18 NORTH, RANGE 100 WEST

WELL NAME	LOCATION	WI	NRI
VER BRUGGE 2	CNE	1.333334%	1.126666%

SECTION 12 TOWNSHIP 18 NORTH, RANGE 100 WEST

WELL NAME	LOCATION	WI	NRI
PIPELINE 12-1-18-100	NWNW	100.000000%	87.500000%
PIPELINE 12-2-18-100	SWNE	100.000000%	87.500000%
PIPELINE 12-3-18-100	SESE	100.000000%	87.500000%
PIPELINE 12-4-18-100	SESW	100.000000%	87.500000%

SECTION 13 TOWNSHIP 18 NORTH, RANGE 100 WEST

WELL NAME	LOCATION	WI	NRI
PIPELINE 13-1-18-100	SWNW	100.000000%	82.500000%

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Lease Number	Lessor	Township	Range	Description	County	State	Book/Page
	PIPELINE 13-2-18-100			NENE	100.000000%	82.500000%	
	PIPELINE 13-3-18-100			NESE	100.000000%	82.500000%	
	PIPELINE 13-4R-18-100			SESW	100.000000%	82.500000%	
SECTION 14 TOWNSHIP 18 NORTH, RANGE 100 WEST							
	WELL NAME			**LOCATION**	**WI**	**NRI**	
	WOLF GOV'T #1			NWNW	1.333334%	1.09333%	
SECTION 23 TOWNSHIP 19 NORTH, RANGE 100 WEST							
	WELL NAME			**LOCATION**	**WI**	**NRI**	
	PIPELINE 23-1-19-100			NWNW	100.000000%	82.500000%	
	PIPELINE 23-2-19-100			SWNE	100.000000%	82.500000%	
	PIPELINE 23-3-19-100			NWSE	100.000000%	82.500000%	
	PIPELINE 23-4-19-100			SESW	100.000000%	82.500000%	
	PIPELINE 23-5-19-100			NESW	100.000000%	82.500000%	
SECTION 6 TOWNSHIP 29 NORTH, RANGE 113 WEST							
	WELL NAME			**LOCATION**	**WI**	**NRI**	
	Thompson 6-1-29-113			Lot 5	100.000000%	80.000000%	
	Thompson 6-2-29-113			SWNE	100.000000%	80.000000%	
	Thompson 6-4-29-113			NESW	100.000000%	80.000000%	
SECTION 1 TOWNSHIP 29 NORTH, RANGE 114 WEST							
	WELL NAME			**LOCATION**	**WI**	**NRI**	
	Thompson 1-2-29-114			SENE-1-29N-114W	100.000000%	80.000000%	
	Thompson 1-3-29-114			SWSE-1-29N-114W	100.000000%	80.000000%	
RILEY RIDGE MESA VERDE PA "A"							
	WELL NAME			**LOCATION**	**BPO WI**	**BPO NRI**	
	Riley Ridge PA "A"			**T29N-R114W**	99.997448%	79.998016%	
				Sec. 04: Lots 2, 3, 4, S2NW, N2SW			
				Sec. 05: Lots 1, 2, 3, S2NE, SENW, NESW, N2SE			

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Exhibit "A"

Attached to and made a part of that certain Mortgage Agreement dated July 2, 2003, by and between Highbridge/Zwirn Special Opportunities Fund, L.P. and Infinity Oil Gas of Wyoming, Inc.

Lease Number	Lessor	Township	Range	Description	County	State	Book/Page
				T30N-R114W Sec. 32: SE, SESW Sec. 33: SW, W2SE 963.63 acres, more or less			
	Riley Ridge Fed 5-2			SWNE-5-29N-114W			
	Riley Ridge Fed 14-33			SWSW-33-30N-114W			
	Riley Ridge Fed 41-5			NENE-5-29N-114W			
	Riley Ridge Fed 44-32			SESE-32-30N-114W			
	Riley Ridge Fed 11-4			NWNW-4-29N-114W			

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When recorded send to:
Dolar Energy, LLC
935 E. South Union Ave., Suite D-202
Midvale, UT 84047-2393

298243

RECORDED July 7 2003 3:55pM
IN BOOK 125 046 PAGE 98
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

Producers 88(DOP)2/00

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 23rd th day of June, 2003, by and between

Ray E. Morgan, Heir to the Estates of Iona Alice Morgan, deceased,
Bertha Cantlin Reaveley, deceased, and Hattie Bair, deceased
2550 SW Hewitt Avenue
Troutdale, OR 97060

hereinafter called Lessor (whether one or more) and DOLAR ENERGY, L.L.C., whose address is 935 East South Union Avenue, Suite D-202, Midvale, Utah 84047-2393 hereinafter called Lessee:
WITNESSETH: that Lessor, for and in consideration of ten or more DOLLARS ($10.00+)in hand paid, receipt of which is hereby acknowledged, and of the agreements of lessee hereinafter set forth, hereby grants, demises, leases and lets exclusively unto said lessee the lands hereinafter described for the purpose of prospecting, exploring by geophysical and other methods drilling, mining operating for and producing oil or gas, or both, including, but not as a limitation, casinghead gas, casinghead gasoline, gas-condensate (distillate), gas producible from coal-bearing formations, and any substance, whether similar or dissimilar, produced in a gaseous state, all associated hydrocarbons produced in a liquid or gaseous form, all sulfur, and for injecting water and other fluids, gas, air, and other gaseous substances into subsurface strata, together with the right to construct and maintain pipe lines, telephone and electric lines, tanks, powers, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas, and the exclusive right to inject air, gas, water, brine and other fluids from any source into the subsurface strata and any and all other rights and privileges necessary, incident to, or convenient for the economical operation of said land, alone or co-jointly with neighboring land, for the production, saving and taking care of oil and gas and the injection of air, gas, water, brine, and other fluids into the subsurface strata, said being situated in the

County of Sublette, State of Wyoming, and being described as follows, to-wit:

Township 33 North, Range 109 West, 6th PM
Section 5: Lot 4, SW¼NW¼
Section 6: Lot 2, SE¼NE¼

together with all strips, parcels of land and riparian rights adjoining or contiguous to the above described tract of land, and owned or claimed by lessor and containing 159.49 acres, more or less.

1. It is agreed that lease shall remain in force for a term of Five (5) years from this date and as long hereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filling for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered. Consideration paid herein shall constitute a bonus consideration payment of one fifth the total amount paid, and four annual rental payments equal to the bonus consideration paid.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable monthly, for the gas from each well where gas only is found, while the same is being used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8th), payable monthly at the prevailing market rate for gas.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8th) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to houses, barns, or other facilities, including Lessors water facilities now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded

instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease/such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties herein above named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

X Ray E. Morgan

Ray E. Morgan

Individual Notary

STATE OF OREGON)
COUNTY OF Multnomah)SS

BEFORE ME, the undersigned authority, on this day personally appeared Ray E. Morgan, Heir to the Estates of Iona Alice Morgan, deceased, Bertha Cantlin Reavley, deceased, and Hattie Bair, deceased, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 26 day of June - 2003

My Commission Expires:
9-17-04

Sandra I. Sleeth
Notary Public

OFFICIAL SEAL
SANDRA I. SLEETH
NOTARY PUBLIC-OREGON
COMMISSION NO. 338510
MY COMMISSION EXPIRES SEPT. 17, 2004

100

When recorded send to:
Dolar Energy, LLC
935 E. South Union Ave., Suite D-202
Midvale, UT 84047-2393

298244

RECORDED July 7 2003 3:55 pM
IN BOOK 125 OF S PAGE 100
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sofen

Producers 88(DOP)2/00

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 23rd th day of June, 2003, by and between

Roger William Reaveley, Heir to the Estates of Elmer Reaveley, deceased,
Bertha Cantlin Reaveley, deceased, and Hattie Bair, deceased
201 Cherry Lane
Snyder, OK 73566

hereinafter called Lessor (whether one or more) and DOLAR ENERGY, L.L.C., whose address is 935 East South Union Avenue, Suite D-202, Midvale, Utah 84047-2393 hereinafter called Lessee:

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

County of Sublette, State of Wyoming, and being described as follows, to-wit:

Township 33 North, Range 109 West, 6th PM
Section 5: Lot 4, SW¼NW¼
Section 6: Lot 2, SE¼NE¼

together with all strips, parcels of land and riparian rights adjoining or contiguous to the above described tract of land, and owned or claimed by lessor and containing 159.49 acres, more or less.

1. It is agreed that lease shall remain in force for a term of Five (5) years from this date and as long hereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filling for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered. Consideration paid herein shall constitute a bonus consideration payment of one fifth the total amount paid, and four annual rental payments equal to the bonus consideration paid.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable monthly, for the gas from each well where gas only is found, while the same is being used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8th), payable monthly at the prevailing market rate for gas.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8th) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to houses, barns, or other facilities, including Lessors water facilities now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded

instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease/such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties herein above named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

X Roger William Reaveley
Roger William Reaveley

Individual Notary

STATE OF OKLAHOMA)
)SS
COUNTY OF Kiowa)

BEFORE ME, the undersigned authority, on this day personally appeared Roger William Reaveley, Heir to the Estates of Elmer Reaveley, deceased, Bertha Cantlin Reaveley, deceased and Hattie Bair, deceased, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 25 day of June, 2003

My Commission Expires
8-27-04
#00012751

Tammy Abernathy
Notary Public

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2

OIL AND GAS LEASE

AGREEMENT, Made and entered into as of the 29th day of September, 19XX 2003, by and between Emma Lee Hecox, a single woman

whose post office address is P.O. Box 538, Pinedale, WY 82941, hereinafter called Lessor (whether one or more) and Duncan M. O'Brien
1630 Welton St., Suite 530 whose post office address is Denver, CO 80202, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of *Ten and more--- DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Sublette State of Wyoming, described as follows, to-wit: /specifically including* X624

Township 37 North, Range 110 West, 6th P.M.

Section 13: W½SE¼, SW¼SW¼, & SE¼SE¼ lying west of Green River Lakes Road
Section 14: SE¼SE¼
Section 24: NW¼NE¼, N½NW¼, SW¼NW¼, W½SW¼, NE¼NE¼ lying westerly of the center line of the Green River County Road
Section 25: NW¼NW¼
Section 26: NE¼NE¼

and containing 497.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of ~~XXX~~ five (5) years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith. X624

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (1/8), payable monthly at the prevailing market rate for gas.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof. The undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

*gas produced from coal beds

298247

RECORDED July 8 2003 8:00 AM
IN BOOK 125 OR 6 PAGE 102
FEES $11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

Emma Lee Hecox
Emma Lee Hecox

[redacted] [redacted] [redacted]

Printed by P&M Printing (303) 423-4691

STATE OF WYOMING
COUNTY OF SUBLETTE } ss.

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGMENT—INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 3rd day of [illegible], XX2003, personally appeared Emma Lee Hecox, a single woman

and

, to me known to be the identical person , described in and who executed the within and foregoing instrument of writing and acknowledged to me that she duly executed the same as her free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires 2-11-06

LILLIAN L. FREEMAN - NOTARY PUBLIC COUNTY OF SUBLETTE STATE OF WYOMING MY COMMISSION EXPIRES 02-11-06

Lillian L. Freeman
Notary Public.

Address: PO Box 173 Eva Wy 82925

STATE OF
COUNTY OF } ss.

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGMENT—INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this

day of , 19 , personally appeared

and

, to me known to be the identical person , described in and who executed the within and foregoing instrument of writing and acknowledged to me that duly executed the same as free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires

Notary Public.

Address:

STATE OF
COUNTY OF } ss.

ACKNOWLEDGMENT (For use by Corporation)

On this day of , A.D. 19 , before me personally appeared , to me personally known, who, being by me duly sworn, did say that he is the of and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said acknowledged said instrument to be free act and deed of said corporation.

Witness my hand and seal this day of , A.D. 19 .

Notary Public.

(SEAL)

My Commission expires

Address:

No.
FROM
TO
Dated
No. Acres
County,
Term

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

County Clerk.

By Deputy.

When recorded return to

103

104

ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS

KNOW ALL MEN BY THESE PRESENTS:

That **KAB Acquisition LLLP-VI, a Colorado limited liability limited partnership of 410 17th Street, Suite 1151, Denver, CO 80202**, hereinafter called Assignor, for and in consideration of the sum of Ten Dollars ($10.00) and other valuable consideration, cash in hand paid by **B & J Resources LLC, 410 17th Street #1150, Denver, CO 80202**, hereinafter called Assignee, the receipt of which is hereby acknowledged, has conveyed, transferred, assigned and set over and by these presents does convey, transfer, assign, set over and deliver unto the said Assignee an undivided 50% of the overriding royalty interest it **owns** in the following lease and lands located in Sublette County, Wyoming:

Lease Number 1:

Lessor:	USA
Lessee:	Onager Enterprises
Dated:	December 1, 1989
Federal Lease Number:	WYW-118155
Description:	Township 29 North, Range 108 West, 6th P.M. Section 21: All Section 23: All Section 24: All Containing 1,920 acres, more or less

Lease Number 2:

Lessor:	USA
Lessee:	Onager Enterprises
Dated:	December 1, 1989
Federal Lease Number:	WYW-118157
Description:	Township 30 North, Range 108 West, 6th P.M. Section 22: NW, W2SW, SESW, SE Section 23: N2NE, SENE, S2 Containing 880 acres, more or less

Assignor warrants title against all persons claiming by, through or under Assignor, but not otherwise.

To have and to hold the above described property and rights, together with all and singular the rights and appurtenances thereto and anywise belonging to Assignee, their heirs, successors, personal representatives, and assigns forever.

IN WITNESS WHEREOF this document is executed this 25 day of June, 2003, but made effective for all purposes, January 1, 2003.

KAB Acquisition LLLP-VI, a Colorado limited liability limited partnership

By: _____
Its: General Partner

==========

ACKNOWLEDGMENT

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

On this 25th day of June, 2003, before me personally appeared Kenneth Breitenbach, to me personally known, who being by me duly sworn, did state that he is the Pres. of Breitenbach Petroleum Corp G.P. of KAB Acquisition LLLP-VI, a Colorado limited liability limited partnership and that said instrument was signed and sealed in behalf of said limited liability limited partnership by said Kenneth Breitenbach who acknowledged said instrument to be the free act and deed of said limited liability limited partnership.

WITNESS my hand and official seal this 25th day of June, 2003.

My Commission Expires:
6/4/15

Maribeth Naughton
Notary Public

MARIBETH NAUGHTON NOTARY PUBLIC STATE OF COLORADO

298273

RECORDED July 8 2003 3:15 PM
IN BOOK 1250+6 PAGE 104
FEES $ 8.00 M. Lee COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

By Cathy Locke

[redacted] [redacted] [redacted]

ASSIGNMENT AND BILL OF SALE AGREEMENT

KNOW ALL MEN BY THESE PRESENTS, that Fort Collins Consolidated Royalties, Inc., a Colorado corporation having its principal office at 950 17th Street, Suite 2600, Denver, Colorado, 80202 ("Transferor"), in payment in full of a dividend in kind duly declared by the Board of Directors of the Transferor to be payable to its sole shareholder of record as of the date of declaration of such dividend, McMurry Oil Company, a Wyoming corporation having its principal office at 950 17th Street, Suite 2600, Denver, Colorado 80202 ("Transferee"), hereby transfers, assigns and conveys unto Transferee, its successors and assigns, all of Transferor's right, title and interest in and to the following described property, as the same will exist, and with effect as of the close of business on December 29, 2000:

Transferor's full right, title and interest in and to the properties described in Schedule "A" attached hereto and by this reference incorporated herein.

TO HAVE AND TO HOLD the same unto Transferee and to its successors or assigns forever and Transferor does hereby covenant and agree that it will from time to time, if requested by Transferee or its successors and assigns, execute, acknowledge and deliver or will cause to be done, executed and delivered to Transferee or its successors and assigns, such and all further acts, transfers, assignments, acts or things as often as may be proper or necessary for better assuring, conveying, transferring and assigning all of the property hereby conveyed, transferred or assigned, and effectively to carry out the intent hereof, and to vest in the entire right, title and interest of Transferor in and to all of the said property, and Transferor will warrant and defend the same to Transferee, its successors and assigns, forever against all claims or demands whatsoever.

IN WITNESS WHEREOF, Transferor and Transferee have caused this instrument to be executed by their duly authorized officers this 5TH day of May, 2003, but effective as of 12:00 p.m. Mountain Standard Time, December 29, 2000.

298336

RECORDED July 10 2003 8:20AM
IN BOOK 125 O+G PAGE 105
FEES $ 9.00 Mary L. Hall COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Paxton

Transferor:
FORT COLLINS CONSOLIDATED ROYALTIES, INC.

By: _____
Gary R. Gardiner, Vice President

Transferee:
McMURRY OIL COMPANY

By: _____
Gary R. Gardiner, Vice President

STATE OF COLORADO)
)ss.
CITY & COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 5th day of May, 2003, by Gary R. Gardiner, Vice President of Fort Collins Consolidated Royalties, Inc., a Colorado corporation.

Witness my hand and official seal.

My Commission expires:_____

JUDITH B. SISNEROS
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires Mar. 17, 2004

Judith B. Sisneros
Notary Public

STATE OF COLORADO)
)ss.
CITY & COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 5th day of May, 2003, by Gary R. Gardiner, Vice President of McMurry Oil Company, a Wyoming corporation.

Witness my hand and official seal.

My Commission expires:_____

JUDITH B. SISNEROS
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires Mar. 17, 2004

Judith B. Sisneros
Notary Public

EXHIBIT "A"
Attached to and made part of that Assignment and Bill of Sale from
Fort Collins Consolidated Royalties, Inc., Assignor, to
McMurry Oil Company, Assignee

SUBLETTE COUNTY, WYOMING

COMPANY LEASE NUMBER	LEASE SERIAL NUMBER	LEASE DATE	LEGAL DESCRIPTION	RECORDED BOOK	RECORDED PAGE
13063.000	USA WYW-144998	05/01/92	T29N, R108W Sec 3: SW/4NW/4, SW/4, SW/4SE/4	88	470
13102.000	USA WYW-134684	05/01/92	T29N-R107W Sec 32: NW/4, SE/4	88	471
13056.000	USA WYW-133071	08/01/94	T28N, R109W Sec 4: Lot 3, SW/4SW/4 Sec 9: NE/4, SW/4	97	459
13058.000	USA WYW-133073	08/01/94	T29N, R109W Sec 34: NE/4	97	461
13059.000	USA WYW-141884	08/01/94	T29N, R109W Sec 19: Lot 4, NE/4NE/4, SW/4NE/4, NE/4SW/4, SW/4SE/4	97	461
13061.000	USA WYW-102717	12/01/86	T29N, R107W Sec 30: SE/4, E/2NW/4, Lots 1, 2 Sec 31: SE/4, E/2NW/4, Lots 1, 2	105	549
13062.000	USA WYW-141883	12/01/93	T28N, R109W Sec 13: SW/4SE/4	94	461
13064.000	USA WYW-125946	01/01/92	T28N, R108W Sec 23: NW/4, SE/4	115	47
13065.000	USA WYW-125947	01/01/92	T28N, R108W Sec 26: NW/4, SE/4 Sec 27: NW/4, SE/4 Sec 28: NW/4, SE/4	115	57
13066.000	USA WYW-125948	12/18/91	T29N, R108W Sec 20: SE/4, NW/4	88	371
13068.000	USA WYW-125953	01/01/92	T29N, R109W Sec 15: SW/4 Sec 22: NE/4, SW/4	115	74
13069.000	USA WYW-125954	01/01/92	T29N, R109W Sec 25: NE/4, SW/4	115	69
13070.000	USA WYW-126474	03/01/92	T27N, R108W Sec 17: SW/4 Sec 18: Lots 1, 2, E/2NW/4 Sec 19: Lots 1, 2, E/2NW/4 Sec 20: SE/4	88	456

EXHIBIT "A"
Attached to and made part of that Assignment and Bill of Sale from
Fort Collins Consolidated Royalties, Inc., Assignor, to
McMurry Oil Company, Assignee

SUBLETTE COUNTY, WYOMING

COMPANY LEASE NUMBER	LEASE SERIAL NUMBER	LEASE DATE	LEGAL DESCRIPTION	RECORDED BOOK	RECORDED PAGE
13072.000	USA WYW-126473	03/01/92	T27N, R108W SEC 4: SE/4, S/2NW/4, Lots 3,4	88	455
13074.000	USA WYW-107206	10/01/87	T28N, R108W Sec 13: NW/4, SE/4 Sec 24: NW/4, SE/4	115	149
13075.000	USA WYW-100901	10/01/87	T28N, R108W SEC 14: NW/4, SE/4	115	88
13076.000	USA WYW-118151	12/01/89	T28N, R108W Sec 1: S/2SE/4 Lots 1, 2	84	590
13077.000	USA WYW-118152	12/01/89	T28N, R108W Sec 31: SE/4, E/2NW/4, Lots 1, 2	84	585
13078.000	USA WYW-118153	12/01/89	T28N, R108W Sec 25: NW/4, SE/4 Sec 34: NW/4, SE/4 Sec 35: NW/4, SE/4	84	580
13079.000	USA WYW-118154	12/01/89	T29N, R108W Sec 9: NW/4, SE/4 Sec 17: NW/4, SE/4	84	574
13080.000	USA WYW-118163	12/01/89	T29N, R109W Sec 20: NE/4, SW/4 Sec 21: NE/4, SW/4 Sec 28: NE/4, SW/4	84	568
13081.000	USA WYW-118164	12/01/89	T29N, R109W Sec 26: NE/4, SW/4 Sec 27: NE/4, SW/4	84	562
13084.000	USA WYW-126676	05/01/92	T29N, R107W Sec 33: NW/4, SE/4	88	471
13085.000	USA WYW-126677	05/01/92	T29N, R108W Sec 13: SW/4NW/4, SW/4, S/2SE/4	88	470
13088.000	USA WYW-127191	07/01/92	T28N, R107W Sec 18: E/2NW/4, SE/4, Lots 1, 2	88	738
13089.000	USA WYW-127192	07/01/92	T29N, R107W Sec 19: SE/4, E/2NW/4, Lots 1, 2 Sec 20: NW/4 Sec 28: SE/4 Sec 29: NW/4, SE/4	88	471

108

EXHIBIT "A"
Attached to and made part of that Assignment and Bill of Sale from
Fort Collins Consolidated Royalties, Inc., Assignor, to
McMurry Oil Company, Assignee

SUBLETTE COUNTY, WYOMING

COMPANY LEASE NUMBER	LEASE SERIAL NUMBER	LEASE DATE	LEGAL DESCRIPTION	RECORDED BOOK	RECORDED PAGE
13090.000	USA WYW-120908	08/01/90	T29N, R107W Sec 17: NW/4, SE/4 Sec 20: SE/4 Sec 28: NW/4	115	154
13094.000	USA WYW-128703	03/01/93	T29N, R108W Sec 10: NW/4, SE/4 Sec 14: NW/4, SE/4	92	12
13096.000	USA WYW-122309	11/01/90	T28N, R108W Sec 32: NW/4, SE/4	111	73
13100.000	USA WYW-114848	02/01/89	T27N, R109W Sec 11: NW/4 Sec 23: W/2W/2	115	80
13101.000	USA WYW-115608	04/01/89	T27N, R108W Sec 6: SE/4, SE/4NW/4, Lots 3, 4, 5	115	84
13106.000	USA WYW-141878	01/01/92	T29N, R108W Sec 18: NE/4, E/2SW/4, Lots 3,4	105	560
13109.000	USA WYW-141998	10/01/87	T28N, R108W Sec 12: NW/4, SE/4	115	88
13111.000	USA WYW-142000	01/01/92	T28N, R108W Sec 29: NW/4, SE/4	115	166
13112.000	USA WYW-141999	12/01/89	T28N, R108W Sec 33: NW/4, SE/4	84	580
13114.000	USA WYW-147795	03/01/92	T27N, R108W Sec 5: SE/4, S/2NW/4, Lots 3, 4 Sec 8: SE/4, NW/4,	88	455
13119.000	USA WYW-147797	07/01/92	T28N, R107W Sec 5: SE/4 Sec 17: SE/4, NW/4	88	738
13439.000	USA WYW-153527	07/01/92	T28N, R107W Sec 33: SW/4	88	738
13118.000	USA WYW-141881	01/01/93	T28N, R109W Sec 25: NW/4, SE/4	92	407

EXHIBIT "A"
Attached to and made part of that Assignment and Bill of Sale from
Fort Collins Consolidated Royalties, Inc., Assignor, to
McMurry Oil Company, Assignee

SUBLETTE COUNTY, WYOMING

COMPANY LEASE NUMBER	LEASE SERIAL NUMBER	LEASE DATE	LEGAL DESCRIPTION	RECORDED BOOK	RECORDED PAGE
13125.000	USA WYW-125949	01/01/92	T29N, R108W Sec 19: Lots 3, 4, NE/4, E/2SW/4 Sec 30: Lots 3, 4, NE/4, E/2SW/4 Sec 31: Lots 3, 4, NE/4, E/2SW/4	115	62
13126.000	USA WYW-128039	01/01/93	T28N, R109W Sec 10: NE/4, SW/4 Sec 14: NE/4, SW/4	92	407
13113.000	USA WYW-141756	11/01/92	T29N, R108W Sec 25: SE/4, NW/4	92	198
13121.000	USA WYW-130730	12/01/93	T28N, R109W Sec 2: S/2SW/4, Lots 3, 4 Sec 3: S/2SW/4, Lots 3, 4 T29N R109W Sec 34: SW/4	94	461
13122.000	USA WYW-125952	01/01/92	T29N, R109W Sec 13: NE/4, SW/4 Sec 14: NE/4, SW/4 Sec 23: NE/4, SW/4 Sec 24: SW/4	115	30
13123.000	USA WYW-127749	11/01/92	T29N, R108W Sec 15: NW/4, SE/4 Sec 22: NW/4, SE/4	92	198
13124.000	USA WYW-130232	09/01/93	T28N, R109W Sec 11: NE/4, SW/4	93	321
13060.000	USA WYW 141885	04/01/96	T29N, R109W Sec 18: Lots 3, 4, E/2SW/4, NE/4	115	140
13082.000	ST WY 92-00196	04/02/92	T29N, R108W Sec 16: NW/4, SE/4	88	445
13083.000	ST WY 92-00199	04/02/92	T29N, R109W Sec 36: NE/4, SW/4	88	448
13095.000	ST WY 93-00109	04/02/93	T29N, R109W Sec 16: NE/4, SW/4	92	273
13098.000	ST WY 93-00554	12/02/93	T28N, R109W Sec 36: NW/4, SE/4	96	5

End of Exhibit "A"

011

Assignment of Overriding Royalty Interest

State Of Wyoming }
KNOW ALL MEN BY THESE PRESENTS:
County Of Sublette }

That, on February 7th, 2003 the undersigned Alicia Ann Gilbert, of 120 Gerard Drive, Goleta, California 93113-1078, hereinafter referred to as "ASSIGNOR", for and in consideration of the sum of $10.00, the receipt and sufficiency of which is hereby acknowledged, does hereby assign, transfer sell and convey unto Crown Oil & Gas Company, Inc. of P.O. Box 519, Big Piney, Wyoming, 83113, herein after referred to as "ASSIGNEE", its 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, including but not limited to a 0.0097303 overriding royalty interest in the production, treatment, sale or disposal of hydrocarbons.

Assignor warrants that he holds and owns a 0.0097303 overriding royalty interest in all minerals that are produced from the well bore of the Chapel 30-18 well located in the N/SW, Section 18, T28N, R111W, Sublette, County, and State of Wyoming.

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, 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.

In witness whereof the undersigned have executed this instrument this 20 day of June 2003.

Executed this 20 day of June, 2003.

ASSIGNOR:
Alicia Ann Gilbert

By: Alicia Ann Gilbert

298380

RECORDED July 14 2003 9:10a M
IN BOOK 125 OPG PAGE 111
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

ASSIGNEE:

By: _____

By: _____

STATE OF California)
Santa
COUNTY OF Barbara) **ss.**

Before me, the undersigned, a Notary Public, in and for said County and State, on this 20th **day of** June **, 2003, personally appeared** Alicia Ann Gilbert **me known to be the identical person who subscribed her name to the forgoing instrument and acknowledge to me that** she **executed the same as** her **free and voluntary act and deed, for the uses and purposes therein set forth.**

Witness my hand and Official seal.

Cynthia J. Hunter
Notary Public

CYNTHIA J. HUNTER
COMM. #1363602
NOTARY PUBLIC-CALIFORNIA
SANTA BARBARA COUNTY
My Comm. Expires July 31, 2006

My commission expires: 7-31-06

STATE OF Utah)
) **ss.**
COUNTY OF Juab)

Before me, the undersigned, a Notary Public, in and for said County and State, on this 26 **Day of** June **2003, personally appeared David W. Neher, to me known to be the identical person who subscribed his name to the forgoing instrument and acknowledge to me that he executed the same as his free and voluntary act and deed, for the uses and purposes therein set forth.**

Witness my hand and Official seal.

Amy A Parrish
Notary Public

My commission expires:
March 20-2007

[redacted] [redacted] [redacted]

EXHIBIT "A"

Attached To and Made a Part of That Certain Assignment, Bill Of Sale and Conveyance By and Between Alicia Ann Gilbert., Assignor and Crown Oil & Gas Company Inc, Assignee Dated Effective February 7th 2003

WELL

Well Name:	**Chapel Canyon 30-18**
Located:	Township 28 North, Range 111 West Section 18: SW/4 3943' FEL, 1500 FSL Sublette County, Wyoming

Assignment of Overriding Royalty Interest

State Of Wyoming }
KNOW ALL MEN BY THESE PRESENTS:
County Of Sublette }

That, on February 7th, 2003 the undersigned Jennifer Rose Gilbert, of 120 Gerard Drive, Goleta, California 93113-1078, hereinafter referred to as "ASSIGNOR", for and in consideration of the sum of $10.00, the receipt and sufficiency of which is hereby acknowledged, does hereby assign, transfer sell and convey unto Crown Oil & Gas Company, Inc. of P.O. Box 519, Big Piney, Wyoming, 83113, herein after referred to as "ASSIGNEE", its 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, including but not limited to a 0.0097303 overriding royalty interest in the production, treatment, sale or disposal of hydrocarbons.

Assignor warrants that he holds and owns a 0.0097303 overriding royalty interest in all minerals that are produced from the well bore of the Chapel 30-18 well located in the N/SW, Section 18, T28N, R111W, Sublette, County, and State of Wyoming.

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, 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.

In witness whereof the undersigned have executed this instrument this 28th day of May 2003.

Executed this 28th day of May, 2003.

ASSIGNOR:
Jennifer Rose Gilbert

By: Jennifer Rose Gilbert

298381

RECORDED July 14 2003 9:10 A M
IN BOOK 125 Pg 6 PAGE 114
FEES $ 17.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

ASSIGNEE:

By: _____

By: _____

STATE OF _____)

) ss.

COUNTY OF _____)

See Attached

Before me, the undersigned, a Notary Public, in and for said County and State, on this ___ day of _____, 2003, personally appeared _____ me known to be the identical person who subscribed her name to the forgoing instrument and acknowledge to me that he executed the same as his free and voluntary act and deed, for the uses and purposes therein set forth.

Witness my hand and Official seal.

_____

Notary Public

My commission expires:

STATE OF Wyoming

) ss.

COUNTY OF Sweetwater

Before me, the undersigned, a Notary Public, in and for said County and State, on this 20 **Day of** June **2003, personally appeared David W. Neher, to me known to be the identical person who subscribed his name to the forgoing instrument and acknowledge to me that he executed the same as his free and voluntary act and deed, for the uses and purposes therein set forth.**

Witness my hand and Official seal.

Amy Jo Jewett

Notary Public

My commission expires:

EXHIBIT "A"

Attached To and Made a Part of That Certain Assignment, Bill Of Sale and Conveyance By and Between Jennifer Rose Gilbert., Assignor and Crown Oil & Gas Company Inc, Assignee Dated Effective February 7th 2003

WELL

Well Name:	**Chapel Canyon 30-18**
Located:	Township 28 North, Range 111 West Section 18: SW/4 3943' FEL, 1500 FSL Sublette County, Wyoming

[redacted] [redacted] [redacted]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Santa Barbara } ss.

On May 28, 2003 (Date), before me, Katie Nord, Notary Public (Name and Title of Officer (e.g., "Jane Doe, Notary Public")),

personally appeared Jennifer Rose Gilbert (Name(s) of Signer(s)),

☒ personally known to me
~~☐ proved to me on the basis of satisfactory evidence~~

to be the person(~~s~~) whose name(~~s~~) is(~~are~~) subscribed to the within instrument and acknowledged to me that ~~he~~/she/~~they~~ executed the same in ~~his~~/her/~~their~~ authorized capacity(~~ies~~), and that by ~~his~~/her/~~their~~ signature(~~s~~) on the instrument the person(~~s~~), or the entity upon behalf of which the person(~~s~~) acted, executed the instrument.

KATIE NORD
Commission # 1252504
Notary Public - California
Santa Barbara County
My Comm. Expires Feb 4,2004

WITNESS my hand and official seal.

Katie Nord
Signature of Notary Public

Place Notary Seal Above

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: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

Signer's Name: _____

☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

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Assignment of Overriding Royalty Interest

State Of Wyoming }
KNOW ALL MEN BY THESE PRESENTS:
County Of Sublette }

That, on February 7th, 2003 the undersigned Jennifer Rose Gilbert, of 120 Gerard Drive, Goleta, California 93113-1078, hereinafter referred to as "ASSIGNOR", for and in consideration of the sum of $10.00, the receipt and sufficiency of which is hereby acknowledged, does hereby assign, transfer sell and convey unto Crown Oil & Gas Company, Inc. of P.O. Box 519, Big Piney, Wyoming, 83113, herein after referred to as "ASSIGNEE", its 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, including but not limited to a 0.0097303 overriding royalty interest in the production, treatment, sale or disposal of hydrocarbons.

Assignor warrants that he holds and owns a 0.0097303 overriding royalty interest in all minerals that are produced from the well bore of the Chapel 30-18 well located in the N/SW, Section 18, T28N, R111W, Sublette, County, and State of Wyoming.

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, 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.

In witness whereof the undersigned have executed this instrument this 28th **day of** May **2003.**

Executed this 28th **day of** May **, 2003.**

ASSIGNOR:
Jennifer Rose Gilbert

By: Jennifer Rose Gilbert

298382

RECORDED July 14 2003 9:10 AM
IN BOOK 125 D+S PAGE 118
FEES $ 17.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

ASSIGNEE:

By: _____

By: _____

STATE OF _____)
) ss.
COUNTY OF _____)

Before me, the undersigned, a Notary Public, in and for said County and State, on this ____day of _____, 2003, personally appeared _____ me known to be the identical person who subscribed her name to the forgoing instrument and acknowledge to me that he executed the same as his free and voluntary act and deed, for the uses and purposes therein set forth.

Witness my hand and Official seal.

_____
Notary Public

My commission expires: See Attached

STATE OF Wyoming
) ss.
COUNTY OF Fremont

Before me, the undersigned, a Notary Public, in and for said County and State, on this 20 **Day of** June **2003, personally appeared David W. Neher, to me known to be the identical person who subscribed his name to the forgoing instrument and acknowledge to me that he executed the same as his free and voluntary act and deed, for the uses and purposes therein set forth.**

Witness my hand and Official seal.

Amy Ogburn
Notary Public

My commission expires:

EXHIBIT "A"

Attached To and Made a Part of That Certain Assignment, Bill Of Sale and Conveyance By and Between Jennifer Rose Gilbert., Assignor and Crown Oil & Gas Company Inc, Assignee Dated Effective February 7th 2003

WELL

Well Name:	**Chapel Canyon 30-18**
Located:	Township 28 North, Range 111 West Section 18: SW/4 3943' FEL, 1500 FSL Sublette County, Wyoming

[redacted] [redacted] [redacted]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of Santa Barbara } ss.

On May 28, 2003 (Date) before me, Katie Nord, Notary Public (Name and Title of Officer (e.g., "Jane Doe, Notary Public")),
personally appeared Jennifer Rose Gilbert (Name(s) of Signer(s)),

☑ personally known to me
☐ ~~proved to me on the basis of satisfactory evidence~~

to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that ~~he/~~she/~~they~~ executed the same in ~~his/~~her/~~their~~ authorized capacity~~(ies)~~, and that by ~~his/~~her/~~their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

KATIE NORD
Commission # 1252504
Notary Public - California
Santa Barbara County
My Comm. Expires Feb 4,2004

WITNESS my hand and official seal.

Katie Nord
Signature of Notary Public

Place Notary Seal Above

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: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

Signer's Name: _____

☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

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122

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS:

THAT Neil A. McMurry, aka Mick McMurry with an address of 5410 E. 22nd Street, Casper, Wyoming 82609 (hereinafter referred to as "Assignor"), for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby sell, convey, transfer, assign and deliver, without warranty of title, express or implied, all of Assignor's right, title and interest in and to any overriding royalty on all of the oil, gas and other hydrocarbon substances that may be produced and saved and marketed from or attributable to lands set out in and covered by the oil and gas lease, and any segregations, extensions or renewals thereto, described in Exhibit "A" attached hereto and made a part hereof, unto NERD Royalties LLC, a Wyoming flexible limited liability company, with an address of 5410 E. 22nd Street, Casper, Wyoming 82605 (hereinafter referred to as "Assignee").

To have and to hold the overriding royalty interest herein conveyed unto Assignee, its heirs, successors, and assigns, forever, subject to the terms and conditions of the oil and gas lease described in Exhibit "A", and all matters of record in Sublette County, Wyoming. Duplicate original copies of this Assignment may be executed for purposes of recording in the real property records of Sublette County, Wyoming, and filing with the Wyoming Office of the Bureau of Land Management. In no event, however, shall any such duplicate assignment be construed as creating interests which are in addition to those set forth above.

IN WITNESS WHEREOF, this Assignment is executed this 28th day of June, 2003, to be effective between the parties as of April 1, 2002.

Neil A. McMurry
Neil A. McMurry, aka Mick McMurry

STATE OF WYOMING)
) ss.
COUNTY OF Natrona)

The foregoing instrument was acknowledged before me this 28th day of June, 2003, by Neil A. McMurry, aka Mick McMurry.

My commission expires: 6 April 2007

Witness my hand and official seal.

THOMAS R. BLEVINS - NOTARY PUBLIC
County of Natrona
State of Wyoming
My Commission Expires April 6, 2007

Thomas R. Blevins
Notary Public

298383
RECORDED July 14 2003 9:30a M
IN BOOK 250+6 PAGE 122
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

J:\ROSAS\Nerd Royalties, LLC\AssnORIWYW016162

[redacted] [redacted] [redacted]

Attached to and made a part of that certain Assignment of Overriding Royalty Interest effective between the parties April 1, 2002, by and between Neil A. McMurry, aka Mick McMurry, as Assignor and NERD Royalties LLC, as Assignee.

Lease No.	Lessor	Lessee	Lease Date	Legal Description	Recorded Book - Page
USA WYW 016162	USA	Phil D. Helmig	7/1/52	T30N R108W Sec 11: SW/4	N/A

STATEMENT OF ASSIGNEES TO ACCOMPANY
ASSIGNMENT OF OVERRIDING ROYALTY INTEREST
IN UNITED STATES OF AMERICA OIL AND GAS LEASE NO. USA WYW 016162.

THE UNDERSIGNED 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; (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 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 assignment of an interest in an oil and gas lease, or 51,200 acres in any one State if this is an assignment of an interest in 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.

THE UNDERSIGNED ASSIGNEE certifies further that the statements herein are true, complete and correct to the best of the undersigned's knowledge and belief and are made in good faith.

EXECUTED this 28th day of June, 2003.

Assignee's Address

NERD Royalties LLC

By: Neil A. McMurry
Neil A. McMurry, Manager
5410 E. 22nd Street
Casper, Wyoming 82609

STATE OF WYOMING)
COUNTY OF Natrona)

The foregoing instrument was acknowledged before me this 28th day of June, 2003 by Neil A. McMurry, as Manager of NERD Royalties LLC, a Wyoming flexible limited liability company.

My Commission Expires 6 April 2007

Thomas R. Blevins
Notary Public
Name: Thomas R. Blevins
Address P.O. Box 3003 Casper, WY 82602

J:\ROSAS\Nerd Royalties, LLC\Statement of Assignee-016162

When recorded send to:
Dolar Energy, LLC
935 E. South Union Ave., Suite D-202
Midvale, UT 84047-2393

298386

RECORDED July 14 2003 10:05a M
IN BOOK 125 046 PAGE 125
FEES $11.00 [illegible] COUNTY CLERK
SUBLETTE COUNTY PINEDALE, WYOMING

Producers 88(DOP)2/00

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 23rd day of June, 2003, by and between

Kenneth Morgan, Heir to the Estates of Iona Alice Morgan, deceased,
Bertha Cantlin Reaveley, deceased, and Hattie Bair, deceased
~~[redacted]~~ 715 Cherry Hill Drive
~~[redacted]~~ Pleasant Grove, UT 84062
K.M.

hereinafter called Lessor (whether one or more) and DOLAR ENERGY, L.L.C., whose address is 935 East South Union Avenue, Suite D-202, Midvale, Utah 84047-2393 hereinafter called Lessee:

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

Township 33 North, Range 109 West, 6th PM
Section 5: Lot 4, SW¼NW¼
Section 6: Lot 2, SE¼NE¼

together with all strips, parcels of land and riparian rights adjoining or contiguous to the above described tract of land, and owned or claimed by lessor and containing 159.49 acres, more or less.

1. It is agreed that lease shall remain in force for a term of Five (5) years from this date and as long hereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered. Consideration paid herein shall constitute a bonus consideration payment of one fifth the total amount paid, and four annual rental payments equal to the bonus consideration paid.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable monthly, for the gas from each well where gas only is found, while the same is being used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8th), payable monthly at the prevailing market rate for gas.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8th) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to houses, barns, or other facilities, including Lessors water facilities now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded

instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease/such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties herein above named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

X Kenneth Morgan
Kenneth Morgan

Individual Notary

STATE OF UTAH)
)SS
COUNTY OF Utah)

BEFORE ME, the undersigned authority, on this day personally appeared Kenneth Morgan, Heir to the Estates of Iona Alice Morgan, deceased, Bertha Cantlin Reaveley, deceased, and Hattie Bair, deceased, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 26 day of June, 2003.

My Commission Expires:
Aug 24, 2005

Kevin Kendell
Notary Public

KEVIN KENDELL
NOTARY PUBLIC • STATE of UT
113 WEST 920 SOUT
PROVO, UTAH 84
COMM. EXP. 8-24-2

583329

298389

RECORDED July 14 2003 11:10a M
IN BOOK 125 O+G PAGE 127
FEES $19.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

REVISED AND CORRECTED
ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS:

THAT by Assignment of Overriding Royalty dated March 21, 2003, recorded in Book 124 O&G, Page 454 of the Sublette County, Wyoming records on March 24, 2003, Kelly Sue Mortimer assigned overriding royalty in certain oil and gas properties to Scot E. Mortimer, and,

THAT said Assignment dated March 21, 2003 contained certain errors and omissions in the oil and gas properties and wells described therein, and,

WHEREAS Kelly Sue Mortimer and Scot E. Mortimer desire to execute and record this revised and corrected assignment to correct and properly describe the oil and gas wells and properties intended to be assigned.

NOW THEREFORE, for and in consideration of the sum of Ten Dollars and other good and valuable consideration, receipt of which is hereby acknowledged, the undersigned Kelly Sue Mortimer of 468 N. Six Mile Road, Casper, Wyoming, 82604 (hereinafter referred to as Assignor) does hereby assign, transfer and set over to Scot E. Mortimer of 4977 Moorhead Avenue, #115, Boulder, Colorado, 80305 (hereinafter referred to as Assignee) all of Assignor's overriding royalty interest in and to the following described oil and/or gas wells in Sublette County, Wyoming, to wit:

See attached Revised Exhibit "A" for corrected description of wells.

And the Assignee herein, Scot E. Mortimer, does hereby reassign, transfer and set over to Kelly Sue Mortimer, Assignor herein, any and all interest he may own and was conveyed under the terms of the previous Assignment Of Overriding Royalty dated March 21, 2003 which is recorded in Book 124 O&G, Page 454, which is inconsistent with the interests set out on Revised Exhibit "A" attached hereto.

This assignment is limited to Assignor's interest in the existing producing wells listed on Revised Exhibit "A". It is not intended to include an interest in any subsequent offsetting wells or wells which may be drilled to deeper formations than those now producing in the existing wells. The interest conveyed is a well-bore interest, to the depth drilled, in the wells specifically described.

This assignment is made without warranty, express or implied.

TO HAVE AND TO HOLD the interest herein transferred and assigned to Assignee, his successors and assigns forever.

IN WITNESS WHEREOF, Assignor has executed and delivered this assignment as of this 16th day of May, 2003, to be effective as of March 1, 2003.

GAIL R. KELLY - NOTARY PUBLIC
County of Natrona State of Wyoming
My Commission Expires Sept. 10, 2003

Kelly Sue Mortimer
Kelly Sue Mortimer

Scot E. Mortimer
Scot E. Mortimer

STATE OF WYOMING)
) SS
COUNTY OF NATRONA)

The foregoing instrument was acknowledged before me this 16 day of May, 2003 by Kelly Sue Mortimer.

Gail R. Kelly
Notary Public

My commission expires: 9/10/03

STATE OF ~~COLORADO~~ Wyoming)
) SS
COUNTY OF ~~BOULDER~~ Natrona)

GAIL R. KELLY - NOTARY PUBLIC
County of Natrona State of Wyoming
My Commission Expires Sept. 10, 2003

The foregoing instrument was acknowledged before me this 16 day of May, 2003 by Scot E. Mortimer.

Gail R. Kelly
Notary Public

My commission expires: 9/10/03

REVISED EXHIBIT "A"

Attached to and made a part of that certain Revised And Corrected Assignment of Overriding Royalty dated May 2, 2003 between Kelly Sue Mortimer, as Assignor, and Scot E. Mortimer, as Assignee

STUD HORSE BUTTE UN 11-28
NE SW 28 TOWNSHIP 29 NORTH RANGE 108 WEST

STUD HORSE BUTTE UN 12-36
NE SW 36 TOWNSHIP 29 NORTH RANGE 108 WEST

STUD HORSE BUTTE 13-33
SW SW 33 TOWNSHIP 29 NORTH RANGE 108 WEST

STUD HORSE BUTTE 6-22
SE NW 22 TOWNSHIP 29 NORTH RANGE 108 WEST

STUD HORSE BUTTE 6-29
SE NW 29 TOWNSHIP 29 NORTH RANGE 108 WEST

STUD HORSE BUTTE 1-36
NE NE 36 TOWNSHIP 29 NORTH RANGE 108 WEST

STUD HORSE BUTTE 1-29
NE NE 29 TOWNSHIP 29 NORTH RANGE 108 WEST

STUD HORSE BUTTE 7-36A
SW NE 36 TOWNSHIP 29 NORTH RANGE 108 WEST

STUD HORSE BUTTE 8-26
SE NE 26 TOWNSHIP 29 NORTH RANGE 108 WEST

STUD HORSE BUTTE 12-27
NW SW 27 TOWNSHIP 29 NORTH RANGE 108 WEST

STUD HORSE BUTTE 4-27
NW NW 27 TOWNSHIP 29 NORTH RANGE 108 WEST

STUD HORSE BUTTE UN 11-32
NE SW 32 TOWNSHIP 29 NORTH RANGE 108 WEST

STUD HORSE BUTTE 16-28
SE SE 28 TOWNSHIP 29 NORTH RANGE 108 WEST

JONAH FEDERAL 3-7X
NE NW 7 TOWNSHIP 28 NORTH RANGE 108 WEST

JONAH FEDERAL 2-5
NW SE 5 TOWNSHIP 28 NORTH RANGE 108 WEST

YELLOW POINT 5-13
SW NW 13 TOWNSHIP 28 NORTH RANGE 109 WEST

YELLOW POINT 6-13
SE NW 13 TOWNSHIP 28 NORTH RANGE 109 WEST

YELLOW POINT 1-1
NE NE 1 TOWNSHIP 28 NORTH RANGE 109 WEST

YELLOW POINT 3-12
NE NW 12 TOWNSHIP 28 NORTH RANGE 109 WEST

YELLOW POINT 9-12
NE SE 12 TOWNSHIP 28 NORTH RANGE 109 WEST

YELLOW POINT 1-12
NE NE 12 TOWNSHIP 28 NORTH RANGE 109 WEST

YELLOW POINT 1-13
NE NE 13 TOWNSHIP 28 NORTH RANGE 109 WEST

YELLOW POINT 13-13
SW SW 13 TOWNSHIP 28 NORTH RANGE 109 WEST

YELLOW POINT 3-13
NE NW 13 TOWNSHIP 28 NORTH RANGE 109 WEST

YELLOW POINT 7-12
SW NE 12 TOWNSHIP 28 NORTH RANGE 109 WEST

YELLOW POINT 7-13
SW NE 13 TOWNSHIP 28 NORTH RANGE 109 WEST

YELLOW POINT 10-12
NW SE 12 TOWNSHIP 28 NORTH RANGE 109 WEST

ALL LOCATED IN SUBLETTE COUNTY, WYOMING

QUITCLAIM AND RELEASE

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, **Scot E. Mortimer**, 4977 Moorhead Avenue #115, Boulder, CO 80305 (hereinafter referred to as Assignor) for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, receipt of which is hereby acknowledged, does hereby quitclaim and release to **Kelly Sue Mortimer**, 468 N. Six Mile Road, Casper, WY 82604 (hereinafter referred to as Assignee), any and all overriding royalty interest he may have acquired in and to the following described oil and/or gas wells in Sublette County, Wyoming, to wit:

See attached Exhibit "A"
for description of wells.

This assignment is made without warranty, expressed or implied.

TO HAVE AND TO HOLD the interest herein transferred and assigned unto Assignee, its successors and assigns forever.

IN WITNESS WHEREOF, Assignor has executed and delivered this Quitclaim and Release as of this 2nd day of JUNE, 2003, to be effective as of June 2nd, 2003.

Scot E. Mortimer

STATE OF COLORADO)
) ss
COUNTY OF Boulder)

The foregoing instrument was acknowledged before me this 3rd day of June, 2003, by Scot E. Mortimer.

Witness my hand and notarial seal.

Notary Public

My Commission Expires:
8/8/05

298389

RECORDED July 14 2003 11:10a M
IN BOOK 125 OF 6 PAGE 131
FEES $ 11.00
COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

By Cathi Seaton

EXHIBIT "A"

Attached to and made a part of that certain Quitclaim and Release dated JUNE 2nd, 2003, between Scot E. Mortimer as Assignor and Kelly Sue Mortimer as Assignee

CORONA 1-11
NE NE 11 TOWNSHIP 28 NORTH RANGE 109 WEST

CORONA 1-14
NE NE 14 TOWNSHIP 28 NORTH RANGE 109 WEST

CORONA UNIT 2-14
NW NE 14 TOWNSHIP 28 NORTH RANGE 109 WEST

CORONA 7-11
SW NE 11 TOWNSHIP 28 NORTH RANGE 109 WEST

CABRITO 6-25
SE NW 25 TOWNSHIP 29 NORTH RANGE 108 WEST

CABRITO UNIT 4-30
NW NW 30 TOWNSHIP 29 NORTH RANGE 107 WEST

CABRITO 13-30
SW SW 30 TOWNSHIP 29 NORTH RANGE 107 WEST

CABRITO UNIT 14-30
SE SW 30 TOWNSHIP 29 NORTH RANGE 107 WEST

YELLOW POINT 15-11
SW SE 11 TOWNSHIP 28 NORTH RANGE 109 WEST

YELLOW POINT 15-14
SW SE 14 TOWNSHIP 28 NORTH RANGE 109 WEST

YELLOW POINT 16-14
SE SE 14 TOWNSHIP 28 NORTH RANGE 109 WEST

YELLOW POINT 11-14
NW SE 14 TOWNSHIP 28 NORTH RANGE 109 WEST

YELLOW POINT 10-14
NW SE 14 TOWNSHIP 28 NORTH RANGE 109 WEST

YELLOW POINT 14-14
SE SW 14 TOWNSHIP 28 NORTH RANGE 109 WEST

All wells located in Sublette County, Wyoming

ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS, THAT:

ANSCHUTZ EXPLORATION CORPORATION, Successor to Anschutz Western Corporation (by merger effective 8/31/01), with offices at 555 Seventeenth Street, Suite 2400, Denver, Colorado 80202-3987, hereinafter referred to as "Assignor" for and in consideration of Ten Dollars ($10) and other good and valuable consideration does hereby sell, assign, transfer, and convey unto **ANSCHUTZ PINEDALE CORPORATION**, 555 Seventeenth Street, Suite 2400, Denver, Colorado 80202-3987, hereinafter referred to as "Assignee," all of Assignor's right, title, and interest in and to the lands and leases specifically shown and set forth on Exhibit "A," together with all corresponding right, title, and interest of Assignor in and to all the property and rights incident thereto, including, to the extent transferable, all operating agreements, unit agreements, unit operating agreements, product purchase and sale agreements, leases, permits, rights-of-way, easements, licenses, and all other agreements, options and orders relating thereto.

This Assignment is subject to all royalty, overriding interest and all other leasehold burdens which, as of the date of this Assignment, are applicable to the interest assigned and to the specific Joint Operating Agreements which are listed on the attached Exhibit "A".

This Assignment is made without covenants of warranty, either expressed or implied, but shall be binding upon and inure to the benefit of the representatives, successors and assigns of the parties hereto.

This instrument executed this 3rd day of June, 2003.

ATTEST:

ANSCHUTZ PINEDALE CORPORATION

Judith A. Paisley, Assistant Secretary

Pamela S. Kalstrom, Assistant Vice President

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

On this 3rd day of June, 2003, personally appeared before me **Pamela S. Kalstrom**, who, being by me duly sworn did say that she is the **Assistant Vice President** of **Anschutz Pinedale Corporation** and that said instrument was signed on behalf of said Corporation by authority of its by-laws, and said **Pamela S. Kalstrom** acknowledged to me that said Corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

SEAL

Denise Papoi
Notary Public

My commission expires: 4/29/04

298494
298494

RECORDED July 18 2003 8:00AM
IN BOOK 125 OF R PAGE 133
FEES $ 5.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By

H:\dpapoi\Assignments\AEC-PINEDALE.DOC

552008 PROSPECT

PINEDALE- #2767

ANSCHUTZ COMPANY
EXHIBIT A

Date - 6/03/03

Lease Number	Lessor / Lessee	Eff. Date	Term	Description	Gross Acres	Net Acres	Recording Information County
WY-2767-00001 (JOA 1)	USA-WYW-143664 ULTRA RESOURCES INC	12/01/97	10 Years	33N-109W Section 1: lot 4 Section 2: lot 1 Section 7: lot 1 Section 12: SENE, SESW, SE Section 13: NE, NENW	556.05	556.05	BK/PG: SUBLETTE
WY-2767-00007 (JOA 2)	ST-WY-94-00293 CENEX, INC.	06/02/94		33N-109W Section 16: ALL	640.00	640.00	BK/PG: 110 326 SUBLETTE
WY-2767-00018 (JOA 1)	USA-WYW-129610 DOUBLE EAGLE PETROLEUM	07/01/93		32N-109W Section 10: E/2NE Section 11: ALL Section 12: ALL Section 13: ALL Section 14: NE, NENW, NESE, Section 24: NE, NENW	2.440.00	2.440.00	BK/PG: 108 470 SUBLETTE
WY-2767-00019 (JOA 1)	USA-WYW-135123 CENEX, INC.	02/01/95	10 Years	32N-109W, Section 4: Lots 5-7, 11-14 Section 5: Lot 1 Section 10: W/2NE, W/2, SE Section 14: W/2NW, SENW, SW, W/2SE SESE Section 15: E/2 Section 18: Lots 1-12 Section 19: Lots 1-12	2.419.17	2.419.17	BK/PG: SUBLETTE
WY-2767-00020 (JOA 4)	USA-WYW-06286 DONALD B. ANDERSON	06/01/51		Insofar and only insofar: 32N-109W Section 27: NW Section 28: NE Section 35 : N/2, SE	2.400.00	2.400.00	BK/PG: 119 316 SUBLETTE

134

Lease Number	Lessor / Lessee	Eff. Date	Term	Description	Gross Acres	Net Acres	Recording Information County
WY-2767-00021 (JOA 3)	USA-WYW-135124 MERIDIAN OIL INC.	02/01/95		32N-109W Section 21: SE Section 22: S/2 Section 23: ALL Section 24: W/2NW, SENW, S/2	1,560.00	1,560.00	BK/PG: 100 552 SUBLETTE
WY-2767-00022 (JOA 1)	USA-WYW-143663 ULTRA RESOURCES INC	12/01/97	10 Years	32N-109W. Section 1: Lot 4, S/2 NW, SW, W/2SE, SESE Section 2: Lots 1-4, S/2N/2, S/2 Section 3: Lots 1-3, S/2NE, SENW, NESW, SE	1,335.95	1,335.95	BK/PG: SUBLETTE

135

WY-2767-00030-AE (JOA 1)	MARJORIE BUCK HIGH PLAINS ASSOCIATES, INC.	11/11/97	10 Years	32N-108W Section 20: E/2SE, SENE Section 21: E/2W/2, SWNW, NWSW Section 28: E/2NW, NWNW, SW Section 29: Lots 4(40.30), 5(40.49), 6(40.60), 7(40.60), 8(40.49), E/2NE, SWNE, SE Section 32: N/2 Section 33: NW	1,602.48	200.31	BK/PG:107 SUBLETTE	367

Lease Number	Lessor / Lessee	Eff. Date	Term	Description	Gross Acres	Net Acres	Recording Information County
WY-2767-00038 (JOA 1)	USA-WYW-139396 RICHARD L. NORTON	07/01/96	10 Years	32N-108W Section 30: E/2 Section 31: NE, N/2SE	560.00	560.00	BK/PG: 105 411 SUBLETTE
WY-2767-00041 (JOA 1)	USA-WYW-143661 ULTRA RESOURCES INC	12/01/97	10 Years	32N-108W Section 19: Lots 1-4, E/2, E/2W/2 Section 20: W/2E/2, W/2 Section 21: SWSW Section 28: SWNW Section 29: Lots 1-3, NWNE Section 32: N/2SW	1,346.81	1,346.81	BK/PG: SUBLETTE
WY-2767-00045 (JOA 1)	USA-WYW-142265 ULTRA PETROLEUM (USA), INC.	08/01/97	10 Years	Insofar and only insofar: 32N-108W Section 30: Lots 1, 2, 3, and 4, E/2W/2 Section 31: Lots 1, 2, E/2NW	756.16	756.16	BK/PG: SUBLETTE
WY-2767-00047 (JOA 1)	USA-WYW-143660 ULTRA RESOURCES INC	12/01/97	10 Years	32N-108W Section 4: Lot 4, SWNW, W/2SW Section 5: Lot 1, SENE Section 7: Lots 1-7, SWNE, E/2NW, SESW, S/2SE Section 8: SWSW Section 17: Lots 1-3, SW Section 18: Lots 2-7, S/2NE, SENW, E/2SW, SE	1,487.91	1,487.91	BK/PG: SUBLETTE

EXHIBIT "A"

Joint Operating Agreements that are effective as of the date of Assignment into Anschutz Pinedale Corporation. The Joint Operating Agreements are described as follows and each lease being assigned is subject to the specific Joint Operating Agreement listed as follows:

(JOA 1) Joint Operating Agreement dated November 14, 1997, by and between Ultra Resources, Inc., as Operator, and Lance Oil & Gas Company, Inc., as Non-Operator, attached as Exhibit "B" to the Hoback Basin Letter Agreement dated November 14, 1997.

(JOA 2) Joint Operating Agreement dated September 13, 1999, but effective as of July 1, 1999, by and between Anschutz Wyoming Corporation, as Operator, and Ultra Resources, Inc. and Lance Oil & Gas Company, Inc., as Non-Operators.

(JOA 3) Joint Operating Agreement dated July 21, 2000, as amended, by and between Anschutz Exploration Corporation, as Operator, and Ultra Resources, Inc., Lance Oil & Gas Company, Inc., and Arrowhead Resources (USA) Ltd., as Non-Operators.

(JOA 4) Joint Operating Agreement dated January 25, 2001, as amended, by and between Anschutz Exploration Corporation, as Operator, and Ultra Resources, Inc. and Lance Oil & Gas Company, Inc., as Non-Operators.

Fogarty Creek Unit
Sublette County, WY

Partial Release of Lien

Date: June 30, 2003

Holder of Note and Lien:

Bank One, NA

Holder's Mailing Address: [**include county**]

1717 Main St.
Dallas, Dallas County, Texas 75201

298545

RECORDED July 21 2003 11:40 AM
IN BOOK 125 O+G PAGE 138
FEES $22.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

Note

Date: September 1, 1995

~~Original principal amount~~:

Borrower: States, Inc.

Lender: Bank One, NA

~~[Maturity date:]~~

Note and Lien Are Described in the Following Documents: [**include recording information**]

Mortgage, Security Agreement, Assignment of Production and Financing Statement effective September 1, 1995, recorded in Book 102, Page 256, O&G Records of Sublette County, Wyoming.

Property (including any improvements):

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

Holder of Note and Lien is the owner and holder of the Note and Lien described above.

Holder of Note acknowledges its partial payment and releases the liens described above INSOFAR AND ONLY INSOFAR as said liens cover the Property. This partial release also expressly waives any present and future rights to establish any other liens against the Property as security for payment of any future or other indebtedness of Maker.

It is expressly agreed and understood that this is a PARTIAL RELEASE and that the same shall in no wise release, affect or impair said lien or liens against any other property mentioned in the liens described above.

EXECUTED as written above.

BANK ONE, NA

By: _____
Director, Capital Markets

THE STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me, a Notary Public, on the 30 day of June, 2003, by **STEPHEN L. LESCHER**, Director, Capital Markets of **BANK ONE, NA**, a national banking institution.

RUTH A. SANCHEZ
Notary Public, State of Texas
My Comm. Expires Feb. 29, 2004

Ruth A. Sanchez
Notary Public, State of Texas

After recording return to:

States, Inc.
P. O. Box 911
Breckenridge, TX 76424-0911

Prepared in the law office of:

C. R. Anderson
P. O. Box 911
Breckenridge, TX 76424-0911

EXHIBIT "A"
Attached to and made a part of PARTIAL RELEASE
From Bank One, NA to States, Inc.

SUBLETTE COUNTY, WYOMING

Fogarty Creek Unit

Lease Date	Lessor	Lessee	Recorded Vol/Page	Land Description
03/02/66	USA No. 66-5165	Etta Mandel		T-28-N, R-114-W Sec. 16: NW/4, S/2 NE/4, NW/4 NE/4 & S/2 Surface down to 100' below TD of Fogarty Creek #2-16
12/01/65	USA WYW-036055	Humble Oil & Refining Co.		T-28-N, R-115-W Sec. 12: SW/4 Surface down to 8010' subsurface
02/01/66	USA WYW-0322083	Etta Mandel		T-28-N, R-115-W Sec. 1: Lots 5-8 & S/2 Sec. 12: E/2 Sec. 13: E/2 Surface down to 8010' subsurface
04/01/66	USA WYW-51104 (formerly WYW0322610)	Humble Oil & Refining Co.		T-28-N, R-114-W Sec. 17: Lot 4 Sec. 12: NW/4
11/01/65	USA WYW-0320213	George C. Reeves		T-28-N, R-114-W Sec. 20: Lots 1-20 Surface down to 8010' subsurface
07/01/67	USA WYW-6317	Humble Oil & Refining Co.		T-28-N, R-114-W Sec. 5: Lot 11 Surface down to 8010' subsurface
01/01/74	USA WYW-42791	Thomas Halagan		T-28-N, R-114-W Sec. 5: Lots 7, 8 & 12 Sec. 21: N/2 NW/4, SE/4 NW/4 & NE/4 SW/4 Surface down to 9630' subsurface
11/01/65	USA WYW-0320214	John A. Yates		T-29-N, R-114-W Sec. 34: All Sec. 35: All Surface down to 9630'
04/01/68	USA WYW-11603	J. E. Joujon-Roche		T-28-N, R-114-W Sec. 21: NE/4 Surface down to 100' below TD of Fogarty Creek #2-16 Well
12/01/67	USA WYW-9578	John P. Ellbogen		T-28-N, R-114-W Sec. 3: Lots 7-10, 15-18 Sec. 4: Lots 5-14, 19 & 20 Sec. 5: Lots 5 & 6, S/2 NE/4 Sec. 9: N/2 NE/4 Sec. 10: NW/4 Surface down to 8838' subsurface
12/01/75	USA WYW-52811	Zarepha Dobbins		T-28-N, R-114-W Sec. 22: NW/4 Surface down to 9630' subsurface
11/01/66	USA WYW-2120	Philadephia Oil Co. of Calif.		T-28-N, R-114-W Sec. 15: W/2 Surface down to 100' below TD of Fogarty Creek #2-16 Well
10/01/64	USA WYW-0311662	Donald B. Anderson	38/373	T-28-N, R-114-W Sec. 5: Lots 9, 10 & 16 Sec. 8: Lots 11-14, 16-20 Sec. 21: W/2 SW/4 & SE/4 SW/4 Surface down to 8010' subsurface
11/01/65	USA WYW-0320213	George C. Reeves		T-28-N, R-114-W Sec. 17: Lots 1, 2, 3 & 5-20 Surface down to 8010' subsurface

Fogarty Creek Unit created by Unit Agreement dated 04/02/75, said unit covering the following described land:

T-28-N, R-114-W
Secs. 3, 4, 5, 8, 9, 10, 15, 16, 17, 20, 21, 22, 24, 25, 27, 28, 29, 32, 33, 34 & 36
T-29-N, R-114-W
Sec. 5
T-28-N, R-150-W
Secs. 1, 12 & 13

[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 **EOG RESOURCES, INC.**, whose address is P. O. Box 4362, Houston, TX 77210-4362 and **ENCANA OIL & GAS (USA) INC.**, whose address is 950 17th Street, Suite 2600, Denver, CO 80202 the receipt of which is hereby acknowledged, and subject to the conditions hereinafter stated, does hereby bargain, sell, transfer, assign and convey an undivided forty percent (40%) interest unto the said **EOG RESOURCES, INC.**, and an undivided sixty percent (60%) interest unto the said **ENCANA OIL & GAS (USA) INC.**, hereinafter called "Assignees", their successors and assigns, the Oil and Gas Lease, described on EXHIBIT "A" attached hereto and made a part hereof, and all rights thereunder or incident thereto, and personal property thereon or used or obtained in connection therewith which said lease cover the lands identified and described therein situated in Sublette County, Wyoming.

Reference is hereby made to said lease, and the recording thereof in Sublette County, Wyoming, 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 Assignees herein, their successors and assigns, subject to and in accordance with the terms, provisions, and conditions of said lease, and Assignees by acceptance hereof, agree to comply with and hereby assume 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 Assignees, their 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 4th day of June, 2003.

298554

RECORDED July 21 2003 3:55 PM
IN BOOK 195 OR PAGE 141
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

CONTEX ENERGY COMPANY

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 4th day of June, 2003.

My Commission Expires: 1/24/05

ELLY BARNES NOTARY PUBLIC STATE OF COLORADO
My Commission Expires 01/24/2005

Elly Barnes
Notary Public: Elly Barnes
Address: Littleton, Colorado 80127

Rock Creek 75496,051

142

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Lease dated June 4, 2003, by and between Contex Energy Company, Assignor and EOG Resources, Inc. and ENCANA Oil & Gas (USA) Inc., Assignees, to wit:

Assignor hereby assigns all of its right, title and interest in said Oil and Gas Lease to Assignees in the percentages heretofore set out insofar as said Oil and Gas Lease covers the following described lands, to wit:

Lessor:	Pamela C. Johnson, also known as Pamela Chrisman Johnson and Lou W. Johnson, Individually and as wife and husband
Lessee:	Contex Energy Company
Dated:	May 6, 2003
Recorded:	Book 125, Page 32
	In the records of Sublette County, Wyoming
Covering:	TOWNSHIP 32 NORTH, RANGE 114 WEST
	Section 11: Lot 2 (15.61), Lot 3 (15.13), SENW
	TOWNSHIP 33 NORTH, RANGE 113 WEST
	Section 30: S/2SE
	Section 31: Lot 2 (39.75), Lot 3 (39.85), Lot 4 (39.95) N/2NE, SENW, E/2SW
	Containing 470.29 acres, more or less
	Sublette County, Wyoming

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 **EOG RESOURCES, INC.**, whose address is P. O. Box 4362, Houston, TX 77210-4362 and **ENCANA OIL & GAS (USA) INC.**, whose address is 950 17th Street, Suite 2600, Denver, CO 80202 the receipt of which is hereby acknowledged, and subject to the conditions hereinafter stated, does hereby bargain, sell, transfer, assign and convey an undivided forty percent (40%) interest unto the said **EOG RESOURCES, INC.**, and an undivided sixty percent (60%) interest unto the said **ENCANA OIL & GAS (USA) INC.**, hereinafter called "Assignees", their successors and assigns, the Oil and Gas Lease, described on EXHIBIT "A" attached hereto and made a part hereof, and all rights thereunder or incident thereto, and personal property thereon or used or obtained in connection therewith which said lease cover the lands identified and described therein situated in Sublette County, Wyoming.

Reference is hereby made to said lease, and the recording thereof in Sublette County, Wyoming, 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 Assignees herein, their successors and assigns, subject to and in accordance with the terms, provisions, and conditions of said lease, and Assignees by acceptance hereof, agree to comply with and hereby assume 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 Assignees, their 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 4th day of June, 2003.

298555

RECORDED July 21 2003 3:55 PM
IN BOOK 125016 PAGE 143
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Baker

CONTEX ENERGY COMPANY

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 4th day of June, 2003.

My Commission Expires: 1/24/05

_____
Notary Public: Elly Barnes
Address: Littleton, Colorado 80127

Book 143

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Lease dated June 4, 2003, by and between Contex Energy Company, Assignor and EOG Resources, Inc. and ENCANA Oil & Gas (USA) Inc., Assignees, to wit:

Assignor hereby assigns all of its right, title and interest in said Oil and Gas Lease to Assignees in the percentages heretofore set out insofar as said Oil and Gas Lease covers the following described lands, to wit:

Lessor:	Karen E. Shaver, Trustee of the Shaver Family 1990 Trust dated April 26, 1990
Lessee:	Contex Energy Company
Dated:	May 12, 2003
Recorded:	Book 125, Page 35
	In the records of Sublette County, Wyoming
Covering:	TOWNSHIP 32 NORTH, RANGE 114 WEST
	Section 11: Lot 2 (15.61), Lot 3 (15.13), SENW
	TOWNSHIP 33 NORTH, RANGE 113 WEST
	Section 30: S/2SE
	Section 31: Lot 2 (39.75), Lot 3 (39.85), Lot 4 (39.95) N/2NE, SENW, E/2SW
	Containing 470.29 acres, more or less
	Sublette County, Wyoming

[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 **EOG RESOURCES, INC.**, whose address is P. O. Box 4362, Houston, TX 77210-4362 and **ENCANA OIL & GAS (USA) INC.**, whose address is 950 17th Street, Suite 2600, Denver, CO 80202 the receipt of which is hereby acknowledged, and subject to the conditions hereinafter stated, does hereby bargain, sell, transfer, assign and convey an undivided forty percent (40%) interest unto the said **EOG RESOURCES, INC.**, and an undivided sixty percent (60%) interest unto the said **ENCANA OIL & GAS (USA) INC.**, hereinafter called "Assignees", their successors and assigns, the Oil and Gas Lease, described on EXHIBIT "A" attached hereto and made a part hereof, and all rights thereunder or incident thereto, and personal property thereon or used or obtained in connection therewith which said lease cover the lands identified and described therein situated in Sublette County, Wyoming.

Reference is hereby made to said lease, and the recording thereof in Sublette County, Wyoming, 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 Assignees herein, their successors and assigns, subject to and in accordance with the terms, provisions, and conditions of said lease, and Assignees by acceptance hereof, agree to comply with and hereby assume 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 Assignees, their 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 4th day of June, 2003.

CONTEX ENERGY COMPANY

By _____
Gary Butler, President

298556

RECORDED July 21 2003 3:55 PM
IN BOOK 125 O+G PAGE 145
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

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 4th day of June, 2003.

My Commission Expires: 1/24/05

Elly Barnes
Notary Public: Elly Barnes
Address: Littleton, Colorado 80127

Horse Creek 7549B.05

146

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Lease dated June 4, 2003, by and between Contex Energy Company, Assignor and EOG Resources, Inc. and ENCANA Oil & Gas (USA) Inc., Assignees, to wit:

Assignor hereby assigns all of its right, title and interest in said Oil and Gas Lease to Assignees in the percentages heretofore set out insofar as said Oil and Gas Lease covers the following described lands, to wit:

Lessor:	Inger S. Lundershausen, also known as Inger K. Lundershausen,a married woman dealing in her sole and separate property
Lessee:	Contex Energy Company
Dated:	May 6, 2003
Recorded:	Book 125, Page 39 In the records of Sublette County, Wyoming
Covering:	TOWNSHIP 32 NORTH, RANGE 114 WEST Section 11: Lot 2 (15.61), Lot 3 (15.13), SENW TOWNSHIP 33 NORTH, RANGE 113 WEST Section 30: S/2SE Section 31: Lot 2 (39.75), Lot 3 (39.85), Lot 4 (39.95) N/2NE, SENW, E/2SW Containing 470.29 acres, more or less Sublette County, Wyoming

[redacted] [redacted] [redacted]

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 3rd day of June 2003, by and between Richard L. Thomson and Mary E. Thomson, Individually and as Co-Trustees of the Richard L. Thomson and Mary E. Thomson Trust

Of P. O. Box 181, Cora, Wyoming 82925, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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:

TOWNSHIP 34 NORTH, RANGE 113 WEST, 6TH P.M.
Section 3: S/2

298557

RECORDED July 21 2003 3:55 M
IN BOOK 125 D+C PAGE 147
FEES $ 14.00 [illegible] COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

And containing 320.0 acres, more or less.

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.

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 noncombustible, 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 Direct to Lessor, at Address listed above (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

N Pinedale Comm 77174.000

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.

RICHARD L. THOMSON AND MARY E. THOMSON TRUST

Richard L. Thomson, Individually and as Co-Trustee

Mary E. Thomson, Individually and as Co-Trustee

SS # _____

STATE of Wyoming
COUNTY of Sublette

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 11th day of June, 200 3.

Personally appeared Richard L. Thomson and Mary E. Thomson

Identical person s, described in and who executed the within and foregoing instrument of writing and acknowledged to me that t he y duly executed the same as their free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: 07-11-03

JUANNE S. FREEMAN - NOTARY PUBLIC
COUNTY OF SUBLETTE
STATE OF WYOMING
MY COMMISSION EXPIRES 07-11-03

Juanne S Freeman
Notary Public:
Address: P.O. Box 173
Sara Wy 82925-0173

STATE of _____
COUNTY of _____

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 200 ____.

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.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: _____

Notary Public:
Address:

[redacted] [redacted] [redacted]

EXHIBIT "A"

This Exhibit "A" attached to and made a part of that certain Oil and Gas Lease dated June 3, 2003, by and between, Richard L. Thomson and Mary E. Thomson, Individually and as Co-Trustees of the Richard L. Thomson and Mary E. Thomson Trust, Lessor, and Contex Energy Company, Lessee, to-wit:

Prior to conducting any drilling operations on the leased premises, Lessee shall notify Lessor in advance and agrees to negotiate in good faith all terms of a surface damage agreement prior to staking and building a location of any well. Prior to the construction of any location, access roads, bridges, culverts, Lessee shall consult with Lessor. Without the express written consent of Lessor, no well shall be located within 300 feet of any dwellings on the leased premises. Upon cessation of operations on the leased premises, Lessee shall proceed with reasonable diligence to restore the surface of said lands to as near to its original condition as found prior to Lessees operations as is practicable.

In addition to the above, Lessee agrees to maintain the area used for its operations in a neat and orderly manner and use its best efforts to keep the well locations, battery sites and roads free of weeds and debris.

SIGNED FOR IDENTIFICATION

RICHARD L. THOMSON AND MARY E. THOMSON TRUST

Richard L Thomson

Richard L Thomson

Mary E. Thomson

Mary E. Thomson

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

STATE OF WYOMING §
§ KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF _____ §

That Infinity Oil & Gas of Wyoming, Inc., whose address is 950 17th Street, Suite 800, Denver, CO 80202 ("Assignor") for and in consideration of the sum of ONE HUNDRED AND NO/100 DOLLARS ($100.00), cash in hand paid to Assignor by Drawbridge Special Opportunities Fund, LP, whose address is 1251 Avenue of Americas, Suite 1600, New York, NY 10020 ("Assignee"), the receipt of which is hereby acknowledged, does hereby TRANSFER, GRANT, ASSIGN and CONVEY unto Assignee a 2% of 8/8ths overriding royalty interest in, to and under the Oil and Gas Leases described on Exhibit A attached hereto only insofar as the leases cover the lands and depths described in Exhibit A (the "Leases") and the hydrocarbons in and under and that may be produced and saved from the Leases (the "Overriding Royalty Interest") subject to the terms and provisions set forth herein.

The Overriding Royalty Interest is subject to all applicable laws, rules, regulations and orders of governmental authorities.

The Overriding Royalty Interest conveyed hereby is a non-operating, non-expense-bearing overriding royalty interest in the nature of an interest in real property, free of all cost, risk and expense of production and operations and delivery including all drilling, developing, and operating costs and expenses, provided that the valuation of the oil, gas and associated hydrocarbons attributable to the Overriding Royalty Interest shall be made in the same manner as the valuation of oil and gas attributable to the royalty reserved to the federal government under a federal oil and gas lease. In addition, Assignee shall bear and pay all production and ad valorem taxes that may now or hereafter be applicable to the Overriding Royalty Interest or the production attributable thereto. In no event shall Assignee ever be liable or responsible in any way for the payment of any costs, expenses, or liabilities attributable to the Leases (or any part thereof) or incurred in connection with the production, saving or delivery of hydrocarbons produced related thereto. Assignor agrees to tender payment of the Overriding Royalty Interest to Assignee at the same time and in the same manner as royalty payments are made to the lessor under the Lease. This Conveyance is an absolute conveyance of an interest in real property.

The overriding royalty interest herein transferred shall not, in any event, be paid or accrued upon any oil, gas, casinghead gas or other hydrocarbon substances used for operating, development or production purposes upon the lands covered by the Leases or unavoidably lost; and no overriding royalty shall be paid upon gas used in re pressuring or recycling operations or pressure maintenance operations benefiting the lands covered by the Leases.

If Assignor owns less than 100% of the leasehold interest under the Lease, or in the event the Lease covers less than the full fee mineral estate, then the Overriding Royalty Interest shall be reduced proportionately with respect to Assignor's interest in such Lease or the partial fee mineral interest covered by the Lease .

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RECORDED July 21 2003 4:25 PM
IN BOOK 125 O+G PAGE 150
FEES $20.00 M. L. [illegible] COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Gordon

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[redacted] [redacted] [redacted]

Subject to prior calls on production or other such commitments as of the date hereof, Assignee may elect to receive the Overriding Royalty Interest in kind if it so elects by giving Assignor at least 30 days advanced written notice. If Assignee elects to take its gas in kind then as between Assignor and Assignee, Assignor shall be in exclusive control and possession of the hydrocarbons produced related to the Overriding Royalty Interest delivered hereunder and responsible for any loss, damage or injury caused thereby until the same shall have been delivered to Assignee at the agreed delivery point for such hydrocarbons, after which delivery Assignee shall be deemed to be in exclusive control and possession thereof and responsible for any loss, injury, or damage caused thereby. To the extent it has the right to do so, Assignor hereby grants to Assignee easements and rights-of-way over and across the Leases and lands pooled, communitized and/or unitized therewith, together with rights of ingress and egress, for the purposes of receiving, accepting, and taking the Overriding Royalty Interest, and to the extent necessary, the construction, maintenance, operation, and repair, of pipelines, metering stations, and any and all other facilities and appurtenances necessary or useful related to the receipt, transportation, measurement, treatment, and marketing of the Overriding Royalty Interest.

The Overriding Royalty Interest shall be free of (and without deduction therefrom of) any and all royalties and other burdens on production and shall bear no part of the same. Assignor's retained leasehold shall be burdened with, and Assignor shall be responsible for the timely payment of all such royalties, overriding royalties, and other burdens on production, and Assignor shall defend, indemnify, and hold Assignee harmless from and against any loss or claim with respect to any such royalties, overriding royalties, or other burdens on production or any claim by the owners or holders of such royalties, overriding royalties, or other burdens on production.

Assignor warrants and represents that the Leases are valid and subsisting oil and gas leases covering the lands or waterbottoms described therein; Assignor's ownership of the subject interests as set forth on Exhibit A entitles Assignor to a share of all hydrocarbons produced from or attributable to each Lease, and of the proceeds of such production, after giving effect to and/or deducting all applicable royalties, overriding royalties, and other burdens or payments out of production (except the Overriding Royalty Interest), which is not less than the Net Revenue Interest applicable to the relevant Lease, and obligates Assignor to pay a share of all costs of operation and development of each Lease which is not greater than the Gross Working Interest applicable to the relevant Lease, unless there is a corresponding and proportionate increase in the Net Revenue Interest as set forth in Exhibit A associated therewith. Assignor hereby binds Assignor and Assignor's legal representatives, successors, and assigns to warrant and forever defend all and singular title to the Overriding Royalty Interest and the Overriding Royalty Hydrocarbons unto Assignee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

Assignor shall not assign, sell, convey or otherwise transfer Assignor's interests in the Leases or any part thereof unless such sale, transfer, or assignment is made and accepted expressly subject and subordinate to this Conveyance and the Overriding Royalty Interest.

The Overriding Royalty Interest shall be applicable to any renewal, extension, or new lease taken or acquired by Assignor, or its successors or assigns, within one year after the date of termination of the Leases covering the same property, horizons and minerals.

IN WITNESS WHEREOF, this Assignment of Overriding Royalty Interest is executed this 2nd day of July, 2003.

ASSIGNOR:

INFINITY OIL & GAS OF WYOMING, INC.

By: _____
Name: Stanley E. Ross
Title: President

State of Colorado)
)
County of Denver)

COLORADO

The foregoing instrument was acknowledged before me by Stanton E. Ross as President of Infinity Oil & Gas of Wyoming, Inc., this 2nd day of July, 2003.

Witness my hand and official seal:

NOTARY PUBLIC
TERRI D. THOMAS
STATE OF COLORADO

Notary Public

Terri D. Thomas
My commission expires: November 5, 2006

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Exhibit "A"

Attached to and made a part of that certain Assignment of Overriding Royalty dated July 2, 2003, from Infinity Oil Gas of Wyoming, Inc. to Drawbridge Special Opportunities Fund, LP

Lease Number		Lessor	Township	Range	Description	County	State	Book/Page
WY	014	WYW-151781	18	100	Sec 12: N2,SW,N2SE,SWSE	Sweetwater	Wyoming	977/1354
WY	015	WYW-151782	18	100	Sec 12: SESE	Sweetwater	Wyoming	977/1346
WY	041	RME Land Corp	18	100	Sec 1: SE	Sweetwater	Wyoming	945/694
WY	042	RME Land Corp	18	100	Sec 1: NW, ada Lots 3,4, S2NW	Sweetwater	Wyoming	945/666
WY	043	RME Land Corp	18	100	Sec 1: SW	Sweetwater	Wyoming	945/708
WY	044	RME Land Corp	18	100	Sec 1: NE ada Lots 1,2, S2NE	Sweetwater	Wyoming	945/680
WY	045	WYW-028211	18	100	Sec 2: NE/4	Sweetwater	Wyoming	
WY	046	WYW-030074	18	100	Sec. 14: NW/4	Sweetwater	Wyoming	
WY	084	RME Land Corp	19	100	Sec 23: NE	Sweetwater	Wyoming	962/645
WY	092	RME Land Corp	19	100	Sec 23: SE	Sweetwater	Wyoming	962/658
WY	093	RME Land Corp	19	100	Sec 23: SW	Sweetwater	Wyoming	962/671
WY	094	RME Land Corp	19	100	Sec 23: NW	Sweetwater	Wyoming	962/684
WY	001	WYW-136852	29	114	Sec. 1: LOTS 1,2	Sublette	Wyoming	
WY	048	WYW-56739	30	114	Sec 32: SE, SESW	Sublette	Wyoming	58/470
WY	049	WYW-36438	30	114	Sec 33: SW, W/2SE	Sublette	Wyoming	64/168
WY	050	WYW-38887	29	114	Sec 4: Lot 4, SWNW, N2SW; Sec 5: Lots 1-3, S2NE, SENW,N2SE, NESW	Sublette	Wyoming	52/119
WY	055	Robert V. Thompson	29	114	Sec 1: Lots 5-7, SWNE, W2SE	Sublette	Wyoming	117/597 ext 124/622
WY	056	Gordon M. Mickelson, Trustee	29	113	Sec 6: Lots 5-7, E2SW,SENW,S2NE	Sublette	Wyoming	118/528 ext 124/622
WY	090	WYW-136357	29	113	Sec 6: Lots 1-4	Sublette	Wyoming	
WY	116	WYW-49633	29	114	Sec 4: Lots 2,3,SENW	Sublette	Wyoming	

[redacted] [redacted] [redacted]

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

STATE OF WYOMING §
§ KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF _____ §

That Infinity Oil & Gas of Wyoming, Inc., whose address is 950 17th Street, Suite 800, Denver, CO 80202 ("Assignor") for and in consideration of the sum of ONE HUNDRED AND NO/100 DOLLARS ($100.00), cash in hand paid to Assignor by Highbridge/Zwirn Special Opportunities Fund, L.P., whose address is 9 West 57th Street, New York, NY 10019 ("Assignee"), the receipt of which is hereby acknowledged, does hereby TRANSFER, GRANT, ASSIGN and CONVEY unto Assignee a 2% of 8/8ths overriding royalty interest in, to and under the Oil and Gas Leases described on Exhibit A attached hereto only insofar as the leases cover the lands and depths described in Exhibit A (the "Leases") and the hydrocarbons in and under and that may be produced and saved from the Leases (the "Overriding Royalty Interest") subject to the terms and provisions set forth herein.

The Overriding Royalty Interest is subject to all applicable laws, rules, regulations and orders of governmental authorities.

The Overriding Royalty Interest conveyed hereby is a non-operating, non-expense-bearing overriding royalty interest in the nature of an interest in real property, free of all cost, risk and expense of production and operations and delivery including all drilling, developing, and operating costs and expenses, provided that the valuation of the oil, gas and associated hydrocarbons attributable to the Overriding Royalty Interest shall be made in the same manner as the valuation of oil and gas attributable to the royalty reserved to the federal government under a federal oil and gas lease. In addition, Assignee shall bear and pay all production and ad valorem taxes that may now or hereafter be applicable to the Overriding Royalty Interest or the production attributable thereto. In no event shall Assignee ever be liable or responsible in any way for the payment of any costs, expenses, or liabilities attributable to the Leases (or any part thereof) or incurred in connection with the production, saving or delivery of hydrocarbons produced related thereto. Assignor agrees to tender payment of the Overriding Royalty Interest to Assignee at the same time and in the same manner as royalty payments are made to the lessor under the Lease. This Conveyance is an absolute conveyance of an interest in real property.

The overriding royalty interest herein transferred shall not, in any event, be paid or accrued upon any oil, gas, casinghead gas or other hydrocarbon substances used for operating, development or production purposes upon the lands covered by the Leases or unavoidably lost; and no overriding royalty shall be paid upon gas used in re pressuring or recycling operations or pressure maintenance operations benefiting the lands covered by the Leases.

If Assignor owns less than 100% of the leasehold interest under the Lease, or in the event the Lease covers less than the full fee mineral estate, then the Overriding Royalty Interest shall be reduced proportionately with respect to Assignor's interest in such Lease or the partial fee mineral interest covered by the Lease .

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RECORDED July 21 2003 4:25 PM
IN BOOK 125 O+G PAGE 155
FEES $ 20.00 Mary L Lahti COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Seaton

Subject to prior calls on production or other such commitments as of the date hereof, Assignee may elect to receive the Overriding Royalty Interest in kind if it so elects by giving Assignor at least 30 days advanced written notice. If Assignee elects to take its gas in kind then as between Assignor and Assignee, Assignor shall be in exclusive control and possession of the hydrocarbons produced related to the Overriding Royalty Interest delivered hereunder and responsible for any loss, damage or injury caused thereby until the same shall have been delivered to Assignee at the agreed delivery point for such hydrocarbons, after which delivery Assignee shall be deemed to be in exclusive control and possession thereof and responsible for any loss, injury, or damage caused thereby. To the extent it has the right to do so, Assignor hereby grants to Assignee easements and rights-of-way over and across the Leases and lands pooled, communitized and/or unitized therewith, together with rights of ingress and egress, for the purposes of receiving, accepting, and taking the Overriding Royalty Interest, and to the extent necessary, the construction, maintenance, operation, and repair, of pipelines, metering stations, and any and all other facilities and appurtenances necessary or useful related to the receipt, transportation, measurement, treatment, and marketing of the Overriding Royalty Interest.

The Overriding Royalty Interest shall be free of (and without deduction therefrom of) any and all royalties and other burdens on production and shall bear no part of the same. Assignor's retained leasehold shall be burdened with, and Assignor shall be responsible for the timely payment of all such royalties, overriding royalties, and other burdens on production, and Assignor shall defend, indemnify, and hold Assignee harmless from and against any loss or claim with respect to any such royalties, overriding royalties, or other burdens on production or any claim by the owners or holders of such royalties, overriding royalties, or other burdens on production.

Assignor warrants and represents that the Leases are valid and subsisting oil and gas leases covering the lands or waterbottoms described therein; Assignor's ownership of the subject interests as set forth on Exhibit A entitles Assignor to a share of all hydrocarbons produced from or attributable to each Lease, and of the proceeds of such production, after giving effect to and/or deducting all applicable royalties, overriding royalties, and other burdens or payments out of production (except the Overriding Royalty Interest), which is not less than the Net Revenue Interest applicable to the relevant Lease, and obligates Assignor to pay a share of all costs of operation and development of each Lease which is not greater than the Gross Working Interest applicable to the relevant Lease, unless there is a corresponding and proportionate increase in the Net Revenue Interest as set forth in Exhibit A associated therewith. Assignor hereby binds Assignor and Assignor's legal representatives, successors, and assigns to warrant and forever defend all and singular title to the Overriding Royalty Interest and the Overriding Royalty Hydrocarbons unto Assignee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

Assignor shall not assign, sell, convey or otherwise transfer Assignor's interests in the Leases or any part thereof unless such sale, transfer, or assignment is made and accepted expressly subject and subordinate to this Conveyance and the Overriding Royalty Interest.

The Overriding Royalty Interest shall be applicable to any renewal, extension, or new lease taken or acquired by Assignor, or its successors or assigns, within one year after the date of termination of the Leases covering the same property, horizons and minerals.

IN WITNESS WHEREOF, this Assignment of Overriding Royalty Interest is executed this 2nd day of July, 2003.

ASSIGNOR:

INFINITY OIL & GAS OF WYOMING, INC.

By: _____
Name: Stanton E Ross
Title: President

State of Colorado)
)
County of Denver)

COLORADO

The foregoing instrument was acknowledged before me by Stanton E. Ross as President of Infinity Oil & Gas of Wyoming, Inc., this 2nd day of July, 2003.

Witness my hand and official seal:

NOTARY PUBLIC
TERRI D. THOMAS
STATE OF COLORADO

Notary Public

Terri D. Thomas
My commission expires: November 5, 2006

1252136_3.DOC

Exhibit "A"

Attached to and made a part of that certain Assignment of Overriding Royalty dated July 2, 2003, from Infinity Oil Gas of Wyoming, Inc. to Highbridge/Zwirn Special Opportunities Fund, LP

Lease Number		Lessor	Township	Range	Description	County	State	Book/Page
WY	014	WYW-151781	18	100	Sec 12: N2,SW,N2SE,SWSE	Sweetwater	Wyoming	977/1354
WY	015	WYW-151782	18	100	Sec 12: SESE	Sweetwater	Wyoming	977/1346
WY	041	RME Land Corp	18	100	Sec 1: SE	Sweetwater	Wyoming	945/694
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WY	044	RME Land Corp	18	100	Sec 1: NE ada Lots 1,2, S2NE	Sweetwater	Wyoming	945/680
WY	045	WYW-028211	18	100	Sec 2: NE/4	Sweetwater	Wyoming	
WY	046	WYW-030074	18	100	Sec. 14: NW/4	Sweetwater	Wyoming	
WY	084	RME Land Corp	19	100	Sec 23: NE	Sweetwater	Wyoming	962/645
WY	092	RME Land Corp	19	100	Sec 23: SE	Sweetwater	Wyoming	962/658
WY	093	RME Land Corp	19	100	Sec 23: SW	Sweetwater	Wyoming	962/671
WY	094	RME Land Corp	19	100	Sec 23: NW	Sweetwater	Wyoming	962/684
WY	001	WYW-136852	29	114	Sec. 1: LOTS 1,2	Sublette	Wyoming	
WY	048	WYW-56739	30	114	Sec 32: SE, SESW	Sublette	Wyoming	58/470
WY	049	WYW-36438	30	114	Sec 33: SW, W/2SE	Sublette	Wyoming	64/168
WY	050	WYW-38887	29	114	Sec 4: Lot 4, SWNW, N2SW; Sec 5: Lots 1-3, S2NE, SENW,N2SE, NESW	Sublette	Wyoming	52/119
WY	055	Robert V. Thompson	29	114	Sec 1: Lots 5-7, SWNE, W2SE	Sublette	Wyoming	117/597 ext 124/622
WY	056	Gordon M. Mickelson, Trustee	29	113	Sec 6: Lots 5-7, E2SW,SENW,S2NE	Sublette	Wyoming	118/528 ext 124/622
WY	090	WYW-136357	29	113	Sec 6: Lots 1-4	Sublette	Wyoming	
WY	116	WYW-49633	29	114	Sec 4: Lots 2,3,SENW	Sublette	Wyoming	

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 21st day of July 2003, by and between Dianne Boroff and Max F. Boroff, Jr., Trustees or their successors in trust under the Dianne Boroff Living Trust, dated 11/18/97

Of 100 Roberts Road, Daniel, WY 83115, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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:

Township 34 North, Range 113 West, 6th P.M.
Section 1: Lot s 3(39.20), 4(38.88), S1/2NW1/4
Section 2: Lots 1(38.62), 2(43.43), S1/2NE1/4
Section 3: Lots 3(38.84), 4(39.20), S1/2NW1/4
Section 4: S1/2

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FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

Notwithstanding anything to the contrary herein contained, all reference to royalty in paragraph two shall be changed to read 16% rather than 1/8th.

793.17 acres, more or less.

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.

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 noncombustible, 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 Four (4) 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 Direct to Lessor, at Address listed above (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

[redacted] [redacted] [redacted]

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. [illegible] 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.

Dianne Boroff, Trustee

Max F. Boroff Jr., Trustee

SS # 520-62-2848

STATE of Wyoming

COUNTY of Sublette

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 24th day of July, 200 3.

Personally appeared Dianne Boroff and Max F. Boroff Jr., Trustees under the Dianne Boroff Living Trust Dated 11/18/97

Identical person s, described in and who executed the within and foregoing instrument of writing and acknowledged to me that t he y duly executed the same as Their free and voluntary [illegible] release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

JANET L. MONTGOMERY - NOTARY PUBLIC
COUNTY OF SUBLETTE STATE OF WYOMING
My Commission Expires Nov. 18, 2006

My Commission Expires:

Notary Public:
Address:

STATE of

COUNTY of

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 200 ____.

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.

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:

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 21st day of July 2003, by and between D. Lisa Tatro and Hal Tatro, wife and husband

Or P.O. Box 271, Labarge, WY 83123, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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:

Township 34 North, Range 113 West, 6th P.M.
Section 1: Lot s 3(39.20), 4(38.88), S1/2NW1/4
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Section 3: Lots 3(38.84), 4(39.20), S1/2NW1/4
Section 4: S1/2

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IN BOOK 125 PAGE 162
FEES $11.00
SUBLETTE COUNTY, PINEDALE, WYOMING

Notwithstanding anything to the contrary herein contained, all reference to royalty in paragraph two shall be changed to read 16% rather than 1/8th.

793.17 acres, more or less.

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.

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 noncombustible, 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 Four (4) 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 Direct to Lessor, at Address listed above (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. 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.

D. Lisa Tatro

Hal Tatro

SS # 520-68-4453

STATE of Wyoming

COUNTY of _____

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 23rd day of July, 200 3,

Personally appeared D. Lisa Tatro and Hal Trato, her husband

Identical person s, described in and who executed the within and foregoing instrument of writing and acknowledged to me that t he y duly executed the same as Their free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: June 7, 2004

Notary Public:

Address:

STATE of _____

COUNTY of _____

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 200 ____,

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.

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:

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 16th day of July 2003, by and between Steve Kanski and Janice Kanski, husband and wife

Of 244 Hwy 352, Pinedale, Wyoming 82941, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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

298597

RECORDED July 24 2003 2:55 PM
IN BOOK 185 OF DL PAGE 164
FEES $ 14.00
COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

And containing 2,034.52 acres, more or less.

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.

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 noncombustible, 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 Four 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 Direct to Lessor, at Address listed above (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 said draft through lessor's bank of record for payment. SK JK

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~~ SK JK 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.

Steve Kanski
Steve Kanski

501-26-2573
SS #

Janice Kanski
Janice Kanski

520 40 5579

STATE of Wyoming
COUNTY of Sublette

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 23rd day of July, 200 3,
Personally appeared Steve Kanski and Janice Kanski

Identical person s described in and who executed the within and foregoing instrument of writing and acknowledged to me that t he y duly executed the same as their free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

COUNTY OF SUBLETTE STATE OF WYOMING
My Commission Expires Nov. 18, 2006

My Commission Expires:

Notary Public:
Address:

STATE of
COUNTY of

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 200 ____,
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.
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: _____

Notary Public:
Address:

1606

EXHIBIT "A"

This Exhibit is attached to and by reference made a part of that certain oil and gas lease dated July 16 2003, by and between Steve Kanski and Janice Kanski, husband and wife, as Lessor, and Contex Energy Company, as Lessee:

Township 34 North, Range 112 West
Section 5: NWSW, S/2SW
Section 6: Lots 6 (38.55), 7 (38.60), E/2SW, SE
Section 7: Lots 1 (38.65), 2 (38.72), E/2NW, NE
Section 8: NW

Township 34 North, Range 113 West
Section 11: E/2, N/2SW
Section 12: W/2, SENE
Section 13: NW, NESW
Section 14: NE
Sublette County, Wyoming
containing 2,034.52 acres, more or less

Wherever the fraction one-eighth (1/8th) appears herein as royalty it is hereby amended to read sixteen percent (16%).

If at the expiration of the primary term, or at any time thereafter, the leased premises are productive of oil, or oil and casinghead gas, or gas, Lessee, its successors or assigns shall conduct a continuous drilling program on the leased premises until the leased premises are fully developed or the Lessee, its successors or assigns, shall suffer the partial expiration and termination of this Lease as hereinafter provided. Within 180 days after the expiration of the primary term, or within 180 days after the completion of the first such well if completed after the expiration of the primary term, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of a second well on the leased premises. The Lessee, its successors or assigns, shall hereinafter drill such well with due diligence to such formation as a reasonable prudent operator might select. In like manner, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of an additional well on the leased premises within 180 days after the completion of the preceding well until the leased premises are fully developed. In the event the Lessee, its successors or assigns, should fail, neglect or refuse to commence or cause to be commenced the drilling of any well within 180 days after the completion of the preceding well and prior to the full and complete development of the leased premises, then and in that event this lease shall automatically terminate insofar and only insofar as to such lands that are not contained within the designated spacing unit in which such well is located.

It is agreed that this lease shall not be continued in force solely by reason of the shut-in well provisions for a period of more than three (3) years beyond the primary term of this lease.

Signed For Identification:

Steve Kanski

Steve Kanski

Janice Kanski

Janice Kanski

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 21st day of Ju;y 2003, by and between Jenny Clark, formerly known as Jenny Roberts and Pat Clark, wife and husband

of P.O. Box 2140, Pinedale, WY 83123, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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:

Township 34 North, Range 113 West, 6th P.M.
Section 1: Lot s 3(39.20), 4(38.88), S1/2NW1/4
Section 2: Lots 1(38.62), 2(38.43), S1/2NE1/4
Section 3: Lots 3(38.84), 4(39.20), S1/2NW1/4
Section 4: S1/2

298599

RECORDED July 24 2003 4:35 PM
IN BOOK 125 OPR PAGE 1167
FEES $11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

Notwithstanding anything to the contrary herein contained, all reference to royalty in paragraph two shall be changed to read 16% rather than 1/8th.

793.17 acres, more or less.

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.

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 noncombustible, 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 Four (4) 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 Direct to Lessor, at Address listed above (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.

Jenny Clark

Jenny Clark

Pat Clark

Pat Clark

SS # 520 - 68 43 36

STATE of Wyoming

COUNTY of Sublette

Susan Gulbrandson NOTARY PUBLIC
County of Sublette
State of Wyoming
My Commission Expires February 21, 2007

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 24th day of July, 200 3.

Personally appeared Jenny Clark formerly known as Jenny Roberts and Pat Clark her husband

Identical person s, described in and who executed the within and foregoing instrument of writing and acknowledged to me that t he y duly executed the same as Their free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: 2-21-2007

Susan Gulbrandson
Notary Public
Address: Pinedale. WY 82941

STATE of _____

COUNTY of _____

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 200 ____.

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.

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:

When recorded please return to:
John C. Osmond
400 S. Steele St., No. 55
Denver, CO 80209

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS:

THAT the undersigned, Katherine Manning, 1810 Bittern Court N, Grand Junction, CO 81506, hereinafter Assignor, for and in the consideration of the sum of TEN DOLLARS ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby convey, transfer and assign and deliver unto the following in the identified proportions:

MAP2001-NET, an Oklahoma general partnership **P.O. Box 268988** **Oklahoma City, Oklahoma 73126** **Tax ID # 73-161-8912**	**87.5%**
Osmond Oil & Gas, LLC **400 South Steele St., #55** **Denver, CO 80209**	**12.5%**

Hereinafter ASSIGNEES, one hundred percent (100%) of Assignor's overriding royalty interest in all oil, gas, casinghead gas and other hydrocarbon substances produced, saved and marketed under the terms of that certain oil and gas lease or any extensions or renewals thereof, as set forth in Exhibit "A", consisting of one page, attached hereto and made a part hereof.

TO HAVE AND TO HOLD the said overriding royalty interest with all and singular the rights, privileges and appurtenances thereunto or in anyway belonging to said Assignees herein, their successors and assigns forever, subject only to the following terms and provisions:

A. **The Overriding Royalty Interest herein transferred are subject to the terms and Provisions of that certain oil and gas lease described in Exhibit "A."**

B. **This Assignment of Overriding Royalty Interests is Effective as of 12:01 AM, MST, April 1, 2003. Assignor shall be entitled to all revenue and proceeds to the assigned overriding royalty interest for production period prior to the Effective date and time, regardless of the date actually paid; Assignees shall be entitled to all revenues and proceeds to the assigned overriding royalty interest for production periods after the Effective date and time, regardless of the date actually paid.**

298627

RECORDED July 25 2003 9:45 AM
IN BOOK 125 OR PAGE 169
FEES $17.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

IN WITNESS WHEREOF, Assignor has executed and delivered this Assignment of Overriding Royalty Interest this 17th day of July, 2003, but effective as 12:01 AM, MDT, 1st day of April 2003.

Katherine Manning, Assignor

Katherine J. Manning

STATE OF COLORADO

COUNTY OF MESA

Before me. the undersigned, a Notary Public in and for the said County and State on this 17th day of July, 2003, personally appeared Katherine Manning, to me known to be the identical person who executed same as her free and voluntary act and deed and as the free and voluntary act, for the use and purposes herein set forth.

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

NOTARY PUBLIC
YACQUELINE
HUTCHISON
STATE OF COLORADO

Yacqueline Hutchison

My Commission Expires May 23, 2007

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty Interest dated 17th day of July, 2003, by and between Katherine Manning, as Assignor, and MAP2001-NET, an Oklahoma general partnership, and Osmond Oil & Gas, LLC, as Assignees.

WYW-015316

T. 30 N., R. 108 W., 6th PM
Sec. 3: SW/4
Sec. 4: Lots 1, 2, 3, 4, S/2 N/2, S/2
Sec. 9: N/2
Sec. 10: NW/4
T. 31 N., R. 108 W., 6th PM
Sec. 29: E/2
Sec. 32: E/2
Sec. 33: W/2
Total 2,222.56 acres

Sublette County, Wyoming

WHEN RECORDED, RETURN TO:
Angela L. Franklin, Esq.
Pruitt, Gushee & Bachtell
1850 Beneficial Life Tower
Salt Lake City, UT 84111

AFFIDAVIT

STATE OF COLORADO)
ss.
COUNTY OF MESA)

Katerine J.Manning, being first duly sworn upon her oath, deposes and says:

1. I am the widow of Fred M. Manning, Jr.

2. In 1953, Fred M. Manning, Jr. owned a 1% overriding royalty interest in the following lease and lands:

Lease WYW-015316
Township 30 North, Range 108 West, 6th P.M.
Section 3: SW1/4
Section 4: Lots 1, 2, 3, 4, S1/2N1/2, S1/2
Section 9: N1/2
Section 10: NW1/4
Township 31 North, Range 108 West, 6th P,M,
Section 29: E1/2
Section 32: E1/2
Section 33: W1/2

in Sublette County, Wyoming (hereinafter "Subject Lease and Lands").

3. By Assignment of Overriding Royalty Interest dated August 9, 1984, filed with the Bureau of Land Management on August 13, 1984, and recorded on August 13, 1984 in Book 72 O&G, Page 587, Fred M. Manning, Jr. conveyed his 1% overriding royalty interest in the Subject Lease, but only insofar as it covered a portion of the Subject Lands, to James D. Hanegan, Trustee of The Fred M. Manning, Jr. Revocable Trust dated April 18, 1984.

4. The documentation in the official records of the Sublette County Clerk's office and the Bureau of Lands Management is incomplete as to the chain of title to the 1% overriding royalty interest in the Subject Leases and Lands from Fred M. Manning, Jr. into Katherine J. Manning.

5. In order to complete the official records of the Sublette County Clerk's office and the Bureau of Land Management, attached hereto are the following true and correct copies of the official business records of the Fred M. Manning, Jr. Revocable Trust and the Fred M. Manning, Jr. Marital Estate Trust evidencing the succession of the 1% overriding royalty interest of Fred M. Manning, Jr. described in paragraph 2 above into Katherine J. Manning as to the Subject Lease and all of the Subject Lands:

a. Assignment acknowledged on April 19, 1984 from Fred M. Manning, Jr. to James D.Hanegan, as Trustee under the Fred M. Manning, Jr. Revocable Trust dated April 18, 1984.

b. Assignment dated October 14, 1988, from James D. Hanegan, Trustee of the Fred M. Manning, Jr. Revocable Trust to James K. Hanegan, as Trustee of the Fred M. Manning, Jr., Marital Estate Trust.

c. Assignment dated October 14, 1988, from James D. Hanegan, Trustee of the Fred M. Manning, Jr., Marital Estate Trust, to Katherine J. Manning.

6. I execute and record this affidavit in order to establish of record the succession of title to the 1% overriding royalty interest in the Subject Lease and Lands from Fred M. Manning, Jr. into Katherine J. Manning.

7. The matters stated herein are true of my own knowledge, except, to any matters stated herein upon information and belief, and, so to those matters, I believe them to be true.

DATED this 17TH day of July, 2003.

Katherine J. Manning
Katherine J. Manning

Subscribed, sworn and acknowledged to and by Katherine J. Manning before me this 17 day of July, 2003.

My commission expires: 5-23-2007

Yacqueline Hutchison
Notary Public:

(SEAL)

NOTARY PUBLIC
YACQUELINE HUTCHISON
STATE OF COLORADO

My Commission Expires: May 23, 2007

ASSIGNMENT

I, FRED M. MANNING, JR., hereby assign and transfer to JAMES D. HANEGAN, as Trustee under the Fred M. Manning, Jr. Revocable Trust, dated April 18, 1984, all of my right, title and interest in and to all assets that I own, both real and personal, contigent or otherwise, wheresoever situated, including but not limited to all of the assets owned by me in the following categories:

(a) Cash on hand and in banks and other financial institutions, both savings and checking;

(b) Stocks, bonds, notes, partnership interests, and other securities and intangible assets of all types, including but not limited to the items listed on Exhibit A attached hereto:

(c) Tangible personal property, including household furniture and furnishings, personal clothing and effects, art work, jewelry, and all other types of personal property;

(d) Insurance benefits of all types, including life, casualty, medical, and accident;

(e) All other tangible or intangible property.

TO HAVE AND TO HOLD by such Trustee under the terms and conditions of the Fred M. Manning, Jr. Revocable Trust.

Fred M. Manning
FRED M. MANNING, JR.

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 18th day of April, 1984, by Fred M. Manning, Jr.

Irene E Nelson
Notary Public

My Commission Expires:

2-24-88

ASSIGNMENT

Reference is made to the Fred M. Manning, Jr., Revocable Trust established by Declaration of Trust dated September 16, 1978, as amended March 28, 1981, July 26, 1982, November 28, 1983, and completely amended and restated on April 18, 1984 (the "Trust"), under which Fred M. Manning, Jr., is Grantor and James D. Hanegan is successor Trustee (the "Trustee"). Fred M. Manning, Jr., died on August 24, 1984. Pursuant to section 3.1 of ARTICLE III of the Trust, the Trustee hereby assigns, transfers, and releases all right, title, and interest of the Trust in and to the assets set forth on Exhibit A attached hereto and incorporated by this reference to James D. Hanegan, as Trustee of the Fred M. Manning, Jr., Marital Estate Trust (the "Assignee") effective as of January 1, 1988.

Dated: Oct 14, 1988.

JAMES D. HANEGAN, Trustee

ACCEPTANCE OF ASSIGNMENT

Assignee hereby accepts the foregoing Assignment effective as of January 1, 1988.

Dated: Oct 14, 1988.

JAMES D. HANEGAN, Trustee of
the Fred M. Manning, Jr.,
Marital Estate Trust

SCHEDULE A

ASSIGNMENT OF ASSETS TO

FRED M. MANNING, JR., MARITAL ESTATE TRUST

1. Mountain View Estates, Carbon County, Wyoming:
   Lot 7, Block 1 - vacant land
   Lot 3, Block 2 - vacant land
   Lot 9, Block 2 - vacant land
   Lot 12, Block 3 - vacant land

2. Town of Saratoga, Glenroy Addition, Carbon County, Wyoming: Lot 7, Block 6, including that certain Marlette Mobil Home located thereon and all fixtures and appurtenances thereto

3. Lots 5 and 6, Block 9, OLD BALDY VILLAGE, Fifth Addition, Carbon County, Wyoming, and any improvements thereon

4. Summer residence located in Carbon County, Wyoming, legally described as Lot 7, Block 7, OLD BALDY VILLAGE, Fifth Addition, Carbon County, Wyoming

5. Principal Residence located in Wickenburg, Arizona, legally described as Lots 18 and 20, RANCHO DE LOS CABALLEROS, records of Maricopa County, Arizona

6. Note receivable from B. Crawford dated July 31, 1987, in the principal amount of $23,000, 9% interest, secured by real property legally described as Lot 10, Block 3, MOUNTAIN VIEW ESTATES, Carbon County, Wyoming

7. Note receivable from J. Crawford dated August 31 1987, in the principal amount of $23,000, 9% interest, secured by real property legally described as Lot 22, Block 2, MOUNTAIN VIEW ESTATES, Carbon County, Wyoming

8. Note receivable from Jack B. Loudin and Judith K. Loudin dated December 12, 1987, in the principal amount of $27,500, 9-1/2% interest, secured by real property legally described as Lot 17, Block 2, MOUNTAIN VIEW ESTATES, Carbon County, Wyoming

9. Promissory note dated 04/01/87 from Tullis Land Co. in the original sum of $60,676, payable annually, 9% interest, secured by real property located in Township 16N, Ranges 87W and 88W of the 6th PM

10. One percent (1%) overriding royalty interest acquired by assignment dated and acknowledged 5/7/53, effective 5/1/52, applicable to all of the oil, gas, and other substances described in said assignment under United States Oil and Gas

Lease, Serial No. W-012153, covering the following lands in Hot Springs County, Wyoming:

Township 46 North, Range 98 West, 6th PM,
Section 20: Lot 3, containing 39.69 acres,
more or less

11. One percent (1%) overriding royalty interest known as the Pinedale royalty reserved to Fred M. Manning, Jr. in the assignment from Fred M. Manning, Jr. to Patricia Gaylord Anderson, United States Oil and Gas Lease, Serial No. W-015316

12. 30 units of limited partnership interest in Chambers Village East, Ltd, 828 Seventeenth Street, Denver Colorado 80202, ID# 84-0820230

13. 120 units of limited partnership interest in Santa Rosa Vineyard, Ltd., 5000 Birch, Suite 610, Newport Beach, California 92660, ID# 95-3667057

14. 37-1/2 units of limited partnership interest in Shandon Varietal Growers, Ltd,. 5000 Birch, Suite 610, Newport Beach, California, 92660, ID# 95-3683679

15. 50 units of limited partnership interest in Emperor Ranch Associates, 5000 Birch, Suite 610, Newport Beach, California, 92660, ID# 95-3742504

16. 50% interest in Double M. Lessors dated 3/22/82 between Fred M. Manning, Jr. and Daniel J.Moos

17. 10 units of limited partnership interest in Ralston Plaza, Ltd, 828 Seventeenth Street Denver, Colorado 80202, ID# 84-0829674

18. 20 Units of limited partnership interest in Arapahoe Business Park, Ltd., 828 Seventeenth Street Denver, Colorado 80202, ID# 84-0847064

19. 1 unit of limited partnership interest in Pickwick Towers, Ltd., 828 Seventeenth Street, Denver, Colorado 80202, ID# 84-0852373

20. 100 units of limited partnership interest in Energy and Oil Drilling Program, 1801 California Street, Suite 2000, Denver, Colorado 80202, ID# 84-0857466

21. 60 units of limited partnership interest in Stienberg Associated, Ltd.(1981), 3333 N. Torrey Pines Court, Suite 200, La Jolla, California 92037, ID# 95-3701760

22. Entire limited partnership interest in LCGC Lessors, Ltd., P.O. Box, 1327, Wickenburg, Arizona, 85358, ID# 86-0390641

23. 15 units limited partnership interest in Brumark 1982 Oil and Gas Drilling Program, 3333 N. Torrey Pines Court, Suite 200, La Jolla, California 92037, ID# 95-3818918

24. 4 units of limited partnership interest in Sandhollow Vineyard Associated, 5000 Birch, Suite 610, Newport Beach, California 92660 ID# 95-3774366

25. 50 units of limited partnership interest in Arapahoe Business Park Associates, Ltd., 828 Seventeenth Street, Denver, Colorado, 80202, ID# 84-0902308

26. 4 units of limited partnership interest in Lawrence Street Partners, Ltd., 828 Seventeenth Street, Denver, Colorado, 80202, ID# 84-0914694

27. 30 units of limited partnership interest in Early Flame Associates, 5000 Birch, Suite 610, Newport Beach, California 92660 ID# 95-3862327

28. 100 units of limited partnership interest in Southwest Farm Venturers, 5000 Birch, Suite 610, Newport Beach, California 92660 ID# 95-3862319

29. 1 unit of limited partnership interest in Boettcher Alamo Corporate Center, Ltd., 828 Seventeenth Street, Denver, Colorado, 80202, ID# 84-0917490

30. 25 units of limited partnership interest in Energy Gas and Oil Drilling Program, 1801 California Street, Denver, Colorado 80202, ID# 84-0857466

31. 2,500 shares Plate Valley Bancorporation

32. 225 shares common stock Renaissance Technology Corporation

33. Los Caballeros Golf Club, Inc, 6% subordinated debenture due 2/15/2000, in the principal amount of $10,000

34. Cash in the amount of $180,245

[redacted] [redacted] [redacted]

ASSIGNMENT

Reference is made to the Fred M. Manning, Jr., Marital Estate Trust (the "Marital Estate Trust"), which was created upon the death of Fred M. Manning, Jr., under the terms of the Fred M. Manning, Jr., Revocable Trust established by Declaration of Trust dated September 16, 1978, and completely amended and restated on April 18, 1984 (the "Trust"), under which Fred M. Manning, Jr., is Grantor and James D. Hanegan is successor Trustee (the "Trustee"). Pursuant to section 3.3 of ARTICLE III of the Trust, the Trustee hereby assigns, transfers, and releases all right, title, and interest of the Trust in and to the assets set forth on Exhibit A attached hereto and incorporated by this reference to Katherine J. Manning, individually ("Assignee"), effective as of January 1, 1988.

Dated: Oct 14, 1988.

JAMES D. HANEGAN, Trustee

ACCEPTANCE OF ASSIGNMENT

Assignee hereby accepts the foregoing Assignment effective as of January 1, 1988.

Dated: October 14, 1988.

KATHERINE J. MANNING,
Individually

k2\assign.kjm

SCHEDULE A

ASSIGNMENT OF ASSETS FROM

FRED M. MANNING, JR., MARITAL ESTATE TRUST

TO

KATHRERINE J. MANNING

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   Lot 9, Block 2 - vacant land
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10. One percent (1%) overriding royalty interest acquired by assignment dated and acknowledged 5/7/53, effective 5/1/52, applicable to all of the oil, gas, and other substances described in said assignment under United States Oil and Gas Lease, Serial No. W-012153, covering the following lands in Hot Springs County, Wyoming:

    Township 46 North, Range 98 West, 6th PM,
    Section 20: Lot 3, containing 39.69 acres,
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17. 10 units of limited partnership interest in Ralston Plaza, Ltd, 828 Seventeenth Street Denver, Colorado 80202, ID# 84-0829674

18. 20 Units of limited partnership interest in Arapahoe Business Park, Ltd., 828 Seventeenth Street Denver, Colorado 80202, ID# 84-0847064

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20. 100 units of limited partnership interest in Energy and Oil Drilling Program, 1801 California Street, Suite 2000, Denver, Colorado 80202, ID# 84-0857466

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25. 50 units of limited partnership interest in Arapahoe Business Park Associates, Ltd., 828 Seventeenth Street, Denver, Colorado, 80202, ID# 84-0902308

26. 4 units of limited partnership interest in Lawrence Street Partners, Ltd., 828 Seventeenth Street, Denver, Colorado, 80202, ID# 84-0914694

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32. 225 shares common stock Renaissance Technology Corporation

33. Los Caballeros Golf Club, Inc, 6% subordinated debenture due 2/15/2000, in the principal amount of $10,000

34. Cash in the amount of $180,245

[redacted] [redacted] [redacted]

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

KNOW ALL PERSONS BY THESE PRESENTS:

THIS ASSIGNMENT, BILL OF SALE AND CONVEYANCE ("Assignment") executed by and between Cabot Oil & Gas Corporation ("Assignor"), whose address is 600 17th Street, Suite 900N, Denver, CO 80202, and Stone Energy Corporation ("Assignee"), whose address is 1801 Broadway, Suite 700, Denver, Colorado 80202, is effective for the purposes of this transfer as of June 1, 2003 (the "Effective Time" hereunder).

ARTICLE I

Conveyance and Transfer of Oil & Gas Properties

Assignor, intending to be bound hereby, for and in consideration of the sum of TEN and NO/100 DOLLARS ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, have GRANTED, BARGAINED, SOLD, ASSIGNED, TRANSFERRED, CONVEYED, and DELIVERED and by these presents does hereby grant, bargain, sell, assign, transfer, convey and deliver, unto Assignee, its successors and assigns, all of Assignor's right, title and interest in, to, and under (i) the oil and gas leases described in Exhibit "A" ("Leases"); (ii) all unitization, communitization and pooling agreements, declarations and orders and all units, pooled or communitized areas created thereby, which are appurtenant or related to such leases ("Orders"); (iii) all oil and gas sales, gathering and processing agreements, division orders, farmout agreements, operating agreements and other contracts, agreements and instruments which are appurtenant or relate to such leases ("Contracts"); and (iv) all easements, rights-of-ways, permits, licenses and other interests appertaining to, used or held for use in connection with or otherwise related to such leases, including all rights of ingress and egress, to the extent Assignor owns, possesses, and has the right to transfer same ("Easements").

All of the Leases, Orders, Contracts and Easements as described above, and subject to the Permitted Encumbrances (hereinafter identified), are herein collectively called ("Properties").

This Assignment shall be deemed to include any contractual or other interest which Assignor may own or may be deemed to own in any oil and gas well located on the Leases ("Wells") and any materials, surface and underground equipment, improvements, fixtures, personal property and other appurtenances associated with or used or obtained in connection with such Leases and Wells ("Appurtenances"), if any, however, any contractual or other interest in any such Wells and Appurtenances are hereby assigned without warranty or representation of any kind, including without limitation, any warranty of title, express or implied.

TO HAVE AND TO HOLD, the Properties unto Assignee, its successors, and assigns, forever; and Assignor hereby binds himself, his successors and assigns, to warrant and forever defend, all and singular the Properties unto Assignee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof by, through or under Assignor, but not otherwise.

298632

RECORDED July 28 2003 10:45 AM
IN BOOK 125 P46 PAGE 183
FEES $ 23.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

THE PARTIES AGREE THAT TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS ASSIGNMENT ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF EVERY APPLICABLE LAW, RULE OR ORDER. THIS ASSIGNMENT IS MADE AND ACCEPTED UPON THE UNDERSTANDING AND AGREEMENT THAT ALL PERSONAL PROPERTY, MACHINERY, FIXTURES, EQUIPMENT AND MATERIALS CONVEYED, IF ANY, HEREBY ARE SOLD AND ASSIGNED AND ACCEPTED BY ASSIGNEE, IN THEIR "WHERE IS" AND "AS IS" CONDITION WITHOUT ANY WARRANTIES WHATSOEVER, EXPRESS, IMPLIED OR STATUTORY, OF MARKETABILITY, PURPOSE OR USE, ALL OF WHICH ARE EXPRESSLY DISCLAIMED. FOR THE BENEFIT OF ASSIGNOR, ASSIGNEE STIPULATES FOR ALL PURPOSES THAT TO THE FULL EXTENT PERMITTED BY LAW, ASSIGNEE WAIVES AND RELEASES TO ASSIGNOR, FROM ANY CLAIM UNDER THE MERCHANT OR CONSUMER PROTECTION ACTS WHICH APPLY OR MIGHT APPLY TO THIS TRANSACTION. FURTHER, ASSIGNEE ASSUMES ALL LIABILITIES FOR, AND SHALL INDEMNIFY AND HOLD ASSIGNOR HARMLESS OF AND FROM ALL SURFACE AND SUBSURFACE RESTORATION AND RECLAMATION, INCLUDING ANY OPEN SURFACE PITS, UNDERGROUND PITS, STORAGE OR REFUSE AREAS, UNDERGROUND FUEL TANKS, ROADS, SALT WATER DISPOSAL WELLS AND OTHER SIMILAR OBLIGATIONS.

ARTICLE II

Permitted Encumbrances

The Properties are Granted, Bargained, Sold, Assigned, Transferred, Conveyed, and Delivered by Assignor and accepted by Assignee subject to the following, to the extent such encumbrances are valid and enforceable and not included as Properties (the "Permitted Encumbrances"):

(a) all overriding royalty interests, and other burdens on or payable out of the production of oil and gas as are presently existing and outstanding, of record in the official records of Sublette County, Wyoming; and

(b) all Orders and Contracts affecting the Leases; and

(c) any lien, security interests, or mortgages, that arise to secure payment of amounts not yet delinquent, which are of a type and nature customary in the oil and gas industry, and which have been disclosed to Assignee, but Assignor shall require release of the Properties from any such lien, security interest, or mortgage in order to make this Assignment or promptly pay or discharge same; and

(d) liens, securing payment of taxes or assessments that are, in either case, not yet delinquent or, if delinquent, are being contested in good faith in the normal course of business, and Assignor agrees to pay or discharge same in a timely manner; and

(e) rights reserved to or vested in any municipality or governmental, statutory or public authority to control or regulate any of the Properties and all applicable laws, rules and order of any municipality or governmental authority.

ARTICLE III

Allocation of Risks; Indemnification

The term "Assumed Obligations" under this Assignment shall mean and include all claims, losses, damages, liabilities, obligations, costs, expenses, causes of action or judgements arising out of the ownership or operation of the Properties or from the documents and agreements creating such ownership or operations.

Assignee agrees to assume, pay, perform and discharge, and to indemnify and hold Assignor harmless of, from, and against any and all of the Assumed Obligations (including reasonable attorneys' fees, court costs and expenses), arising, resulting from, or attributable to claims asserted after the Effective Time.

Assignor shall retain and agree to assume, pay, perform and discharge, and to indemnify and hold Assignee harmless of, from, and against any and all of the Assumed Obligations (including reasonable attorneys' fees, court costs and expenses) arising, resulting from, or attributable to claims asserted prior to the Effective Time.

Assignee agrees to assume any and all obligations of Assignor, if any, to plug and pay for plugging of the Wells, pursuant to all applicable rules, laws, or regulations, and Assignee agrees to indemnify and hold Assignor harmless from any obligations from plugging and abandoning said Wells.

Assignor agrees to execute and deliver all form assignments or transfers for federal oil and gas leases comprising any portion of the Properties as may be required by law or regulation, any and all such assignments or transfers to constitute, as to such individual oil and gas leases, one and the same assignment or transfer as is made herein.

Assignor believes, but does not warrant or represent, that it has observed, performed and complied with the terms, provisions, covenants and conditions of said Leases and with all laws, rules, regulations and orders, both State and Federal, applicable to ownership and enjoyment of the Properties through the Effective Time, but Assignee assumes all risks of non-compliance by Assignor at the Effective Time.

ARTICLE IV

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

This Assignment, Bill of Sale and Conveyance is subject to that certain Offer to Purchase Letter Agreement dated May 27, 2003 between Assignor and Assignee.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be executed as of the date of their respective acknowledgements set forth below, to be effective, however, for all purposes as of the Effective Time.

ASSIGNOR:

CABOT OIL & GAS CORPORATION

By: _____
R. Scott Butler, Vice President

ASSIGNEE:

STONE ENERGY CORPORATION

By: _____
E. J. Louviere, Vice President-Land

ACKNOWLEDGEMENTS

STATE OF Colorado

COUNTY OF Denver

On this 30th day of June, in the year 2003, before me personally came R. Scott Butler, to me known, who by me duly sworn, did depose and say that he is the Vice President of Cabot Oil & Gas Corporation, and that he as such Officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained on behalf of the corporation.

Witness the hand and official seal of the undersigned this the day and year first in this certificate written.

Kathryn B. Flager
Notary Public

My Commission Expires:

KATHRYN B. FLAGER
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 11/12/2003

STATE OF ~~Colorado~~ Louisiana
PARISH
~~COUNTY~~ OF ~~Denver~~ Lafayette

On this 11th day of ~~June~~ July, in the year 2003, before me personally came E. J. Louviere, to me known, who by me duly sworn, did depose and say that he is the Vice President-Land of Stone Energy Corporation, and that he as such Officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained on behalf of the corporation.

Witness the hand and official seal of the undersigned this the day and year first in this certificate written.

Ozahennie J. Bus
Notary Public

My Commission Expires: with life

ONA THERESE J. BUS NOTARY PUBLIC LAFAYETTE PARISH

EXHIBIT "A"

Sublette County, Wyoming

LESSOR:	**USA WYW-61473**
LESSEE:	Rainbow Resources, Inc. et al
EFFECTIVE DATE:	January 1, 1978
RECORDING DATA:	Book 59, Page 85
LEGAL DESCRIPTION:	Township 27 North, Range 112 West, 6th P.M. Section 23: Lots 15, 16 (formerly S/2SE/4) Section 24: Lots 6, 11, 14 (formerly SE/4NW/4, E/2SW/4)
GROSS ACRES:	199.23 (formerly 200.00)
LESSOR:	**USA WYW-54914**
LESSEE:	Rainbow Resources, Inc.
EFFECTIVE DATE:	June 1, 1976
RECORDING DATA:	Book 54, Page 368
LEGAL DESCRIPTION:	Township 27 North, Range 112 West, 6th P.M. Section 23: Lots 3,4,5,6,11,12,13,14 (formerly W/2)
GROSS ACRES:	320.92 (formerly 320.00)
LESSOR:	**USA WYW-54913**
LESSEE:	Rainbow Resources, Inc.
EFFECTIVE DATE:	June 1, 1976
RECORDING DATA:	n/a
LEGAL DESCRIPTION:	Township 27 North, Range 112 West, 6th PM Section 14: Lots 9-16 (formerly S/2)
GROSS ACRES:	319.13 (formerly 320.00)

MEMORANDUM OF UNIT CONTRACTION

PINEDALE UNIT
SUBLETTE COUNTY, WYOMING

This Memorandum summarizes the series of changes in the former Pinedale Unit, a federal exploratory unit approved in 1954 by the United States Geological Survey, and particularly its Initial Fort Union Participating Area "B" which is now included within the Lance Pool Participating Area "C, The Mesa Unit.

1. On or about March 31, 1954 Continental Oil Company, Malco Refineries, Inc., El Paso Natural Gas Company and Novi Oil Company entered a series of agreements, commencing with "Agreement for Assignment of Novi Leases and for a Net Profits Interest Pinedale Unit Area Sublette County, Wyoming" of the same date (recorded at Book 14 O & G Leases, Page 37), designed to cause the formation of the Pinedale Unit and the conduct of unit operations therein.

2. On or about August 26, 1954 the United States Geological Survey approved as effective the Pinedale Unit Agreement covering 91,787.25 acres in Sublette County, Wyoming, with El Paso Natural Gas Company identified as Operator.

3. On or about January 1, 1964, Mountain Fuel Supply Company, pursuant to Farmout Agreement dated August 2, 1963 from Hondo Oil and Gas Company, Continental Oil Company and El Paso Natural Gas Company, drilled the Pinedale Unit No. 8 well located in SW¼, Section 20, T33N, R109W, Sublette County, Wyoming and by so doing earned an undivided 50% interest in 23,889.04 acres, being the Pinedale Unit north end acreage block. Said well was the only well within the Pinedale Unit in which unit operations were conducted by Mountain Fuel Supply Company. The interest earned by Mountain Fuel Supply Company in the Pinedale Unit north end acreage block represents the only portion of the Pinedale Unit in which it owned an interest.

4. On or about November 5, 1964 the United States Geological Survey approved the Initial Participating Area "B" for the Fort Union Formation in the Pinedale Unit covering a 640-acre area surrounding the Pinedale Unit No. 8 well, consisting of the following lands:

<u>Township 33 North, Range 109 West, 6th PM</u>

Section 19: SE/4NE/4NE/4, E/2SE/4NE/4, E/2NE/4SE/4, E/2SE/4SE/4

Section 20: SW/4, W/2SE/4, W/2NE/4SE/4, W/2SE/4SE/4, W/2SE/4NE/4, SW/4NE/4NE/4, S/2NW/4, SW/4NE/4, S/2NW/4NW/4, S/2NE/4NW/4, S/2NW/4NE/4

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RECORDED July 28 2003 1:00 PM
IN BOOK 260-B PAGE 189
FEES $ 17.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

Section 29: N/2NW/4NW/4, N/2NE/4NW/4, N/2NW/4NE/4, NW/4NE/4NE/4

Section 30: NE/4NE/4NE/4

5. On or about September 12, 1977 the Pinedale Unit contracted to a unit boundary surrounding its approved participating areas, one of which was the 640-acre Initial Participating Area "B" for the Fort Union formation. All acreage within the contracted Pinedale Unit not including the north end acreage block assigned to Mountain Fuel Supply Company and referenced in paragraph 3 above, was owned and operated by other parties who are successors to Hondo Oil and Gas Company, Continental Oil Company and El Paso Natural Gas Company. Relative to the portion of the contracted Pinedale Unit area which included Initial Participating Area "B" for the Fort Union formation, such area consisted of 1000 acres as described in Exhibit "A" hereto. The Bureau of Land Management's characterization of working interest, royalty and overriding royalty ownership within that participating area, which also applies to the full 1000-acre area, is also described in Exhibit "A" hereto.

6. On or about October 20, 1980 the Bureau of Land Management approved as effective The Mesa Unit Agreement covering an area of 24,989.56 acres, and included therein the 1000-acre area surrounding and within Initial Participating Area "B" for the Fort Union formation of the Pinedale Unit. Mountain Fuel Supply Company was named as Operator of The Mesa Unit.

7. On or about July 2, 1981, on the date of formation of the initial participating area in The Mesa Unit, the lands within the 1000-acre portion of the Pinedale Unit referenced in paragraph 5 above which included the Initial Fort Union Participating Area "B", were contracted from the Pinedale Unit and transferred to The Mesa Unit.

8. On or about July 10, 1981 the Pinedale Unit Agreement was terminated by the Bureau of Land Management, with the 13,551.12-acre Initial Participating Area "A" for the Fort Union formation transferred to the New Fork Unit operated by El Paso Natural Gas Company, in which Mountain Fuel Supply Company owned no interest, and made subject to the New Fork Unit Agreement effective the same date.

9. On or about June 22, 1986 The Mesa Unit contracted to a unit boundary surrounding its approved participating areas, consisting of Fort Union/Lance/Lewis Participating Areas "A" and "B" and Fort Union Participating Area "B", of which the Fort Union Participating Area "B" includes the acreage within the former Pinedale Unit Initial Fort Union Participating Area "B" described in paragraph 4 above.

10. On or about February 23, 2000 the Bureau of Land Management approved a change of the name: "The Mesa Unit Fort Union Participating Area 'B' " to the name: "The Mesa Unit Fort Union/Lance/Lewis Participating Area 'C'."

11. On or about May 27, 2003 the Bureau of Land Management approved a change of the name: "The Mesa Unit Fort Union/Lance/Lewis Participating Area 'C' " to the name: "The Mesa Unit Lance Pool Participating Area 'C'."

12. As a result of the foregoing changes, the contracted Pinedale Unit lands which Wexpro Company now operates as successor operator to Mountain Fuel Supply Company and as an affiliate of Questar Exploration and Production Company, consist only of the 1000-acre area described in Exhibit "A", within which is located the former Pinedale Unit 640-acre Initial Participating Area "B" for the Fort Union formation described in paragraph 4 above, being the same lands now included in the Lance Pool Participating Area "C", The Mesa Unit.

SIGNED, this 22nd day of July, 2003 on behalf of QUESTAR EXPLORATION AND PRODUCTION COMPANY, successor in interest to the title of Mountain Fuel Supply Company in the contracted Pinedale Unit lands and leases.

By: _____

Name: J. B. Neese

Title: Vice-President

STATE OF Colorado)
ss.
COUNTY OF Denver)

On the 22nd day of July, 2003, personally appeared before me Jay B. Neese, the Vice-President of Questar Exploration and Production Company, signer of the foregoing document.

My Commission Expires:

9/21/05

_____
NOTARY PUBLIC

KIMBERLY VAUGHN NOTARY PUBLIC STATE OF COLORADO

Seal

Residing at: 11177 Elati St.
Northglenn, CO 80234

EXHIBIT "A"
TO MEMORANDUM OF UNIT CONTRACTION

Township 33 North, Range 109 West, 6th P.M., Wyoming

Section 19: E½E½ (Ownership A, below)

Section 20: All (Ownership A, below)

Section 29: N½N½ (Ownership A, below)

Section 30: NE¼NE¼ (Ownership B, below)

Comprising 1,000.00 acres, more or less

Ownership A:
(Per November 5, 1964 USGS Approval)

Royalty:		12.500%
Working Interest:		
El Paso Natural Gas Co.		12.525%
Continental Oil Co.		12.525%
Mountain Fuel Supply Co.		41.750%
Hondo Oil & Gas Co.		16.700%
ORRI:		4.000%
	Total	100.000% (See Note Below)

Ownership B:
(Per November 5, 1964 USGS Approval)

Royalty:		12.500%
Working Interest:		
El Paso Natural Gas Co.		12.975%
Continental Oil Co.		12.975%
Mountain Fuel Supply Co.		43.250%
Hondo Oil & Gas Co.		17.300%
ORRI:		1.000%
	Total	100.000% (See Note Below)

NOTE: The Novi Oil Company net profits interest, created under the "Agreement for Assignment of Novi Leases and for a Net Profits Interest Pinedale Unit Area Sublette County, Wyoming" dated March 31,1954, applied to unit operations in the Pinedale Unit. As the lands described above constitute all of the lands within the contracted Pinedale Unit operated by Mountain Fuel Supply Company under the subsequent The Mesa Unit, the net profits interest applies only to these lands operated by Mountain Fuel Supply Company and its successor after the September 12, 1977 contraction of the Pinedale Unit.

961205063

VERN SPATZ
GRAYS HARBOR CO. AUDITOR

'96 DEC 4 PM 3 53

FILED REQUEST OF:
Knight

RECORDED IN GRAYS HARBOR COUNTY
Grays Harbor County, Aberdeen, WA
by O Hartford date 12-4-96

QUIT CLAIM
-for
Grant

I, PRISCILLA J. KNIGHT HEREBY REMISE, RELEASE AND QUIT-CLAIM TO: PRISCILLA J. KNIGHT FAMILY TRUST ALL MY RIGHT TITLE, AND INTEREST IN ENRON OIL AND GAS ROYALTIES, OWNER #083126 AND ANY OTHER KNOWN/UNKNOWN ROYALTIES. +Grant

EXECUTED ON NOVEMBER 26, 1996, IN THE CITY OF ABERDEEN IN THE STATE OF WASHINGTON

Priscilla J. Knight

PRISCILLA J. KNIGHT I.D. 571-22-9590

STATE OF WASHINGTON ss
County of Grays Harbor

On Nov 26, 1996 before me, the undersigned notary personally appeared Priscilla J. Knight personally known to me(or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed in the within instrument and acknowledged to me that she executed her signature on the instrument the person or the entuty upon behalf of which the person acted, executed the instrument.

L. D. DANIELS
NOTARY PUBLIC
COMMISSION EXPIRES
GRAYS HARBOR CO.
WASHINGTON

WITNESS my hand and official seal.

Signature Pamela D. Daniels

Pamela D. DAniels
My commission expires 5-29-2000

298663

RECORDED July 29 2003 9:30A M
IN BOOK 1250 B PAGE 193
FEES $ 14.00 Myra L Hall COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sieta

96 45422

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EOG LSE #	LEGAL DESCRIPTION
0050005-001	T29N-R113W SEC 10: N2NE, SWNE CONTAINING 120.00 ACRES SUBLETTE COUNTY, WYOMING
0050005-002	T29N-R113W SEC 10: N2N2, SENW, SWNE AS TO ALL DEPTHS BELOW 2500' CONTAINING 240.00 ACRES SUBLETTE COUNTY, WYOMING
0050005-003	T29N-R113W SEC 4: S2SE SEC 9: NE SEC 10: N2NW, SENW CONTAINING 360.00 ACRES SUBLETTE COUNTY, WYOMING
0050027-000	T30N-R113W SEC 28: SWNW, E2NW, SW CONTAINING 280.00 ACRES SUBLETTE COUNTY, WYOMING
0050028-000	T30N-R113W SEC 21: S2 CONTAINING 320.00 ACRES SUBLETTE COUNTY, WYOMING
0050031-000	T30N-R113W SEC 27: NW, S2 SEC 34: N2 CONTAINING 800.00 ACRES SUBLETTE COUNTY, WYOMING

EOG LSE #	LEGAL DESCRIPTION
0050033-000	T30N-R113W SEC 22: SW CONTAINING 160.00 ACRES SUBLETTE COUNTY, WYOMING
0050035-000	T24N-R114W RESURVEY TRACT 50: THE WEST 3/4 RESURVEY TRACT 55: ALL RESURVEY TRACT 49: THE WEST 40 ACRES CONTAINING 251.50 ACRES LINCOLN COUNTY, WYOMING
0050036-000	T24N-R114W SEC 2: LOT 16(39.10 ACRES),17(5.71 ACRES),18(6.48 ACRES) SEC 3: LOT 12(22.51 ACRES),13(20.35 ACRES),14(17.84 ACRES),18 (17.84 ACRES) RESURVEY TRACT #48, ORIGINALLY THE SWSW, SEC 2; E2SE, SENE, SEC 3. RESURVEY TRACT #46B, ORIGINALLY THE SESW, SEC 2. THE MOST WESTERLY 2/3RDS OF RESURVEY TRACT #45, ORIGINALLY THE NWNW, SEC 11; & THE NENE, SEC 10. THE MOST EASTERLY 1/4 OF RESURVEY TRACT #50, ORIGINALLY THE SWNE, SEC 3. THE MOST EASTERLY 80 ACRE PARCEL OF RESURVEY TRACT #49, ORIGINALLY THE W2SE, SEC 3. CONTAINING 543.85 ACRES LINCOLN COUNTY, WYOMING
0050038-000	T24N-R114W SEC 3: LOTS 10 & 11 CONTAINING 80.91 ACRES LINCOLN COUNTY, WYOMING

IN FURNISHING THIS INFORMATION EOG RE... SOURCES, INC. MAKES NO WARRANTY AS TO the ACCURACY OR COMPLETENESS AND ASSUMES NO LIABILITY FOR ANY RELIANCES THEREON.

0050032-000 T31N-R113W
SEC 28: SWNW, NWSW
SEC 29: N2, SE, SW
SEC 31: LOTS 1-4, E2W2, S2SE, NWSE, E2NE, NESE, W2NE
SEC 32: E2E2, W2E2, W2
SEC 33: SWNE, NWNW, S2NW, SW, SE
CONTAINING 2493.80 ACRES
SUBLETTE COUNTY, WYOMING

0050066-000 T30N-R113W
SEC 13: NENW, S2NW
T30N-R113W
SEC 24: SWNE
T30N-R113W
SEC 24: SE, NESW, E2NE, NWNE, E2NW
CONTAINING 560.000 ACRES
SUBLETTE COUNTY, WYOMING

0050067-000 T30N-R113W
SEC 13: NWNW
CONTAINING 40.000 ACRES
SUBLETTE COUNTY, WYOMING

0050068-000 T30N-R112W
SEC 30: NENW
CONTAINING 40.00 ACRES
SUBLETTE COUNTY, WYOMING

0050069-000 T30N-R112W
SEC 19: LOTS 1, 2, 3 & 4
CONTAINING 58.480 ACRES
SUBLETTE COUNTY, WYOMING

0050070-000 T30N-R113W
SEC 14: E2NE, NESE
CONTAINING 120.00 ACRES
SUBLETTE COUNTY, WYOMING

0050071-000 T30N-R113W
SEC 13: SW
CONTAINING 160.00 ACRES
SUBLETTE COUNTY, WYOMING

0050075-000 T29N-R112W
SEC 33: SE, E2NE
SEC 34: ALL
CONTAINING 880.00 ACRES
SUBLETTE COUNTY, WYOMING

0050078-000 T29N-R112W
SEC 32: E2, E2W2
SEC 33: W2, W2NE
CONTAINING 880.00 ACRES
SUBLETTE COUNTY, WYOMING

0050079-000 T28N-R112W
SEC 6: LOT 2
CONTAINING 12.89 ACRES
SUBLETTE COUNTY, WYOMING

IN FURNISHING THIS INFORMATION QEP RESOURCES, INC. MAKES NO WARRANTY AS TO ITS ACCURACY OR COMPLETENESS AND ASSUMES NO LIABILITY FOR ANY RELIANCES THEREON.

0050080-000 T28N-R112W
SEC 4: LOTS 1, 2, 3, 6, 7, 8, 9, 10, 11, SE, E2SW, SWSW
CONTAINING 622.820 ACRES
SUBLETTE COUNTY, WYOMING

0050082-000 T29N-R112W
SEC 27: ALL
SEC 28: ALL
SEC 29: ALL
CONTAINING 1920.00 ACRES
SUBLETTE COUNTY, WYOMING

0050084-000 T28N-R112W
SEC 29: W2E2, W2
SEC 30: LOTS 2, 3 & 4, E2, E2W2
SEC 31: LOTS 1, 2 & 3, E2, E2W2
SEC 32: W2NW
CONTAINING 1712.98 ACRES
SUBLETTE COUNTY, WYOMING

0050087-000 T28N-R112W
SEC 5: LOTS 1-12, S2
SEC 6: LOTS 1,3-18, E2SW, SE
SEC 7: LOTS 1-4, E2, E2W2
CONTAINING 2319.34 ACRES
SUBLETTE COUNTY, WYOMING

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0050088-000 T28N-R112W
SEC 17: N2NW, SESW
SEC 18: LOTS 1-3, NE, E2NW, NESW
SEC 19: E2NE, SWNE, E2SW, SE
SEC 20: W2
CONTAINING 1196.04 ACRES
SUBLETTE COUNTY, WYOMING

0050089-000 T28N-R112W
SEC 4: LOTS 4, 5, 12, NWSW
CONTAINING 158.380 ACRES
SUBLETTE COUNTY, WYOMING

0050095-000 T28N-R113W
SEC 27: LOTS 4,5,7 & 8
CONTAINING 116.11 ACRES
SUBLETTE COUNTY, WYOMING

0050097-000 T28N-R113W
SEC 23: LOT 4; W2NW
CONTAINING 107.24 ACRES
SUBLETTE COUNTY, WYOMING

0050100-000 T28N-R113W
SEC 10: W2
CONTAINING 320.00 ACRES
SUBLETTE COUNTY, WYOMING

0050101-000 T29N-R113W
SEC 34: ALL
CONTAINING 640.00 ACRES
SUBLETTE COUNTY, WYOMING

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0050107-000 T28N-R113W
SEC 15: SWNE, W2, SE
CONTAINING 520.00 ACRES
SUBLETTE COUNTY, WYOMING

0050124-000 T28N-R113W
SEC 22: LOT 1, NE, SENW, E2SW, NWSE
CONTAINING 369.08 ACRES
SUBLETTE COUNTY, WYOMING

0050149-000 T28N-R112W
SEC 19: LOTS 3 & 4
CONTAINING 69.93 ACRES
SUBLETTE COUNTY, WYOMING

0050150-000 T28N-R112W
SEC 30: LOT 1
CONTAINING 33.83 ACRES
SUBLETTE COUNTY, WYOMING

0050151-000 T28N-R113W
SEC 23: NENW, NWNE; LOTS 1-3, NENE
SEC 24: LOTS 3 & 4
CONTAINING 341.29 ACRES
SUBLETTE COUNTY, WYOMING

0050152-000 T28N-R113W
SEC 14: S2NW, SW ; N2NW
CONTAINING 320.00 ACRES
SUBLETTE COUNTY, WYOMING

0050154-000 T28N-R113W
SEC 23: LOTS 5-7
SEC 24: LOTS 6-8; LOT 5, TRACT 46 A&B
SEC 25: LOTS 1-4, W2E2, E2W2, SWSW; W2NW, NWSW
CONTAINING 929.41 ACRES
SUBLETTE COUNTY, WYOMING

0050155-000 T28N-R113W
SEC 34: LOT 2
CONTAINING 44.96 ACRES
SUBLETTE COUNTY, WYOMING

0050156-000 T28N-R113W
SEC 35: LOTS 1-7, W2N2, N2NW, SWNW; N2SW
CONTAINING 545.49 ACRES
SUBLETTE COUNTY, WYOMING

0050157-000 T28N-R113W
SEC 35: SENW
CONTAINING 40.00 ACRES
SUBLETTE COUNTY, WYOMING

0050158-000 28N-R113W
SEC 34: E2NE, SWNE, N2SE, LOTS 3 & 4
CONTAINING 288.79 ACRES
SUBLETTE COUNTY, WYOMING

0050160-000 T28-R113W
SEC 34: E2NW; NWNE
CONTAINING 160.00 ACRES, MORE OR LESS
SUBLETTE COUNTY, WYOMING

IN FURNISHING THIS INFORMATION EOG RESOURCES, INC. MAKES NO WARRANTY AS TO ITS ACCURACY OR COMPLETENESS AND ASSUMES NO LIABILITY FOR ANY RELIANCES THEREON.

0050162-000 T29N-R113W
SEC 26: SW, SWNW
SEC 27: NESE, SENW, S2NE; SESE
CONTAINING 400.00 ACRES
SUBLETTE COUNTY, WYOMING

0050163-000 T28N-R113W
SEC 3: S2SW
CONTAINING 80.00 ACRES
SUBLETTE COUNTY, WYOMING

0050169-000 T28N-R113W
SEC 14: SWNE, W2SE
CONTAINING 120.00 ACRES
SUBLETTE COUNTY, WYOMING

0050187-000 T30N-R113W
SEC 9: E2
SEC 15: N2, N2S2, SESW, S2SE
CONTAINING 920.00 ACRES
SUBLETTE COUNTY, WYOMING

0050196-000 T29N-R112W
SEC 30: LOTS 1-4, E2W2, NWNE, S2NE, SE
SEC 31: E2W2, E2
CONTAINING 1017.20 ACRES
SUBLETTE COUNTY, WYOMING

0050197-000 T29N-R112W
SEC 30: LOTS 1-4, E2W2, NWNE, S2NE, SE
SEC 31: E2W2, E2
CONTAINING 1017.20 ACRES
SUBLETTE COUNTY, WYOMING

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0050200-000 T28N-R113W
SEC 1: LOTS 7 & 8
CONTAINING 79.89 ACRES
SUBLETTE COUNTY, WYOMING

0050201-000 T28N-R113W
SEC 1: LOTS 7 & 8
CONTAINING 79.89 ACRES
SUBLETTE COUNTY, WYOMING

0050202-000 T29N-R112W
SEC 2: LOT 7
CONTAINING 38.77 ACRES
SUBLETTE COUNTY, WYOMING

0050206-000 T30N-R113W
SEC 9: W2
SEC 15: SWSW
SEC 21: N2
CONTAINING 680.00 ACRES
SUBLETTE COUNTY, WYOMING

0050207-000 T30N-R113W
SEC 22: W2NW
CONTAINING 80.00 ACRES
SUBLETTE COUNTY, WYOMING

0050208-000 T30N-R113W
SEC 8: E2, NW
SEC 17: E2
CONTAINING 800.00 ACRES
SUBLETTE COUNTY, WYOMING

IN FURNISHING THIS INFORMATION EOG RESOURCES, INC. MAKES NO WARRANTY AS TO ITS ACCURACY OR COMPLETENESS AND ASSUMES NO LIABILITY FOR ANY RELIANCES THEREON.

0050210-000 T30N-R113W
SEC 16: E2SW, SE
CONTAINING 240.00 ACRES
SUBLETTE COUNTY, WYOMING

IN FURNISHING THIS INFORMATION EOG RESOURCES, INC. MAKES NO WARRANTY AS TO ITS ACCURACY OR COMPLETENESS AND ASSUMES NO LIABILITY FOR ANY RELIANCES THEREON.

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COMPRESSOR SITE LEASE

This COMPRESSOR SITE LEASE ("Lease") is made and entered into this 1 day of October, 2002 ("Effective Date") by and between Nerd Gas Company, LLC ("Lessor") and Jonah Gas Gathering Company and its partners, affiliates, and designees (collectively "Lessee"). Lessor hereby demises and grants unto Lessee, under the terms and conditions set forth herein, a lease in and upon the following tract of land situated in Sublette County, State of Wyoming:

A tract of land consisting of an area 9.822 acres, more or less, located in the Southwest Quarter of Section 2, Township 31 North, Range 109 West of the Sixth Principal Meridian, Sublette County, Wyoming and more particularly described in Exhibit "A" attached hereto and incorporated herein (the "Property").

LESSEE'S RIGHT OF USE

Subject to any rights of way or easements that have been legally granted prior to the Effective Date, Lessee shall have the sole and exclusive possession of all the surface of the Property together with the full right of ingress and egress at all times including the right to construct, use and maintain a roadway as located in the surface plat within Exhibit A. Lessee shall have the right to use and occupy the Property for the purpose of constructing, operating, placing, maintaining, enlarging, or modifying a compressor facility to be used in conjunction with the gathering and processing of hydrocarbons and petroleum products. Lessee may, at its expense, construct or place upon the Property or any portion thereof, any and all buildings, tanks, engines, vents, pipelines, pumps, meters, valves, ditches, fences, utility lines or other facilities, equipment or improvements related to the purposes described above ("Lessee's Equipment"). Lessee shall have all other rights and benefits necessary and convenient for the full enjoyment and use of the rights granted herein, including the right from time to time to cut vegetation and remove other obstructions that may injure, endanger or otherwise interfere with the use of the Property. Lessee shall notify Lessor promptly in writing upon becoming aware of any adverse possession of the Property or of any adverse claims asserted concerning the Property.

LESSOR'S RIGHT OF ENTRY

Lessor agrees that neither it nor its successors or assigns shall access the Property nor grant the right to any other person to access the Property without the prior written approval of Lessee, which approval shall not be unreasonably withheld.

TERM

This Lease shall commence upon the Effective Date and remain in full force and effect for a primary term of fifteen (15) years from the Effective Date ("Primary Term"). On or before the expiration of the Primary Term, Lessee shall have the option to renew this Lease for a second term of fifteen (15) years ("Secondary Term"). Upon the expiration of the Secondary Term, and at the mutual agreement of the Lessee and Lessor, this Lease shall be extended for additional one (1) year periods upon the terms and conditions of this Lease, unless and until Lessee has served upon the Lessor a notice in writing advising Lessor that Lessee does not intend to extend the term of this Lease. Within a reasonable amount of time following the termination of the Lease, Lessee shall remove Lessee's Equipment from the Property, except for concrete slabs.

RENT

In consideration of the Lease, Lessee shall pay to Lessor rent for the Property according to the following escalation schedule: a) One Thousand Dollars ($1000) per acre at the time of entering into this Lease and the same rental annually thereafter in advance for the next four (4) years; b) One Thousand Two Hundred and Fifty dollars ($1250) per acre in advance for the second five (5) years of the Primary Term; c) One Thousand Five Hundred Dollars

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RECORDED July 29 2003 3:55 PM
IN BOOK 125 PAGE 200
FEES $ 23.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

of this Lease. In the event of a material default of this Lease by Lessee, Lessor may proceed to take any applicable remedy now or hereafter available to Lessor under the laws or judicial decisions of the State of Wyoming to terminate this Lease, and Lessee shall then promptly remove Lessee's Equipment from the Property, except for concrete slabs, and surrender possession of the Property to Lessor. In such event Lessor shall be entitled to recover from Lessee all damages incurred by Lessor by reason of Lessee's material default including reasonable attorney's fees. Unpaid rent due under the terms of this Lease shall bear interest from the due date at the rate of twelve percent (12%) per annum.

MISCELLANEOUS

This Lease constitutes the entire agreement and understanding between the parties hereto and supersedes and replaces any prior understandings, negotiations or agreements concerning the subject matter hereof.

This Lease shall be binding upon and inure to the benefit of the heirs, successors and assigns of the parties hereto.

This Lease may not be amended or supplemented, and no provision of this Lease may be changed, modified, waived, or discharged except by written instrument executed by the parties.

If either party brings an action to enforce the terms of this Lease or its rights hereunder, the prevailing party shall be entitled to reasonable attorney's fees and costs.

IN WITNESS WHEREOF, the parties hereto have executed this Lease Agreement the day and year set forth above.

LESSOR:

NERD GAS COMPANY, LLC

Cary E. Brus

By: CARY E. BRUS

LESSEE:

JONAH GAS GATHERING COMPANY
By its Managing Partner, TEPPCO GP, Inc.

By: Michael J. Bradley

NOTARY

STATE OF Wyoming)
)
COUNTY OF Natrona)

Before me, Thomas R. Blevins, a Notary Public in and for said County and State, on this 1 day of October, 2002, personally appeared Cary E. Brus, known to me to be the V.P. of Nerd Gas Company, LLC, on behalf of said Company and acknowledged to me that s/he executed this Compressor Site Lease for the consideration and purposes therein set forth.

GIVEN under my hand and seal of office, this 1 day of October, 2002.

THOMAS R. BLEVINS- NOTARY PUBLIC
County of Natrona State of Wyoming
My Commission Expires April 6, 2003

Thomas R Blevins
Notary Public

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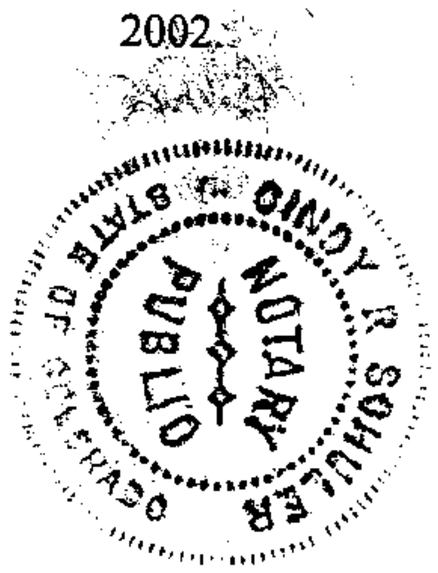
My Commission Expires:

_____

STATE OF Colorado)
)
COUNTY OF Denver)

Before me, Cindy Rothmeier, a Notary Public in and for said County and State, on this 11th day of October, 2002, personally appeared Michael J. Bradley, known to me to be the Vice President of TEPPCO GP, Inc., the Managing Partner of Jonah Gas Gathering Company and acknowledged to me that he executed this Compressor Site Lease for the consideration and purposes therein set forth.

GIVEN under my hand and seal of office, this 11th day of October, 2002.



Cindy Rothmeier
Notary Public
My Commission Expires:
7-31-06

JFC ENGINEERS ARCHITECTS SURVEYORS

1515 NINTH STREET, SUITE A
ROCK SPRINGS, WYOMING 82901
PHONE: (307) 362-7519
FAX: (307) 362-7569

Legal Description

18 June 2002

JFC File: 5757-02S

Identification: Proposed **Jonah Gas Gathering Company**
Paradise Compressor Site Tract
located in the SW¼ Section 2, T 31 N, R 109 W, 6th P.M.,
Sublette, County, Wyoming.

Landowner: NERD ENERGY

A tract of land located in the Southwest Quarter (SW¼) of Section 2, Township 31 North, Range 109 West of the Sixth Principal Meridian, Sublette County, Wyoming and being more particularly described as follows:

Beginning at a point which lies on the west line of said Section 2, North 0°37'44"East a distance of 1249.31 feet from the southwest section corner thereof;

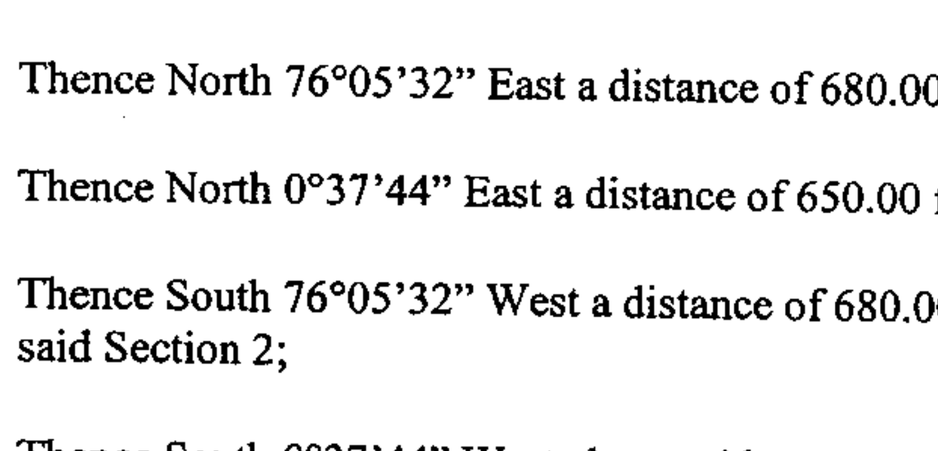
Thence North 76°05'32" East a distance of 680.00 feet;

Thence North 0°37'44" East a distance of 650.00 feet;

Thence South 76°05'32" West a distance of 680.00 feet to a point which lies on the west line of said Section 2;

Thence South 0°37'44" West along said west section line a distance of 650.00 feet to the Point of Beginning.

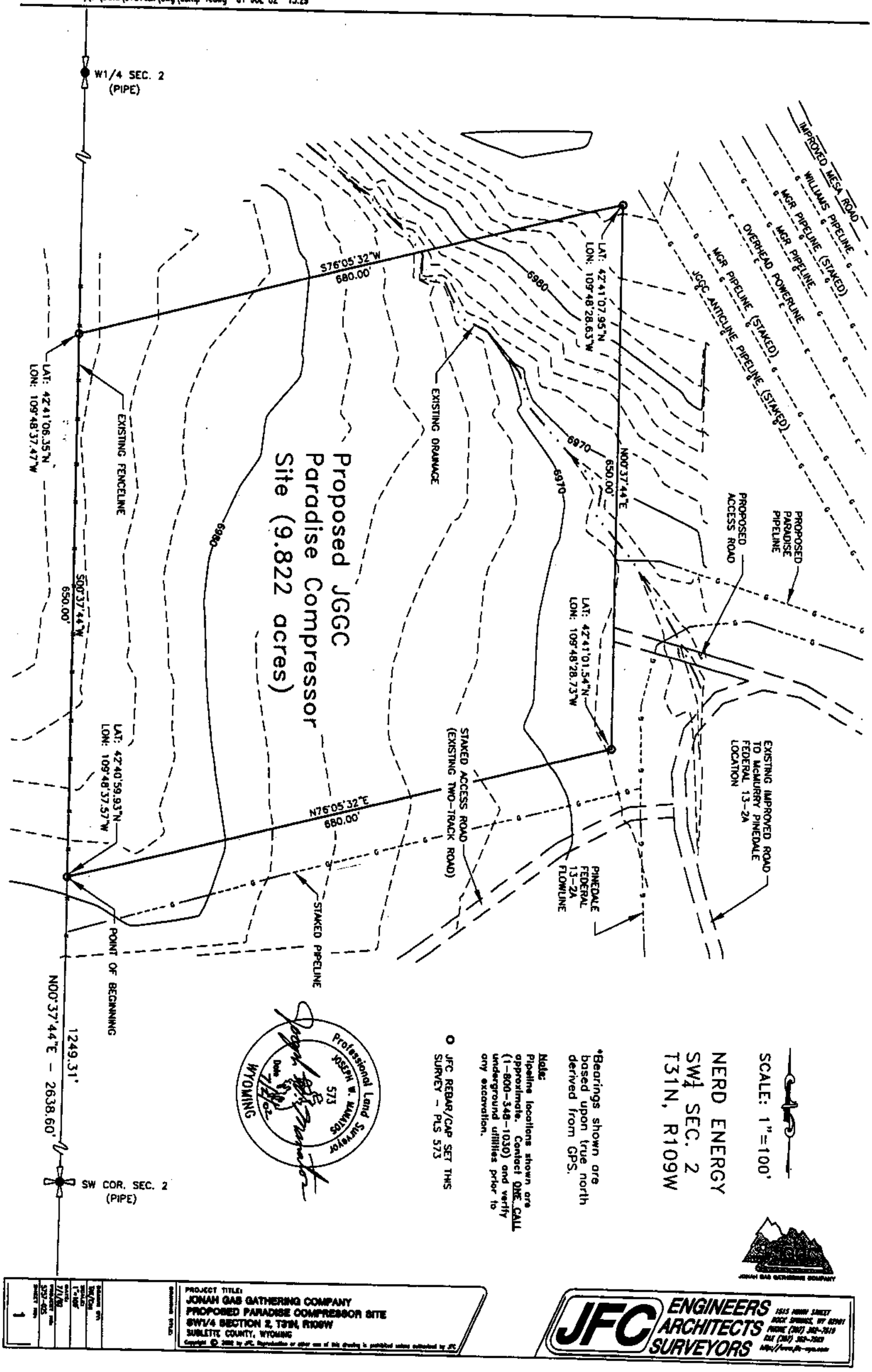
The above-described tract contains an area of 9.822 acres, more or less, and is subject to any rights-of-way and/or easements that have been legally acquired. The basis of bearing for said parcel is True North derived from GPS.



Joseph W. Manatos, Wyoming P.L.S. No. 573

casj:\data\5757tak\docs\paradiselgl2.doc

FILE NAME: CAS\\J:\Data\5757tak\dwg\comp-A.dwg 01 JUL 02 15:29



SCALE: 1"=100'

NERD ENERGY
SW¼ SEC. 2
T31N, R109W

*Bearings shown are based upon true north derived from GPS.

Note:
Pipeline locations shown are approximate. Contact ONE CALL (1-800-348-1030) and verify underground utilities prior to any excavation.

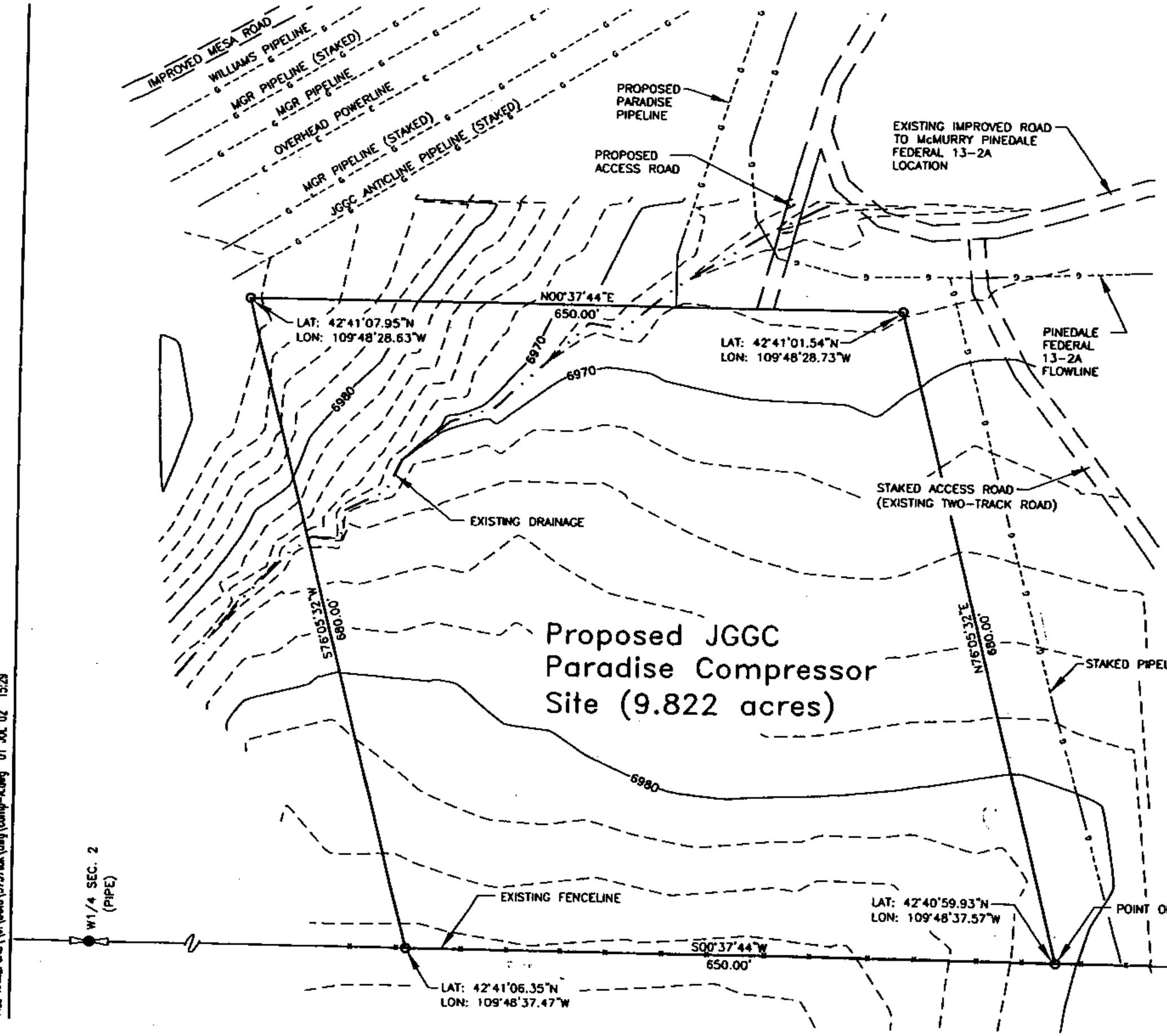
○ JFC REBAR/CAP SET THIS SURVEY - PLS 573

JONAH GAS GATHERING COMPANY

PROJECT TITLE:
JONAH GAS GATHERING COMPANY
PROPOSED PARADISE COMPRESSOR SITE
SW1/4 SECTION 2, T31N, R109W
SUBLETTE COUNTY, WYOMING

Copyright © 2002 by JFC. Reproduction or other use of this drawing is prohibited unless authorized by JFC.

JFC ENGINEERS ARCHITECTS SURVEYORS
1515 HARRY STREET
ROCK SPRINGS, WY 82901
PHONE (307) 382-7019
FAX (307) 382-7021
http://www.jfc-cpa.com



SCALE: 1"=100'

NERD ENERGY
SW¼ SEC. 2
T31N, R109W

*Bearings shown are based upon true north derived from GPS.

Note:
Pipeline locations shown are approximate. Contact ONE CALL (1-800-348-1030) and verify underground utilities prior to any excavation.

○ JFC REBAR/CAP SET THIS SURVEY - PLS 573

Professional Land Surveyor
JOSEPH W. MANATOS
573
Date 7/12/02
WYOMING

JFC ENGINEERS ARCHITECTS SURVEYORS

PROJECT TITLED
JONAH GAS GATHERING COMPANY
PROPOSED PARADISE COMPRESSOR SITE
SW1/4 SECTION 2, T31N, R109W
SUBLETTE COUNTY, WYOMING

DRAWN BY: SK/Cas
SCALED: 1"=100'
DATED: 7/1/02
PROJECT NO: 332-305
SHEET NO: 1

FILE NAME: C:\JFC\Data\332305\dwg\comp-A.dwg 01 JUL 02 15:29

205

206

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)
Geotherman 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 133063

Lease Effective Date
(Anniversary Date)
August 1, 1994

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* ENCANA OIL & GAS (USA) INC.
   Street 950 17TH STREET, SUITE 2600
   City, State, ZIP Code DENVER, CO 80202

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

This record title assignment is for: (*Check one*) [X] Oil and Gas Lease, or [ ] Geothermal Lease

Interest conveyed: (*Check one or both, as appropriate*) [X] Record Title, [ ] Overriding Royalty, payment out of production or other similar interests or payments

2. This assignment conveys the following interest:

Land Description: Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein.	Percent of Interest: Owned	Conveyed	Retained	Percent of Overriding Royalty or Similar Interests: Reserved	Previously reserved or conveyed
a	b	c	d	e	f
Township 27 North, Range 108 West, 6th P.M. Section 21: All Section 29: NW/4 Containing 800.00 acres, more or less Sublette County, Wyoming	50.00%	50.00%	None	1% Proportionately Reduced	Burdens of Record

298686
29868

RECORDED July 30 2003 8:15a M
IN BOOK 125 Q+6 PAGE 206
FEES $ 14.00 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 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.

[redacted]

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; (d) All parties holding an interest in the assignment are otherwise in compliance with the regulations (43 CRF 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, stipulation 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 (43CRF 3241).

I certify that the statements made here by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 23rd day of June 2003 Executed this 24th day of June 2003

Name of Assignor as shown on current lease Prima Oil & Gas Company
Please type or print

Assignor
or
Attorney-in-fact (Signature)
G. Walter Lansford . (Signature)
1099 18th Street, Suite 400
(Assignor's Address)
Denver, CO 80202
(City) (State) (Zip Code)

Encana Oil & Gas (USA) Inc.

Assignee
or
Attorney-in-Fact (Signature)
Jonathan L. Grannis (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 from 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. GPOL 1996-774-004/41005

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

On this 23rd day of June ,2003, 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:

December 24, 2006

DISA GARGALA NOTARY PUBLIC STATE OF COLORADO

NOTARY PUBLIC

Disa Gargala

Disa Gargala
1099 - 18th Street, Suite 400
Denver, CO 80202

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

On this 24th day of June ,2003, before me, the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared Jonathan L. Grannis, 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 Encana Oil & Gas (USA) Inc. Given under my hand and seal the day and year above written.

MY COMMISSION EXPIRES:

JUDITH B. SISNEROS
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires Mar. 17, 2004

NOTARY PUBLIC

Judith B. Sisneros

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)
Geotherman 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 133064

Lease Effective Date
(Anniversary Date)
August 1, 1994

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* ENCANA OIL & GAS (USA) INC.
   Street 950 17TH STREET, SUITE 2600
   City, State, ZIP Code DENVER, CO 80202

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

This record title assignment is for: (*Check one*) [X] Oil and Gas Lease, or [ ] Geothermal Lease

Interest conveyed: (*Check one or both,as appropriate*) [X] Record Title, [ ] Overriding Royalty, payment out of production or other similar interests or payments

2. This assignment conveys the following interest:

Land Description: Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein.	Percent of Interest			Percent of Overriding Royalty or Similar Interests	
	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
Township 27 North, Range 108 West, 6th P.M. Section 25: All Section 26: NE/4NE/4, S/2NE/4, NW/4, S/2 Section 35: N/2, SW/4 Containing 1,720.00 acres, more or less Sublette County, Wyoming 29868?	50.00%	50.00%	None	1% Proportionately Reduced	Burdens of Record

RECORDED July 30 2003 8:15a M
IN BOOK 125 OTG PAGE 209
FEES $ 14.00 Mary L. Lill COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sa

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.

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; (d) All parties holding an interest in the assignment are otherwise in compliance with the regulations (43 CRF 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, stipulation 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 (43CRF 3241).

I certify that the statements made here by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 23rd day of June 2003

Name of Assignor as shown on current lease Prima Oil & Gas Company
Please type or print

Assignor
or
Attorney-in-fact (Signature)

G. Walter Lunsford (Signature)

1099 18th Street, Suite 400
(Assignor's Address)

Denver, CO 80202
(City) (State) (Zip Code)

Executed this 24th day of June 2003

Encana Oil & Gas (USA) Inc.

Assignee
or
Attorney-in-Fact (Signature)

Jonathan L. Grannis (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 from 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. GPOL 1996-774-004/41005

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

On this 23rd day of June ,2003, 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:

December 24, 2006

DISA GARGALA NOTARY PUBLIC STATE OF COLORADO

NOTARY PUBLIC

Disa Gargala
1099 - 18th Street, Suite 400
Denver, CO 80202

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

On this 24th day of June ,2003, before me, the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared Jonathan L. Grannis, 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 Encana Oil & Gas (USA) Inc. Given under my hand and seal the day and year above written.

MY COMMISSION EXPIRES:

JUDITH B. SISNEROS
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires Mar. 17, 2004

NOTARY PUBLIC

212

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)
Geotherman 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 142263

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* ENCANA OIL & GAS (USA) INC.
   Street 950 17TH STREET, SUITE 2600
   City, State, ZIP Code DENVER, CO 80202

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

This record title assignment is for: (*Check one*) [X] Oil and Gas Lease, or ☐ Geothermal Lease

Interest conveyed: (*Check one or both,as appropriate*) [X] Record Title, ☐ Overriding Royalty, payment out of production or other similar interests or payments

2. This assignment conveys the following interest:

Land Description: Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein.	Percent of Interest			Percent of Overriding Royalty or Similar Interests	
	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
Township 27 North, Range 108 West, 6th P.M. Section 17: SE/4 Containing 160.00 acres, more or less Sublette County, Wyoming	50.00%	50.00%	None	1% Proportionately Reduced	Burdens of Record

298688
RECORDED July 30 2003 8:15a M
IN BOOK 195 0+6 PAGE 212
FEES $ 14.00 M L L COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy S

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]

[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.

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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; (d) All parties holding an interest in the assignment are otherwise in compliance with the regulations (43 CRF 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, stipulation and restrictions pertaining to the lease described herein.

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I certify that the statements made here by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 23rd day of June, 2003

Name of Assignor as shown on current lease Prima Oil & Gas Company
Please type or print

Assignor or Attorney-in-fact (Signature)

G. Walter Lunsford (Signature)

1099 18th Street, Suite 400
(Assignor's Address)

Denver, CO 80202
(City) (State) (Zip Code)

Executed this 24th day of June 2003

Encana Oil & Gas (USA) Inc.

Assignee or Attorney-in-Fact (Signature)

Jonathan L. Grannis (Signature)

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*U.S. GPOL 1996-774-004/41005

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

On this 23rd day of June ,2003, 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:

December 24, 2006

DISA GARGALA NOTARY PUBLIC STATE OF COLORADO

NOTARY PUBLIC

Disa Gargala

Disa Gargala
1099 - 18th Street, Suite 400
Denver, CO 80202

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

On this 24th day of June ,2003, before me, the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared Jonathan L. Grannis, 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 Encana Oil & Gas (USA) Inc. Given under my hand and seal the day and year above written.

MY COMMISSION EXPIRES:

JUDITH B. SISNEROS
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires Mar. 17, 2004

NOTARY PUBLIC

Judith B. Sisneros

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

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Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geotherman 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 148029

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* ENCANA OIL & GAS (USA) INC.
   Street 950 17TH STREET, SUITE 2600
   City, State, ZIP Code DENVER, CO 80202

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Township 27 North, Range 108 West, 6th P.M. Section 23: SW/4 Section 28: SE/4 Section 35: SE/4 Containing 480.00 acres, more or less Sublette County, Wyoming	50.00%	50.00%	None	1% Proportionately Reduced	Burdens of Record

298689
RECORDED July 30 2003 8:15 AM
IN BOOK 125 O+G PAGE 215
FEES $ 14.00 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 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.

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; (d) All parties holding an interest in the assignment are otherwise in compliance with the regulations (43 CRF 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, stipulation 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 (43CRF 3241).

I certify that the statements made here by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 23rd day of June 2003

Name of Assignor as shown on current lease Prima Oil & Gas Company
Please type or print

Assignor
or
Attorney-in-fact (Signature)
G. Walter Lunsford (Signature)
1099 18th Street, Suite 400
(Assignor's Address)
Denver, CO 80202
(City) (State) (Zip Code)

Executed this 24th day of June 2003

Encana Oil & Gas (USA) Inc.

Assignee
or
Attorney-in-Fact (Signature)
Jonathan L. Grannis (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 from 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. GPOL 1996-774-004/41005

[redacted] [redacted] [redacted]

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

On this 23rd day of June ,2003, 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:

December 24, 2006

DISA GARGALA NOTARY PUBLIC STATE OF COLORADO

NOTARY PUBLIC

Disa Gargala
1099 - 18th Street, Suite 400
Denver, CO 80202

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

On this 24th day of June ,2003, before me, the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared Jonathan L. Grannis, 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 Encana Oil & Gas (USA) Inc. Given under my hand and seal the day and year above written.

MY COMMISSION EXPIRES:

JUDITH B. SISNEROS
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires Mar. 17, 2004

NOTARY PUBLIC

Judith B. Sisneros

218

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)
Geotherman 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 148028

Lease Effective Date
(Anniversary Date)
August 1, 1994

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* ENCANA OIL & GAS (USA) INC.
   Street 950 17TH STREET, SUITE 2600
   City, State, ZIP Code DENVER, CO 80202

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

This record title assignment is for: (*Check one*) [X] Oil and Gas Lease, or ☐ Geothermal Lease

Interest conveyed: (*Check one or both,as appropriate*) [X] Record Title, ☐ Overriding Royalty, payment out of production or other similar interests or payments

2. This assignment conveys the following interest:

Land Description: Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein.	Percent of Interest			Percent of Overriding Royalty or Similar Interests	
	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
Township 27 North, Range 108 West, 6th P.M. Section 27: All Section 28: N/2 Section 34: N/2 Containing 1,280.00 acres, more or less Sublette County, Wyoming	50.00%	50.00%	None	1% Proportionately Reduced	Burdens of Record

298690

RECORDED July 30 2008 8:15a M
IN BOOK 125076 PAGE 218
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Cox

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]

[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.

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; (d) All parties holding an interest in the assignment are otherwise in compliance with the regulations (43 CRF 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, stipulation 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 (43CRF 3241).

I certify that the statements made here by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 23rd day of June 2003

Name of Assignor as shown on current lease Prima Oil & Gas Company
Please type or print

Assignor
or
Attorney-in-fact (Signature)
G. Walter Lunsford (Signature)
1099 18th Street, Suite 400
(Assignor's Address)
Denver, CO 80202
(City) (State) (Zip Code)

Executed this 24th day of June 2003

Encana Oil & Gas (USA) Inc.

Assignee
or
Attorney-in-Fact (Signature)
Jonathan L. Grannis (Signature)

DES

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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. GPOL 1996-774-004/41005

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

On this 23rd day of June ,2003, 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:

December 24, 2006

DISA GARGALA NOTARY PUBLIC STATE OF COLORADO

NOTARY PUBLIC

Disa Gargala

Disa Gargala
1099 - 18th Street, Suite 400
Denver, CO 80202

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

On this 24th day of June ,2003, before me, the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared Jonathan L. Grannis, 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 Encana Oil & Gas (USA) Inc. Given under my hand and seal the day and year above written.

MY COMMISSION EXPIRES:

JUDITH B. SISNEROS
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires Mar. 17, 2004

NOTARY PUBLIC

Judith B. Sisneros

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)
Geotherman 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 149733

Lease Effective Date (Anniversary Date): February 1, 2000

New Serial No.:

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* ENCANA OIL & GAS (USA) INC.
   Street 950 17TH STREET, SUITE 2600
   City, State, ZIP Code DENVER, CO 80202

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

This record title assignment is for: (*Check one*) [X] Oil and Gas Lease, or [ ] Geothermal Lease

Interest conveyed: (*Check one or both,as appropriate*) [X] Record Title, [ ] Overriding Royalty, payment out of production or other similar interests or payments

2. This assignment conveys the following interest:

Land Description: Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein.	Percent of Interest: Owned	Conveyed	Retained	Percent of Overriding Royalty or Similar Interests: Reserved	Previously reserved or conveyed
a	b	c	d	e	f
Township 27 North, Range 110 West, 6th P.M. Section 32: All Containing 640.00 acres, more or less Sublette County, Wyoming	100.00%	100.00%	None	1% Proportionately Reduced	Burdens of Record

298691

RECORDED July 30 2003 8:15a M
IN BOOK 125 076 PAGE 221
FEES $14.00 M L COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Carlson

FOR BLM USE ONLY--DO NOT WRITE BELOW THIS LINE

United States of America

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Please type or print

Assignor
or
Attorney-in-fact (Signature)

G. Walter Lunsford (Signature)

1099 18th Street, Suite 400
(Assignor's Address)

Denver, CO 80202
(City) (State) (Zip Code)

Executed this 24th day of June 2003

Encana Oil & Gas (USA) Inc.

Assignee
or
Attorney-in-Fact (Signature)

Jonathan L. Grannis (Signature)

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*U.S. GPOL 1996-774-004/41005

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

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MY COMMISSION EXPIRES:

December 24, 2006

DISA GARGALA NOTARY PUBLIC STATE OF COLORADO

NOTARY PUBLIC

Disa Gargala

Disa Gargala
1099 - 18th Street, Suite 400
Denver, CO 80202

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

On this 24th day of June ,2003, before me, the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared Jonathan L. Grannis, 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 Encana Oil & Gas (USA) Inc. Given under my hand and seal the day and year above written.

MY COMMISSION EXPIRES:

NOTARY PUBLIC

Judith B. Sisneros

JUDITH B. SISNEROS
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires Mar. 17, 2004

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

THIS ASSIGNMENT, BILL OF SALE AND CONVEYANCE ("Assignment") executed by and between BADGER OIL CORPORATION, P.O. Box 52745, Lafayette, Louisiana, 70505 ("Assignor") and TOM BROWN, INC., 555 17th Street, Suite 1850, Denver, Colorado, 80202 ("Assignee"), is effective for the purposes of this transfer as of 7:00 a.m., local time, May 1, 2003 ("Effective Time").

ARTICLE I

Conveyance and Transfer of Oil & Gas Properties

Assignor, for and in consideration of the sum of $10.00 and other good and valuable consideration to it in hand paid by Assignee, the receipt and sufficiency of which are hereby acknowledged and confessed by Assignor, has GRANTED, BARGAINED, SOLD, ASSIGNED, TRANSFERRED, CONVEYED, and DELIVERED and by these presents does hereby grant, bargain, sell, assign, transfer, convey and deliver, unto Assignee, and the successors and assigns of Assignee, all of Assignor's right, title and interest in, to and under (i) the oil and gas lease (the "Lease"), described in Exhibit "A", attached hereto and by this reference made a part hereof, and easements and rights of way under and created by the Lease, and (ii) all surface and underground equipment and other fixtures in or on the Lease, together with all rights of ingress or egress to the extent Assignor owns, possesses, and has the right to transfer same (the "Facilities"), and (iii) all rights under unitization, communitization and pooling agreements and orders covering the Lease, or any part or parts thereof, and the units, and pooled areas created thereby, ("Unit Rights"), and (iv) all operating rights ("Operating Rights") in the well ("Well") situated on the Lease or on lands pooled therewith, including, without limitation, under joint operating agreements, division orders, sale, purchase or exchange contracts, and processing or other agreements for the disposition of gas or oil production to the extent of the rights of Assignor to transfer same without securing any required consent to transfer.

The Lease, Well, Facilities, Unit Rights, and Operating Rights as described above, and subject to the Permitted Encumbrances (hereafter identified), are herein collectively called "Subject Properties" under this Assignment.

TO HAVE AND TO HOLD, the Subject Properties unto Assignee, and the successors and assigns of Assignee, forever subject to and in accordance with all the provisions of this Assignment and Assignor hereby binds itself and its successors and assigns, to warrant and forever defend, all and singular the Subject Properties unto Assignee, and the successors and assigns of Assignee, against every person whomsoever lawfully claiming or to claim the same or any part thereof by, through or under Assignor, but not otherwise.

(a) This Assignment is made with full substitution and subrogation of Assignee, its successors and assigns, in and to all covenants and warranties by others heretofore given or made in respect of the Subject Properties conveyed and transferred under this Assignment, whether recorded or unrecorded.

(b) Should any prior consent to this Assignment be required by a state or federal agency, or other person or corporation, then the special warranty of title provided above shall not apply to such interest until the consent is obtained, and from the time of such consent it shall be deemed such interest was transferred to Assignee as of the Effective Time.

ARTICLE II

Permitted Encumbrances

The Subject Properties are Granted, Bargained, Sold, Assigned, Transferred, Conveyed, and Delivered by Assignor and accepted by Assignee subject to the following, to the extent such

298707

RECORDED July 30 2003 11:25a M
IN BOOK 125 OR 6 PAGE 224
FEES $20.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

encumbrances are valid and enforceable and not included as Subject Properties (the "Permitted Encumbrances"):

(a) all overriding royalty interests, and other burdens on or payable out of the production of oil and gas that are presently existing and outstanding, of record in the official records of the county in which the properties are situated;

(b) all division orders, unitization and pooling designations, declarations, orders and agreements, contracts for the sale, purchase, exchange, refining, gathering or processing of oil, or of gas or of other mineral production from the Lease and the Well, and those operating agreements, farmin and farmout agreements, and area of mutual interest agreements affecting the Lease and the Well, and mesne assignments thereof, and all agreements requiring the consent of a third party to transfer hereunder;

(c) any lien, security interests, or mortgages, that arise to secure payment of amounts not yet delinquent, which are of a type and nature customary in the oil and gas industry, and which have been disclosed to Assignee, but Assignor shall acquire releases of the Lease, the Well or Easements from any such lien, security interest, or mortgage in order to make this Assignment or promptly pay or discharge same;

(d) liens securing payment of taxes or assessments that are, in either case, not yet delinquent or, if delinquent, are being contested in good faith in the normal course of business, and Assignor agrees to pay or discharge same in a timely manner; and

(e) rights reserved to or vested in the state, municipality or other governmental, statutory or public authority to control or regulate any of the Subject Properties and all applicable laws, rules and orders of the state, municipality or other governmental authority.

ARTICLE III

Allocation of Risks; Indemnification

Assignee acknowledges and affirms that it has made its own independent investigation, analysis and evaluation of (i) the Lease (including Assignee's own estimate and appraisal and value of the extent and value of the hydrocarbon reserves of the Lease) (ii) the Well, (iii) the operation of the Lease and (iv) any environmental condition on, in or under the Lease.

Subsequent to the Effective Time, Assignee agrees to assume any and all obligations of Assignor relating to the Well, and Assignee agrees to indemnify and hold Assignor harmless from any obligation arising or resulting from the operation and ownership of the Well.

Assignor agrees to execute and deliver transfer orders, division orders, notices, releases and acquittances and such other instruments as may be necessary or appropriate to further assure to Assignee all of the properties, rights, titles, interests, estates, remedies, powers and privileges by this instrument granted, bargained, sold, conveyed, assigned, transferred, and delivered, or otherwise vested in Assignee or intended so to be hereunder. Without limiting the foregoing, Assignor agrees to execute any and all form assignments for individual state or federal oil and gas leases comprising any portion of the Subject Properties as may be required by state law or regulation, or by federal law or regulation, any and all of such individual assignments to constitute, as to such individual leases, one and the same assignment as is made herein.

Assignor believes that it has observed, performed and complied with the terms, provisions, covenants and conditions of the Lease and with all laws, rules, regulations and orders, both State and Federal, applicable to ownership and enjoyment of the Subject Properties herein transferred through the Effective Time, but Assignee assumes all risks of non-compliance by Assignor at the Effective Time, and agrees to file well permit applications for and secure same in the name of Assignee for the Well on the Subject Properties as the Well is identified in Exhibit "A" or as found on the Subject Properties, and Assignee shall perform and comply with the terms, covenants and conditions of the Lease from the Effective Time.

Assignee assumes and accepts responsibility for proper payment of royalty on and for the Well on the Subject Properties, and for severance taxes as of the Effective Time, and comply with all applicable statutes and with applicable rules and regulations.

Oil remaining in the tanks above the pipeline connection at the Effective Time shall be the property of Assignor. All gas produced and saved up to the Effective Time shall belong to Assignor. All gas produced and saved after such Effective Time belongs to Assignee.

From the Effective Date forward, and all subsequent years, Assignee agrees to timely render and pay ad valorem taxes on the Subject Properties.

ARTICLE IV

Counterparts

This Assignment may be executed in any number of counterparts, each of which shall be of equal dignity and all of which shall constitute but one and the same instrument. In order to facilitate recordation, signature pages from each original counterpart may be removed therefrom, and attached to a single instrument and recorded, which recorded instrument shall be effective for all purposes hereunder and under the recording statutes.

This Assignment shall bind and inure to the benefit of Assignor and Assignee and their respective affiliates, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused the Assignment to be executed as of the date of their respective acknowledgements set forth below, to be effective, however, for all purposes as of the Effective Time.

ASSIGNOR

BADGER OIL CORPORATION

ATTEST:

By: _____

By: _____
Arthur J. Price, Vice President

ASSIGNEE

TOM BROWN, INC.

By: _____
Rodney G. Mellott, Attorney-in-Fact

STATE OF COLORADO)
CITY AND)
COUNTY OF DENVER)

Acknowledged on this 27th day of June in the year 2003, before me personally came Rodney G. Mellott, to me known, who being duly sworn, did depose and say that he is attorney-in-fact for Tom Brown, Inc., a Delaware Corporation, and that he as such attorney-in-fact, being authorized so to do, executed the foregoing instrument for the purposes therein contained on behalf of the corporation.

Witness the hand and official seal of the undersigned this day and year fist in this certificate written.

My Commission Expires:

May 22, 2004

Norma K. Shettle
Notary Public

NORMA K. SHETTLE
NOTARY PUBLIC
COLORADO
My Commission Expires _____

STATE OF LOUISIANA)
~~COUNTY~~ OF LAFAYETTE)
PARISH

Acknowledged on this 16TH day of June in the year 2003, before me personally came Arthur J. Price, to me known, who being duly sworn, did depose and say that he is Vice President of BADGER OIL CORPORATION, and that he as such Vice President, being authorized so to do, executed the foregoing instrument for the purposes therein contained on behalf of the corporation.

Witness the hand and official seal of the undersigned this day and year fist in this certificate written.

My Commission ~~Expires~~
is for Life.

Notary Public

KATHLEEN SWIFT NOTARY PUBLIC LAFAYETTE PARISH

EXHIBIT "A"

Attached to and made a part of that certain Assignment, Bill Of Sale And Conveyance by and between Badger Oil Corporation, Assignor, and Tom Brown, Inc., Assignee dated effective May 1, 2003.

WELL

Well Name:	**Hanson Federal #20-1**
Located:	Township 27 North, Range 112 West
	Section 1: NE/4
County, State	Sublette County, Wyoming
TBI Prospect	WY-557 (Bird Canyon)

LEASE

Lessor:	**USA WYW-67178**
Lease Date:	April 1, 1979
Description:	Only insofar as said lease covers:
	Township 27 North, Range 112 West
	Section 1: Lots 1, 2, S/2NE/4
	Sublette County, Wyoming

[redacted] [redacted] [redacted]

BRM (03) PRODUCERS 88-PAID UP

PLEASE SIGN & RETURN

OIL AND GAS LEASE

AGREEMENT, made and entered into the 11th day of July, 2003, by and between **Frances E. Steinmetz, Trustee of the Trust I Estate** whose post office address is c/o Frances E. Steinmetz, 951 B South 1150 East, Eden, Idaho 83325 hereinafter called **Lessor** (whether one or more) and **Anschutz Pinedale Corporation**, 555 Seventeenth Street, Suite 2400, Denver, Colorado 80202 hereinafter called **Lessee**:

WITNESSETH, that the Lessor, for and in consideration of **Ten and more ($10.00) DOLLARS** cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the **County of Sublette, State of Wyoming** described as follows, to-wit:

All in Township 32 North, Range 108 West, 6th PM

Section 20: NE1/4NE1/4
Section 21: NW1/4NW1/4

298820

RECORDED Aug. 5 2003 3:05 PM
IN BOOK 125 ORG PAGE 229
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Becker

Together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing **80.0** acres, more or less.

1. It is agreed that this lease shall remain in force for a term of **Five (5)** years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled, communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking or other operations for restoring production on the lease premises, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled, communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling, reworking or other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of a dry hole. If Hydrocarbons shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a **PAID-UP LEASE**. For the consideration set forth above, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. **Royalty Payment**. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:
   (a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be **fifteen percent (15%)** of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity;
   (b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be **fifteen percent (15%)** of the proceeds realized by the Lessee from the sale thereof, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and
   (c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; said shut-in royalty payment shall be deemed tendered by Lessee to Lessor upon the date that Lessee deposits said royalty payment into the U.S. Mail system or any other recognized mail service; provided that if this lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipeline below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool, communitize or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of Hydrocarbons, individually or in the aggregate, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut-in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut-in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, communitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall thereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land

covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, an event of **"Force Majeure"** or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force Majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonable within Lessee's control. If Lessee's performance is affected by an event of Force Majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of Force Majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of Force Majeure.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. **Preferential Right.** If, during the term of this lease, Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease [illegible] be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute this lease as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Francis E. Steinmetz, Trustee of the Trust I Estate

X Frances E. Steinmetz

FRANCIS E. STEINMETZ, TRUSTEE

ACKNOWLEDGEMENT

STATE OF Idaho)
) ss.
COUNTY OF Twin Falls)

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGEMENT -- INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 14th day of July 2003, personally appeared Frances E. Steinmetz, Trustee of the Trust I Estate, to me known to be the identical person(s), described in and who executed the within and foregoing instrument of writing and acknowledged to me that she duly executed the same as her free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Patricia D. Cosinteno
Notary Public

My commission expires: 03-08-2008

STATE OF IDAHO NOTARY PUBLIC PATRICIA D. COSINTENO

[redacted] [redacted] [redacted]

EXHIBIT "A"

This Exhibit is attached to and made a part of that certain **Oil and Gas Lease** dated **July 11, 2003** by and between the **Frances E. Steinmetz, Trustee of the Trust I Estate**, as **Lessor** and **Anschutz Pinedale Corporation**, as **Lessee**.

1. Notwithstanding anything to the contrary in the printed form of the lease, all terms and conditions in this Exhibit "A" shall take precedence over any conflicts with the terms and conditions of the printed form.

2. This Lease shall terminate at the end of the primary term as to all of the leased lands except those lands that are included in a production unit, Federal Unit or spacing unit as established by any rule or order of the Wyoming Oil and Gas Conservation Commission or the Bureau of Land Management on which is located a well producing or capable of producing oil and/or gas or on which lessee is engaged in drilling or re-working operations, or if any of the leased premises have been pooled with lands not made a part of this lease in order to form a production or spacing unit. However, if drilling operations are commenced or production is obtained in accordance with the terms of this lease when the lands subject to this Lease are not included in any production unit, Federal Unit or spacing unit, then for the purposes hereof, such spacing unit shall be deemed to consist of the governmental section on which the well is located.

Signed for recognition:

Frances E. Steinmetz, Trustee of the Trust I Estate

X Frances E. Steinmetz

Frances E. Steinmetz

BRM (03) PRODUCERS 88-PAID UP

PLEASE SIGN & RETURN

RECORDED Aug. 5 2003 3:05 PM 298821
IN BOOK 625 OVR PAGE 232
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Seaton

OIL AND GAS LEASE

AGREEMENT, made and entered into the 10th day of July, 2003, by and between **Barger Family Partnership, a Nevada Limited Partnership, Frances E. Steinmetz, general partner** whose post office address is c/o Frances E. Steinmetz, 951 B South 1150 East, Eden, Idaho 83325 hereinafter called **Lessor** (whether one or more) and **Anschutz Pinedale Corporation**, 555 Seventeenth Street, Suite 2400, Denver, Colorado 80202 hereinafter called **Lessee**:

WITNESSETH, that the Lessor, for and in consideration of **Ten and more ($10.00) DOLLARS** cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the **County of Sublette, State of Wyoming** described as follows, to-wit:

Township 32 North, Range 108 West, 6th PM

Section 15: NE1/4, E1/2NW1/4, E1/2SW1/4NW1/4, SW1/4, SE1/4
Section 16: All of Section 16: less and except a 99.008 acre tract, more particularly described in that certain Warranty Deed dated January 27, 1939 and recorded in Book 3, at Page 438, by and between W.W. Bowers, a single person, party of the first part and H.W. Edwards and Georgene K. Edwards, his wife, parties of the second part. Also, Less and except a 12.26 acre tract, more particularly described in that certain Warranty Deed dated June 16, 1939 and recorded in Book 3, at Page 479, by and between W.W. Bowers, a single person, grantor, and Nan C. Anderson, grantee.
Section 17: Lot 4 (40.73 acres), SE1/4, S1/2NE1/4, excepting that portion of said S1/2NE1/4 lying North of the Right-Of-Way of the Paradise Road, Sublette County Road No. 23-36.
Section 20: NE1/4NE1/4, SE1/4NE1/4, NE1/4SE1/4, SE1/4SE1/4 (A/D/A E1/2E1/2)
Section 21: NW1/4, N1/2SW1/4, SE1/4SW1/4
Section 28: SW1/4, N1/2NW1/4, SE1/4NW1/4
Section 29: E1/2NE1/4, SW1/4NE1/4, SE1/4, Lot 4 (40.30), Lot 5 (40.49), Lot 6 (40.60), Lot 7 (40.60), Lot 8 (40.49)
Section 32: NE1/4, NW1/4 (A/D/A N1/2), SE1/4
Section 33: NW1/4

Together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing **3,231.942** acres, more or less.

1. It is agreed that this lease shall remain in force for a term of **Five (5)** years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled, communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking or other operations for restoring production on the lease premises, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled, communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling, reworking or other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of a dry hole. If Hydrocarbons shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a **PAID-UP LEASE**. For the consideration set forth above, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. **Royalty Payment**. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:
   (a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be **fifteen percent (15%)** of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity;
   (b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be **fifteen percent (15%)** of the proceeds realized by the Lessee from the sale thereof, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and
   (c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; said shut-in royalty payment shall be deemed tendered by Lessee to Lessor upon the date that Lessee deposits said royalty payment into the U.S. Mail system or any other recognized mail service; provided that if this lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipeline below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or

any part of the land described herein and as to any one or more of the formations hereunder, to pool, communitize or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of hydrocarbons, individually or in the aggregate, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut-in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut-in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, communitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall thereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, an event of **"Force Majeure"** or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force Majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonable within Lessee's control. If Lessee's performance is affected by an event of Force Majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of Force Majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of Force Majeure.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. **Preferential Right.** If, during the term of this lease, Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute this lease as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

BARGER FAMILY PARTNERSHIP, A NEVADA LIMITED PARTNERSHIP

X Frances E. Steinmetz

FRANCIS E. STEINMETZ, GENERAL PARTNER

ACKNOWLEDGEMENT

STATE OF Idaho)
) ss.
COUNTY OF Twin FAlls)

ACKNOWLEDGEMENT
(for use by Corporation)

On this 14th day of July 2003, personally appeared before me Francis E. Steinmetz, who, being by me duly sworn did say that she is the general partner of Barger Family Partnership, a Nevada Limited Partnership and that said instrument was signed on behalf of said Corporation by authority of its by-laws, and said Francis B. Steinmetz acknowledged to me that said Corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Patricia D. Cosinteno
Notary Public

My commission expires: 03-08-2008

STATE OF IDAHO
NOTARY
PUBLIC
PATRICIA D. COSINTENO

EXHIBIT "A"

This Exhibit is attached to and made a part of that certain **Oil and Gas Lease** dated **July 10, 2003** by and between the **Barger Family Partnership, a Nevada Limited Partnership, Frances E. Steinmetz, general partner**, as **Lessor** and **Anschutz Pinedale Corporation**, as **Lessee**.

1. Notwithstanding anything to the contrary in the printed form of the lease, all terms and conditions in this Exhibit "A" shall take precedence over any conflicts with the terms and conditions of the printed form.

2. This Lease shall terminate at the end of the primary term as to all of the leased lands except those lands that are included in a production unit, Federal Unit or spacing unit as established by any rule or order of the Wyoming Oil and Gas Conservation Commission or the Bureau of Land Management on which is located a well producing or capable of producing oil and/or gas or on which lessee is engaged in drilling or re-working operations, or if any of the leased premises have been pooled with lands not made a part of this lease in order to form a production or spacing unit. However, if drilling operations are commenced or production is obtained in accordance with the terms of this lease when the lands subject to this Lease are not included in any production unit, Federal Unit or spacing unit, then for the purposes hereof, such spacing unit shall be deemed to consist of the governmental section on which the well is located.

Signed for recognition:

Barger Family Partnership, a Nevada Limited Partnership, Frances E. Steinmetz, general partner

X Frances E. Steinmetz

Frances E. Steinmetz

BRM (05) PRODUCERS 88-PAID UP

PLEASE
SIGN & RETURN

OIL AND GAS LEASE

AGREEMENT, made and entered into the 10th day of July, 2003, by and between **Frances E. Steinmetz, Trustee of the Anne E. Barger Trust** whose post office address is c/o Frances E. Steinmetz, 951 B South 1150 East, Eden, Idaho 83325 hereinafter called **Lessor** (whether one or more) and **Anschutz Pinedale Corporation**, 555 Seventeenth Street, Suite 2400, Denver, Colorado 80202 hereinafter called **Lessee**:

WITNESSETH, that the Lessor, for and in consideration of **Ten and more ($10.00) DOLLARS** cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the **County of Sublette, State of Wyoming** described as follows, to-wit:

298822

RECORDED Aug. 5 2003 3:05 PM
IN BOOK 125 PAGE 235
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sisty

Township 32 North, Range 108 West, 6th PM

Section 5: Lot 3(34.91 acres) , Lot 4(34.79 acres), SE1/4NW1/4, that part of the SW1/4NW1/4 being on the Northerly side of Wyoming State Highway, U.S. 187, containing 32.90 acres, more or less.
Section 6: That part of Lot 4, being on the Northerly side of Wyoming State Highway, U.S. 187, containing 31.54 acres, more or less.
Section 20: NE1/4NE1/4
Section 21: NW1/4NW1/4

Together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing **264.71** acres, more or less.

1. It is agreed that this lease shall remain in force for a term of **Five (5)** years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled, communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking or other operations for restoring production on the lease premises, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled, communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling, reworking or other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of a dry hole. If Hydrocarbons shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a **PAID-UP LEASE**. For the consideration set forth above, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. **Royalty Payment**. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:
   (a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be **fifteen percent (15%)** of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity;
   (b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be **fifteen percent (15%)** of the proceeds realized by the Lessee from the sale thereof, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and
   (c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; said shut-in royalty payment shall be deemed tendered by Lessee to Lessor upon the date that Lessee deposits said royalty payment into the U.S. Mail system or any other recognized mail service; provided that if this lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipeline below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool, communitize or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of Hydrocarbons, individually or in the aggregate, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut-in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut-in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, communitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder

with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall thereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, an event of **"Force Majeure"** or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force Majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonable within Lessee's control. If Lessee's performance is affected by an event of Force Majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of Force Majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of Force Majeure.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. **Preferential Right.** If, during the term of this lease, Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute this lease as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Francis E. Steinmetz, Trustee of the Anne E. Barger Trust

X Frances E. Steinmetz
FRANCIS E. STEINMETZ, TRUSTEE

ACKNOWLEDGEMENT

STATE OF Idaho)
) ss.
COUNTY OF Twin Falls)

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGEMENT -- INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 14th day of July 2003, personally appeared Frances E. Steinmetz, Trustee of the Anne E. Barger Trust, 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 notary seal the day and year last above written.

Patricia D. Cosinteno
Notary Public

STATE OF IDAHO NOTARY PUBLIC PATRICIA D. COSINTENO

My commission expires: 03-08-2008

EXHIBIT "A"

This Exhibit is attached to and made a part of that certain **Oil and Gas Lease** dated **July 10, 2003** by and between the **Frances E. Steinmetz, Trustee of the Anne E. Barger Trust** as **Lessor** and **Anschutz Pinedale Corporation**, as **Lessee**.

1. Notwithstanding anything to the contrary in the printed form of the lease, all terms and conditions in this Exhibit "A" shall take precedence over any conflicts with the terms and conditions of the printed form.

2. This Lease shall terminate at the end of the primary term as to all of the leased lands except those lands that are included in a production unit, Federal Unit or spacing unit as established by any rule or order of the Wyoming Oil and Gas Conservation Commission or the Bureau of Land Management on which is located a well producing or capable of producing oil and/or gas or on which lessee is engaged in drilling or re-working operations, or if any of the leased premises have been pooled with lands not made a part of this lease in order to form a production or spacing unit. However, if drilling operations are commenced or production is obtained in accordance with the terms of this lease when the lands subject to this Lease are not included in any production unit, Federal Unit or spacing unit, then for the purposes hereof, such spacing unit shall be deemed to consist of the governmental section on which the well is located.

Signed for recognition:

Frances E. Steinmetz, Trustee of the Anne E. Barger Trust

X /Frances E. Steinmetz/

Frances E. Steinmetz

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BRM (03) PRODUCERS 88-PAID UP

PLEASE SIGN & RETURN

OIL AND GAS LEASE

AGREEMENT, made and entered into the 11th day of July, 2003, by and between **Barger Family Partnership, a Nevada Limited Partnership, Frances E. Steinmetz, general partner** whose post office address is c/o Frances E. Steinmetz, 951 B South 1150 East, Eden, Idaho 83325 hereinafter called **Lessor** (whether one or more) and **Anschutz Pinedale Corporation**, 555 Seventeenth Street, Suite 2400, Denver, Colorado 80202 hereinafter called **Lessee**:

WITNESSETH, that the Lessor, for and in consideration of **Ten and more ($10.00) DOLLARS** cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the **County of Sublette, State of Wyoming** described as follows, to-wit:

298823

RECORDED Aug. 5 2003 9:25 AM
IN BOOK 125 M+S PAGE 238
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

Township 31 North, Range 108 West, 6th PM

Section 5: Lots 1, 2, 3, 5, 6, 7, 8, 9 & 13, SW1/4NE1/4, SE1/4NW1/4
Section 6: Lots 8, 9, 10 & 11
Section 8: NW1/4NW1/4

Together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing **514.61** acres, more or less.

1. It is agreed that this lease shall remain in force for a term of **Five (5)** years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled, communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking or other operations for restoring production on the lease premises, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled, communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling, reworking or other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of a dry hole. If Hydrocarbons shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a **PAID-UP LEASE**. For the consideration set forth above, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. **Royalty Payment**. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:
   (a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be **fifteen percent (15%)** of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity;
   (b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be **fifteen percent (15%)** of the proceeds realized by the Lessee from the sale thereof, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and
   (c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; said shut-in royalty payment shall be deemed tendered by Lessee to Lessor upon the date that Lessee deposits said royalty payment into the U.S. Mail system or any other recognized mail service; provided that if this lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipeline below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool, communitize or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of Hydrocarbons, individually or in the aggregate, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut-in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut-in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, communitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or

agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall thereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, an event of "**Force Majeure**" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force Majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonable within Lessee's control. If Lessee's performance is affected by an event of Force Majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of Force Majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of Force Majeure.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. **Preferential Right.** If during the term of this lease, Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute this lease as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

BARGER FAMILY PARTNERSHIP, A NEVADA LIMITED PARTNERSHIP

X Frances E. Steinmetz

FRANCIS E. STEINMETZ, GENERAL PARTNER

ACKNOWLEDGEMENT

STATE OF Idaho)
) ss.
COUNTY OF Twin Falls)

ACKNOWLEDGEMENT
(for use by Corporation)

On this 14th day of July 2003, personally appeared before me Francis E. Steinmetz, who, being by me duly sworn did say that she is the general partner of Barger Family Partnership, a Nevada Limited Partnership and that said instrument was signed on behalf of said Corporation by authority of its by-laws, and said Francis B. Steinmetz acknowledged to me that said Corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Patricia D. Cosinteno
Notary Public

My commission expires: 03-08-2008

STATE OF IDAHO NOTARY PUBLIC PATRICIA D. COSINTENO

EXHIBIT "A"

This Exhibit is attached to and made a part of that certain **Oil and Gas Lease** dated **July 11, 2003** by and between the **Barger Family Partnership, a Nevada Limited Partnership, Frances E. Steinmetz, general partner**, as **Lessor** and **Anschutz Pinedale Corporation**, as **Lessee**.

1. Notwithstanding anything to the contrary in the printed form of the lease, all terms and conditions in this Exhibit "A" shall take precedence over any conflicts with the terms and conditions of the printed form.

2. This Lease shall terminate at the end of the primary term as to all of the leased lands except those lands that are included in a production unit, Federal Unit or spacing unit as established by any rule or order of the Wyoming Oil and Gas Conservation Commission or the Bureau of Land Management on which is located a well producing or capable of producing oil and/or gas or on which lessee is engaged in drilling or re-working operations, or if any of the leased premises have been pooled with lands not made a part of this lease in order to form a production or spacing unit. However, if drilling operations are commenced or production is obtained in accordance with the terms of this lease when the lands subject to this Lease are not included in any production unit, Federal Unit or spacing unit, then for the purposes hereof, such spacing unit shall be deemed to consist of the governmental section on which the well is located.

Signed for recognition:

Barger Family Partnership, a Nevada Limited Partnership, Frances E. Steinmetz, general partner

X Frances E. Steinmetz

Frances E. Steinmetz

[redacted] [redacted] [redacted]

BRM (63) PRODUCERS 88-PAID UP

PLEASE SIGN & RETURN

OIL AND GAS LEASE

AGREEMENT, made and entered into the 11th day of July, 2003, by and between **Frances E. Steinmetz, Trustee of the Anne E. Barger Trust** whose post office address is c/o Frances E. Steinmetz, 951 B South 1150 East, Eden, Idaho 83325 hereinafter called **Lessor** (whether one or more) and **Anschutz Pinedale Corporation**, 555 Seventeenth Street, Suite 2400, Denver, Colorado 80202 hereinafter called **Lessee**:

WITNESSETH, that the Lessor, for and in consideration of **Ten and more ($10.00) DOLLARS** cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the **County of Sublette, State of Wyoming** described as follows, to-wit:

298824

RECORDED Aug. 5 2003 3:05 PM
IN BOOK 125 of 6 PAGE 241
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scates

Township 33 North, Range 108 West, 6th PM
Section 33: S1/2SE1/4, NW1/4SE1/4

Together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing **120.0** acres, more or less.

1. It is agreed that this lease shall remain in force for a term of **Five (5)** years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled, communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking or other operations for restoring production on the lease premises, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled, communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling, reworking or other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of a dry hole. If Hydrocarbons shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a **PAID-UP LEASE**. For the consideration set forth above, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. **Royalty Payment**. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:
   (a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be **fifteen percent (15%)** of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity;
   (b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be **fifteen percent (15%)** of the proceeds realized by the Lessee from the sale thereof, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and
   (c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; said shut-in royalty payment shall be deemed tendered by Lessee to Lessor upon the date that Lessee deposits said royalty payment into the U.S. Mail system or any other recognized mail service; provided that if this lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipeline below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool, communitize or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of Hydrocarbons, individually or in the aggregate, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut-in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut-in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, communitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or

agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall thereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, an event of "**Force Majeure**" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force Majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonable within Lessee's control. If Lessee's performance is affected by an event of Force Majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of Force Majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of Force Majeure.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. **Preferential Right**. If, during the term of this lease, Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute this lease as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Francis E. Steinmetz, Trustee of the Anne E. Barger Trust

X Frances E. Steinmetz

FRANCIS E. STEINMETZ, TRUSTEE

ACKNOWLEDGEMENT

STATE OF Idaho)
) ss.
COUNTY OF Twin Falls)

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGEMENT -- INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 14th day of July 2003, personally appeared Frances E. Steinmetz, Trustee of the Anne E. Barger Trust, 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 notary seal the day and year last above written.

Patricia D Cosinteno
Notary Public

My commission expires: 03-08-2008

STATE OF IDAHO NOTARY PUBLIC PATRICIA D. COSINTENO

[redacted] [redacted] [redacted]

EXHIBIT "A"

This Exhibit is attached to and made a part of that certain **Oil and Gas Lease** dated **July 11, 2003** by and between the **Frances E. Steinmetz, Trustee of the Anne E. Barger Trust** as **Lessor** and **Anschutz Pinedale Corporation**, as **Lessee**.

1. Notwithstanding anything to the contrary in the printed form of the lease, all terms and conditions in this Exhibit "A" shall take precedence over any conflicts with the terms and conditions of the printed form.

2. This Lease shall terminate at the end of the primary term as to all of the leased lands except those lands that are included in a production unit, Federal Unit or spacing unit as established by any rule or order of the Wyoming Oil and Gas Conservation Commission or the Bureau of Land Management on which is located a well producing or capable of producing oil and/or gas or on which lessee is engaged in drilling or re-working operations, or if any of the leased premises have been pooled with lands not made a part of this lease in order to form a production or spacing unit. However, if drilling operations are commenced or production is obtained in accordance with the terms of this lease when the lands subject to this Lease are not included in any production unit, Federal Unit or spacing unit, then for the purposes hereof, such spacing unit shall be deemed to consist of the governmental section on which the well is located.

Signed for recognition:

Frances E. Steinmetz, Trustee of the Anne E. Barger Trust

X Frances E Steinmetz

Frances E. Steinmetz

244

Form 3000-3
(January 1996)

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

02 DEC 16 AM 9:00

RECEIVED
CHEYENNE, WYOMING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

263718-00

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.

WYW-153276

Type or print plainly in ink and sign in ink.

PART A: TRANSFER

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

BURLINGTON RESOURCES OIL & GAS COMPANY LP
3300 N. "A" STREET, BUILDING 6
MIDLAND, TX 79705-5406

*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 111 WEST, 6TH PM SECTION 8: N2NW, SENW, NE CONTAINING 280.00 ACRES, MORE OR LESS SUBLETTE COUNTY, WYOMING LIMITED IN DEPTH FROM THE BASE OF THE FORT UNION FORMATION TO THE STRATIGRAPHIC EQUIVALENT OF 13,300 FEET THIS TRANSFER IS SUBJECT TO THE CD EXPLORATION AGREEMENT BETWEEN SHAMA ZOE LIMITED PARTNERSHIP, PANNONIAN ENERGY, INC. AND BURLINGTON RESOURCES OIL & GAS COMPANY LP DATED AUGUST 15, 2001	10%	10%	NONE	1% PROPORTIONATELY REDUCED TO THE LEASEHOLD INTEREST BEING CONVEYED WITHIN	THOSE OF RECORD

298825
~~298825~~

RECORDED Aug 5 2003 3:45 M
IN BOOK 125 Oil & Gas PAGE 244
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

FOR ASSIGNEE

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 JAN 0 1 2003

By /S/ Julie L. Weaver
(Authorized Officer)

LAND LAW EXAMINER
(Title)

FEB 0 7 2003
(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.

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 ninety (90) 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 ten (10) 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 Assignor is obligated to honor the reassignment rights of any Assignor in the chain-of-title.

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 [illegible] above transferee(s) the right 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 lawsof the United states or 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 associaitons 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 transfer 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 14th day of November, 2002

Name of Transferor: SHAMA ZOE LIMITED PARTNERSHIP, A COLORADO LIMITED PARTNERSHIP, a/k/a SHAMA KAFAR LIMITED PARTNERSHIP,
Please type or print

Transferor: Gilman A. Hill
(Signature) GILMAN A. HILL, GENERAL PARTNER

Attorney-in-fact
(Signature)

7128 SOUTH POPLAR LANE
(Transferor's Address)

ENGLEWOOD, COLORADO 80112
(City) (State) (Zip Code)

Executed this 20th Day of November, 2002

BURLINGTON RESOURCES OIL AND GAS COMPANY LP

Transferee
or
Attorney-in-fact: S. Keith Frank
S. Keith Frank (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 (1004-0034), Bureau Clearance Officer , (WO-630), Mail Stop 401 LS, 1849 C Street, N.W., Washington, D.C. 20240.

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 COLORADO)
) ss.
COUNTY OF ARAPAHOE)

This instrument was acknowledged before me this 14th day of November, 2002, by Gilman A. Hill, as General Partner, of SHAMA ZOE LIMITED PARTNERSHIP, a/k/a SHAMA KAFAR LIMITED PARTNERSHIP, a Colorado Limited Partnership.

JoAnn Sarver, Notary Public

My Commission Expires:

November 21, 2002

JOANN SARVER
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 11-21-2002

Well Names: Yose Cattle Company 40-35

ASSIGNMENT OF OIL AND GAS INTERESTS AND BILL OF SALE

STATE OF WYOMING)
)
COUNTY OF SUBLETTE)

KNOW ALL MEN BY THESE PRESENTS:

THAT this Assignment of Oil and Gas Interests and Bill of Sale (hereinafter referred to as "Assignment") effective as of 12:01 a.m., local time, where the Properties are located on August 1, 2003 (hereinafter referred to as the "Effective Date"), is from **Marathon Oil Company**, an Ohio corporation (hereinafter referred to as "Assignor"), whose mailing address is P. O. Box 689, Oklahoma City, Oklahoma 73101-0689, to:

MOON ROYALTY L.L.C.
210 PARK AVENUE STE 3000
OKLAHOMA CITY, OK 73102

298827

RECORDED Aug 5 2003 4:05 PM
IN BOOK 125 O&G PAGE 247
FEES $38.00 [illegible] COUNTY CLERK
SUBLETTE COUNTY PINEDALE WYOMING
By [illegible]

(hereinafter referred to as "Assignee").

I.

For Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby transfer, assign, sell, release, and convey unto Assignee, its heirs, successors and assigns forever, without warranty or covenant of title, express, statutory or implied, subject to the limitations, conditions, reservations and exceptions hereinafter set forth, and subject to the terms of any applicable instruments of record in the County or Counties where the Properties are located, all of Assignor's right, title and interest in and to the following real and personal property (hereinafter referred to as the "Properties"):

1. All oil and gas leases, mineral fee properties or other interests as set out in Exhibit "A", attached hereto and made a part hereof for all purposes, including all right, title and interest in and to any wellbore(s) located on the Properties which are not specifically described in the upper right-hand corner of this page, which shall include, but not limited to, any working interests, leasehold rights, overriding royalty interests and reversionary rights held by Assignor as of the Effective Date (hereinafter collectively referred to as the "Leases");

2. All presently existing contracts to the extent they are assignable and to the extent they affect the Leases, including, but not limited to, agreements for the sale or purchase of oil, gas and associated hydrocarbons, processing agreements, division orders, unit agreements, operating agreements, pooling agreements, pooling orders and all other contracts and agreements arising out of, connected with or attributable to the production therefrom. Assignor reserves all of its right, title and interest in all contracts (i) insofar as they pertain to any interest retained by Assignor and (ii) as to all rights and claims filed prior to the Effective Date, save and except gas balancing rights and obligations more particularly addressed in Article V. below;

3. All wells identified on Exhibit "B", attached hereto and made a part hereof for all purposes, including all real and personal property, facilities, fixtures, casing and equipment pertaining to said wells and situated upon and used solely in connection with the Leases for any

operations of any kind or character including, but not limited to, operations for the production, treating, storing, transporting or marketing of oil, gas and other hydrocarbons from the Leases, but excluding any real and personal property, wells, facilities, fixtures, casing or equipment used in Assignor's operation of any leases not assigned herein;

4. To the extent they are assignable, all rights-of-way, easements, licenses, authorizations, permits and similar rights and interests, which are applicable, but only to the extent they are applicable, to the Leases.

PROVIDED FURTHER, Assignor reserves, and does not convey, the right to recover any royalty or overriding royalty overpayments for production prior to the Effective Date, and any vehicles, trucks (including associated tools), equipment and/or material temporarily located on the lands included in the Leases assigned herein.

II.

Assignee shall assume Assignor's responsibility to plug and abandon all wells listed on Exhibit "B" located on the impoundments or on the Leases or the Properties, excluding only the wells reserved by Assignor under Article I.1. and I.3., and shall assume Assignor's responsibility to restore the surface of the Properties in accordance with applicable governmental rules, regulations, laws and orders, and as may be required under any lease, contract or other agreement affecting the Properties (whether or not the plugging or restoration obligation arises prior to or after the Effective Date); and if there is any financial assurance (including, but not limited to, a bond) relating to the Properties on which Assignor is the principal, which financial assurance is required by any law, rule or regulation, then Assignee shall secure a new financial assurance in the required amount, and supply it to the regulatory body requiring such financial assurance, to the end that Assignor's financial assurance shall be released and discharged. In the event Assignee fails to do any of the foregoing, Assignee shall release, indemnify, defend and hold harmless Assignor from all liability for such failure.

Assignee hereby expressly assumes and agrees to be bound by and to perform all of Assignor's duties and obligations accruing after the Effective Date of this Assignment under any contract, lease, operating agreement or other agreement affecting the Properties. Assignee shall file a Payor Information Form and establish itself as payor on all Federal and Indian leases covering the Properties, if any, on or before the Effective Date or within fifteen (15) days of the Closing Date, whichever is later. Assignee further expressly assumes and agrees to perform all of the royalty payor duties arising and accruing prior to the Effective Date of this Assignment to the extent of the suspense funds identified and credited to Assignee at post-closing. Assignee agrees to release, protect, defend, indemnify and hold harmless forever Assignor, its officers, directors, employees and parent, subsidiary and affiliated corporations from all claims, liability, damages, expenses (including attorney's fees) or other costs incurred as a result of claims, demands, lawsuits, causes of action or judgments arising as a result of Assignor's or Assignee's ownership or operation of the Properties regardless of whether the events giving rise to such occurred before or after the Effective Date. Each party shall indemnify the other against any claims, causes of action and lawsuits that are asserted by said party's stockholders and that in any way challenge the transaction contemplated hereunder.

As to any specific Property requiring concurrence or approval of Assignment by a third party, such shall be obtained by Assignee at its sole cost.

III.

ASSIGNEE ACKNOWLEDGES THAT IT HAS RELIED SOLELY ON THE BASIS OF ITS OWN INDEPENDENT INVESTIGATION OF THE PROPERTIES. ASSIGNEE ACKNOWLEDGES THAT ASSIGNOR HAS NOT MADE, AND ASSIGNOR HEREBY EXPRESSLY DISCLAIMS AND NEGATES (AND THIS ASSIGNMENT IS MADE WITHOUT), ANY REPRESENTATION, COVENANT OR WARRANTY, EXPRESS OR IMPLIED, AT COMMON LAW, BY STATUTE, WORD USAGE OR OTHERWISE, RELATING TO: (i) ANY COVENANT OR WARRANTY OF TITLE TO THE PROPERTIES OR THE CONDITION OF THE PROPERTIES (INCLUDING,

WITHOUT LIMITATION, ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, OF FITNESS FOR ANY PARTICULAR PURPOSE, OR OF CONFORMING TO MODELS OR SAMPLES OF MATERIALS AS TO ANY PERSONAL PROPERTY, FIXTURES OR STRUCTURES CONVEYED) AND (ii) ANY INFORMATION, DATA OR OTHER MATERIALS (WRITTEN OR ORAL) FURNISHED TO ASSIGNEE BY OR ON BEHALF OF ASSIGNOR (INCLUDING, WITHOUT LIMITATION, INFORMATION, DATA OR OTHER MATERIALS REGARDING THE EXISTENCE OR EXTENT OF OIL, GAS OR OTHER MINERAL RESERVES, RECOVERABILITY OR THE COST OF RECOVERING ANY SUCH RESERVES, THE VALUE OF SUCH RESERVES, ANY PRODUCT PRICING ASSUMPTIONS, PRESENT OR PAST PRODUCTION RATES, COMPLIANCE WITH LEASE TERMS, THE CONDITION OF ANY WELL, AND THE ABILITY TO SELL OIL OR GAS PRODUCTION AFTER THE EFFECTIVE DATE). ASSIGNEE COVENANTS AND REPRESENTS THAT ASSIGNEE HAS INSPECTED THE ASSETS AND ACCEPTS THE SAME "AS IS" AND "WHERE IS". THE PARTIES HERETO AGREE THAT, TO THE EXTENT REQUIRED BY APPLICABLE LAW TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS ARTICLE III. ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER.

IV.

Assignee acknowledges that the Properties have been utilized for the exploration, development and production of oil and gas, and that wastes may have been spilled, released or disposed of on-site by, among other ways, placement in pits, burial, land farming, land spreading and underground injection, into or onto the Properties. Assignee acknowledges that some oil field production equipment may contain asbestos and/or naturally-occurring radioactive material (hereinafter referred to as "NORM"). Assignee understands that wells, materials and equipment located on the Properties described herein may contain NORM and that NORM-containing materials may be buried or have been otherwise disposed of on the Properties. Assignee also understands that special procedures may be required for the removal and disposal of asbestos and NORM from the equipment and Properties, and Assignee shall assume all liability when such activities are performed. Assignee acknowledges, prior to its acceptance of this Assignment, Assignee has been given adequate and timely access to the Properties, Assignor's records relating to the Properties, and public records regarding the Properties. Assignee agrees to accept and shall assume Assignor's responsibility and liability for the condition of the Properties, and agrees that this conveyance of the Properties will be on an "AS IS" and "WHERE IS" basis. Assignee shall release Assignor, its parent and subsidiary corporations, and their officers, directors, employees and servants, from any liability with respect thereto.

Assignee, its successors and assigns, hereby agree to indemnify and defend Assignor, its successors and assigns, from and against all claims, demands and causes of action, including any civil fines, penalties, costs of clean-up or plugging liabilities (including abandonment costs and environmental pollution costs) for any and all wells conveyed herein, brought by any and all persons on account of any personal injury or death, or damage, destruction or loss of property, contamination of natural resource (including soil, surface water or ground water) resulting from or arising out of any liability caused by or connected with the presence, disposal or release of any material of any kind in, whether existing on or under the Properties before or after the Effective Date, or thereafter caused by acts of Assignee, its employees, representatives, successors, assigns or agents, with regard to its use of the Properties subsequent to the Assignment of the Properties hereunder, without regard to Assignor's (1) negligence, whether such negligence is active or passive, joint, sole or concurrent, or (2) strict liability. This indemnification shall be in addition to any other indemnity provisions contained in this instrument, and the terms of this Article shall control over any conflicting or contradicting terms or provisions contained elsewhere in this Assignment.

"Abandonment Costs" means the obligation to properly plug and abandon all wells listed on Exhibit "B" located on the impoundments or on the Leases or the Properties, regardless of whether any such obligation to plug and abandon is attributable to periods of time prior to or after the Effective Date; and all obligations to clean, close and abandon all pits and impoundments and restore and reclaim the surface in connection with all existing wells and related equipment and facilities, whether or not such

wells and facilities are in use as of the Effective Date pursuant to applicable requirements, including those obligations under contracts and under local, state and federal laws, regulations, permits and orders.

"Environmental Pollution Costs" means any and all expended costs and penalties arising from any injury or death to persons, property damage, response costs as defined in Section 101 (25) of the Comprehensive Environmental Response, Compensation and Liability Act (42 USCA 9601 et seq.), including within that definition any costs caused by the release, or threatened release into the environment, of any pollutant, contaminant, solid or hazardous water, hazardous substance, produced water or petroleum, including natural gas, crude oil or any fraction thereof, damages as described under Section 1002 (b) (2) of the Oil Pollution Act of 1990 (as well as those caused by the release of oil), as well as any and all losses, claims, liens, demands and causes of action of any kind or character and expenses (including judgments, interest, court costs and reasonable attorneys' and experts' fees and expenses), and any other costs that arise from any alleged violation of, or costs appropriate to assure compliance with any federal, state or local law, including common law, regulations, orders, permits and contracts applicable to any exploration, production, handling, generation, injection, transportation, storage, disposal, sale or release of any pollutant, contaminant, solid or hazardous waste, hazardous substance, produced water or petroleum, including natural gas, crude oil and any fraction thereof. It is understood and agreed that Environmental Pollution Costs under this Assignment do not extend to and cover liabilities arising from the transportation and commercial disposal off site of any waste generated in the course of exploration, drilling and production operations by Assignor.

The parties agree that the indemnity provisions of this Article shall apply regardless of whether Assignor, its officers, directors, employees, parent, affiliates and subsidiary corporations, or its predecessors in title to the Properties were wholly or partially, or actively or passively negligent, or contributed to negligence, or were otherwise at fault, and whether or not the claim, damage, loss or liability is based on a theory of negligence, negligence per se, strict liability, willful misconduct, products liability or other theory of liability.

The provisions of this Article shall be binding upon the successors and assigns of Assignor and Assignee and shall constitute covenants running with the land.

V.

Oil remaining in the tanks above the pipeline connection on the Effective Date hereof shall be the property of Assignor. All oil and/or gas produced and saved after the Effective Date shall belong to Assignee. Assignee agrees to indemnify, defend and hold Assignor harmless from any and all claims relating to the Leases for cash or in-kind gas balancing, regardless of the period of time, price, formation or vintage for which they are asserted. Any rights of Assignor to receive such cash or in-kind balancing are hereby assigned to Assignee.

VI.

1. Assignor shall be liable for all ad valorem taxes, real property taxes, personal property taxes and similar obligations (hereinafter collectively referred to as "Property Taxes") accruing up to, but excluding, the Effective Date. Assignee shall be liable for all Property Taxes related to the ownership of the properties from and after and including the Effective Date.

2. All taxes (other than income taxes) which are imposed on or with respect to the production of oil, natural gas or other hydrocarbons or minerals or the receipt of proceeds therefrom (including, but not limited to severance, production and excise tax) shall be apportioned between the parties based upon the respective shares of production taken by the parties. All such taxes which accrued prior to the Effective Date have been or will be properly paid or withheld by Assignor and all statements, returns and documents pertinent thereto have been or will be properly filed on behalf of Assignor. Payment or withholding of all such taxes

[redacted] [redacted] [redacted]

which accrue on or after the Effective Date and the filing of all statements, returns and documents incident thereto shall be the responsibility of Assignee.

If applicable, within one hundred eighty (180) days after Closing Date, Assignor shall forward a post-closing statement to Assignee to account for any production proceeds, less all royalty, overriding royalty, production payments, taxes, including production severance and ad valorem taxes, operating and other costs and expenses incurred in connection with the Properties from and after the Effective Date. Any sums which may be due either party shall be paid one party to the other, as may be appropriate, within twenty (20) days after receipt of the post-closing statement. If after the post-closing settlement, either Assignor or Assignee receives any monies on invoices for adjusted billings that are due to or from the other party, the recipient shall promptly furnish same to the other party.

Assignee shall bear all sales and use taxes, conveyance, transfer and recording fees and real estate transfer stamps or taxes, if any, imposed on any transfer of the Properties pursuant to this Assignment.

3. Assignor and Assignee shall provide each other with reasonable access to all relevant documents, data and other information which may be required for preparing tax returns and responding to any taxing jurisdiction, and shall cooperate with all reasonable requests of the other made in connection with contesting the imposition of taxes. Notwithstanding anything to the contrary in this Assignment, neither Assignor nor Assignee shall be required at any time to disclose to the other any income tax returns or other confidential tax information.

VII.

Assignee acknowledges that it is able to bear the economic risk of any oil and gas investment it makes in the Properties and that it is capable of evaluating the merits and risks of investments in the Properties. Assignee also represents that it is making the investment in the Properties for its own account and not with a view to the distribution or sale thereof, and that it is acting solely for its own account in evaluating the Properties.

VIII.

The provisions of this Assignment shall be severable. Should any 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.

IX.

If Assignor disburses income on behalf of other owners, Assignor will continue to handle disbursements for production from and after the Effective Date, for liquids produced through July 31, 2003, and for gas produced through July 31, 2003.

Assignee shall be responsible for furnishing the purchasers copies of the recorded Assignment from Assignor, but Assignee shall insure that Assignor continues to receive the income from production for the period during which it retains disbursement responsibility. Interruption in such receipt of income shall immediately relieve Assignor of any further responsibility for disbursement.

As soon as possible within the normal course of business, Assignor shall turn over to Assignee all amounts it has suspensed which may be due third parties from prior production from the Properties together with documentation which it may have showing the reasons for such suspense. Thereafter Assignee shall solely be responsible for accounting to any such parties for such proceeds and Assignee shall defend, indemnify and expressly agrees to hold Assignor harmless from and against any and all claims, liabilities, assessments, penalties, damages or losses relating to those suspended funds.

Well Names: Yose Cattle Company 40-35

X.

In addition to this Assignment, Assignor and Assignee shall execute any documents or instruments required by any state or federal authority to further evidence the assignment of interests in and to the Properties from Assignor or Assignee. Those documents or instruments shall be deemed to contain all of the exceptions, reservations, warranties, rights, titles, powers and privileges set forth (or incorporated) herein, as fully as though they were set forth in each such document or instrument. The interests conveyed by such separate documents or instruments are the same, and not in addition to, the Properties conveyed herein.

XI.

Assignor shall have the option, at or before Closing, to structure the Closing of this transaction in such a manner so as to qualify as part of a like-kind exchange pursuant to Section 1031 of the Internal Revenue Code. Assignee will cooperate with Assignor to facilitate a "like-kind" exchange(s), including a three corner exchange(s). In the event Assignor desires such an exchange(s), Assignor shall timely notify Assignee, in writing, of its intent and Assignor shall be responsible for arrangement of the structure for the exchange(s), compliance with time limits on like-kind exchange(s), the preparation of appropriate documents to complete the transaction, and all additional costs directly related thereto. Assignor shall defend, indemnify and hold harmless Assignee, its affiliates and subsidiary corporations, as well as its officers, directors, shareholders and employees, from and against any and all claims, suits, causes of action, demands, liabilities, judgments, fines, penalties, expenses (including, without limitation, court costs and reasonable attorney's fees), damages and losses of whatsoever kind or nature that relate to or are attributable to any actions taken pursuant to this Article XI.

XII.

Assignee shall preserve and maintain all Property Records received at Closing for at least seven (7) years after the Closing Date. Assignor reserves the right to access and copy (at its own expense) all Property Records for seven (7) years after the Closing Date, and Assignee agrees to provide access to the Property Records to Assignor during normal business hours.

The terms, covenants and conditions hereof shall be binding upon and shall inure to the benefit of Assignor and Assignee and their respective successors and assigns; and such terms, covenants and conditions shall be covenants running with the land above described and the assigned premises and with each transfer or assignment of said leases and such property.

Executed on the date contained in the acknowledgment of this Assignment, to be effective for all purposes as of August 1, 2003.

ASSIGNOR:

MARATHON OIL COMPANY

By: _____
Gary A. Newberry, Attorney-in-Fact

Well Names: Yose Cattle Company 40-35

ACKNOWLEDGMENT

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

On this 27th day of June, 2003, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared GARY A. NEWBERRY, known to be the identical person who executed the foregoing instrument as ATTORNEY-IN-FACT of MARATHON OIL COMPANY 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.

Phyllis A. Pace

Printed Name: PHYLLIS A. PACE
Notary Public for the State of Oklahoma

My Commission Expires:
2-28-04
My Commission Number:
00001056

NOTARY SEAL PUBLIC
PHYLLIS A. PACE
Oklahoma County
Notary Public in and for
State of Oklahoma
My commission expires Feb. 28 2004

Well Names: Yose Cattle Company 40-35

THIS ASSIGNMENT IS AGREED TO AND ACCEPTED BY:

ASSIGNEE:

MOON ROYALTY L.L.C.

By: _____
Name: C. L. GLOVER
Title: Partner

Tax Identification No. 73-1482254

ACKNOWLEDGMENT

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

Before me, the undersigned, a Notary Public in and for said County and State, on this day personally appeared C. L. GLOVER, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 16th day of July, 2003.

KATHRIN MORGAN
MY COMMISSION EXPIRES
October 13, 2006

_____
Name:
Notary Public, State of

My Commission Expires:

My Commission Number:

EXHIBIT "A"
Leasehold

Well Names:
Yose Cattle Company 40-35

Attached to and by reference made a part of that certain Assignment of Oil and Gas Interests and Bill of Sale dated effective August 1, 2003, by and between Marathon Oil Company, as Assignor, and **MOON ROYALTY L.L.C.**, as Assignee.

(The recording references herein are to the records in said county in which oil, gas and mineral leases are recorded.)

MOC Lease No. (Fed/St/BIA)	LESSOR	LESSEE	DESCRIPTION	WORKING INTEREST	NET REVENUE INTEREST / (OVERRIDING ROYALTY INTEREST)	RECORDED BOOK/PAGE	SUBJECT TO FOOTNOTE(S)
LSE 013856 (WYW-54471)	United States of America	Angelo J. Liberatore	Insofar and only insofar as lease covers all depths and formations from the surface to the stratigraphic equivalent of the total depth drilled in the Yose Cattle Company #40-35 well being 9,300 feet in and to the following described lands: Township 28 North, Range 112 West, 6th P.M. Section 35: E/2SE/4, SW/4SE/4 Sublette County, Wyoming	BPO 15.00% Record Title 0.00% Operating Rights APO 15.00% Record Title 6.00% Operating Rights	BPO (0.375%) APO 4.95%		1, 2, 3, 4
LSE 013856 (WYW54471)	United States of America	Angelo J. Liberatore	Township 28 North, Range 112 West, 6th P.M. Section 35: Lots 1-3, SE/4NE/4 Insofar and only insofar as lease covers all depths and formations below the stratigraphic equivalent of the total depth drilled in the Yose Cattle Company #40-35 well being 9,300 feet in and to the following described lands: Township 28 North, Range 112 West, 6th P.M.	15.00% Record Title and Operating Rights	12.375%		1, 2, 3, 4

Sale No. 185C
Lot No. 62

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EXHIBIT "A"
Leasehold

Well Names:
Yose Cattle Company 40-35

MOC Lease No. (Fed/St/BIA)	LESSOR	LESSEE	DESCRIPTION	WORKING INTEREST	NET REVENUE INTEREST / (OVERRIDING ROYALTY INTEREST)	RECORDED BOOK/PAGE	SUBJECT TO FOOTNOTE(S)
			Section 35: E/2SE/4, SW/4SE/4 Sublette County, Wyoming				
FOOTNOTES:							
1.	It is the intent of Assignor to convey all of its interest in leasehold, if any, in and to the above described lands and in any well(s) located on or pooled therewith.						
2.	Subject to that certain Farmout Agreement dated May 6, 1983, by and between Terra Resources, Inc. and TXO Production Corp., as Farmors and Energetics, Inc., as Farmee.						
3.	Subject to that certain Transfer, Assignment, of Sublease of Operating Rights in Oil and Gas Lease dated January 23, 1985,by and between Terra Resources, Inc. and TXO Production Corp., Assignors and Energetics, Inc., Assignee.						
4.	Subject to that certain Communitization Agreement WY049P56-86C865 for the Bear River formation and the natural gas and associated hydrocarbons, dated June 13, 1985, approved effective August 25, 1984, by and between Energetics, Inc., Operator and TXO Production Corp., et al, Non-Operators.						

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Sale No. 185C
Lot No. 62

EXHIBIT "B"
Wells

Well Names:
Yose Cattle Company 40-35

Attached to and by reference made a part of that certain Assignment of Oil and Gas Interests and Bill of Sale dated effective August 1, 2003, by and between Marathon Oil Company, as Assignor, and **MOON ROYALTY L.L.C.**, as Assignee.

PROPERTY NAME:	DESCRIPTION:	WORKING INTEREST	NET REVENUE INTEREST / (OVERRIDING ROYALTY INTEREST)	SUBJECT TO FOOTNOTE(S)
Yose Cattle Company 40-35	Township 28 North, Range 112 West, 6th P. M. Section 35: SE/4 Sublette County, Wyoming	BPO 0.00% Operating Rights APO 4.50% Operating Rights	BPO (0.28125%) APO 3.7125%	1, 2, 3, 4
FOOTNOTES:				
1.	It is the intent of Assignor to convey all of its interest in leasehold, if any, in and to the above described lands and in any well(s) located on or pooled therewith.			
2.	Subject to that certain Farmout Agreement dated May 6, 1983, by and between Terra Resources, Inc. and TXO Production Corp., as Farmors and Energetics, Inc., as Farmee.			
3.	Subject to that certain Transfer, Assignment, of Sublease of Operating Rights in Oil and Gas Lease dated January 23, 1985,by and between Terra Resources, Inc. and TXO Production Corp., Assignors and Energetics, Inc., Assignee.			
4.	Subject to that certain Communitization Agreement WY049P56-86C865 for the Bear River formation and the natural gas and associated hydrocarbons, dated June 13, 1985, approved effective August 25, 1984, by and between Energetics, Inc., Operator and TXO Production Corp., et al, Non-Operators.			

Sale No. 185C
Lot No. 62

852

SUBORDINATED MORTGAGE, DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT OF PRODUCTION AND FINANCING STATEMENT

(Wyoming – LaBarge)

MORTGAGOR/GRANTOR/DEBTOR:

INFINITY OIL & GAS OF WYOMING, INC.

Address:

950 17TH Street, Suite 800
Denver, Colorado 80202

MORTGAGEE/BENEFICIARY/SECURED PARTY:

IRVING STRICKSTEIN

Address:

2267 Shankin Drive
Walled Lake, Michigan 48088

And

NOLET ASSOCIATES

Address:

4460 Dow Ridge
Orchard Lake, Michigan 48324

298839

RECORDED Aug 6 2003 11:10 AM
IN BOOK 125 M&G PAGE 258
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

THIS INSTRUMENT IS TO BE RECORDED AS A MORTGAGE OR DEED OF TRUST AND FILED AS A FINANCING STATEMENT PURSUANT TO THE UNIFORM COMMERCIAL CODE AND IS INTENDED TO BE EFFECTIVE AS: (1) A MORTGAGE OR DEED OF TRUST OF THE OIL, GAS, MINERAL AND OTHER REAL PROPERTY DESCRIBED HEREIN; (2) A FINANCING STATEMENT COVERING HYDROCARBONS TO BE EXTRACTED FROM THE PROPERTIES DESCRIBED HEREIN, ACCOUNTS RESULTING FROM THE SALE THEREOF AT THE WELLHEADS OF THE WELLS LOCATED ON SUCH PROPERTIES AND THE PROCEEDS THEREOF; (3) A FIXTURE FILING COVERING GOODS WHICH ARE OR ARE TO BECOME FIXTURES ON THE REAL PROPERTY DESCRIBED HEREIN; AND (4) A FINANCING STATEMENT COVERING ALL OTHER PERSONAL PROPERTY INCLUDED IN THE MORTGAGED PROPERTIES DESCRIBED HEREIN (THE MORTGAGED PROPERTIES ARE DESCRIBED ON PAGES 3 AND 4 HEREOF.)

THIS INSTRUMENT SECURES FUTURE ADVANCES.

THE OIL AND GAS INTERESTS INCLUDED IN THE MORTGAGED PROPERTIES WILL BE FINANCED AT THE WELLHEADS OF THE WELLS LOCATED ON THE PROPERTIES DESCRIBED IN EXHIBIT A HERETO, AND THIS FINANCING STATEMENT IS TO BE FILED FOR RECORD, AMONG OTHER PLACES, IN THE REAL ESTATE RECORDS.

[redacted] [redacted] [redacted]

A POWER OF SALE HAS BEEN GRANTED IN THIS MORTGAGE. A POWER OF SALE MAY ALLOW THE MORTGAGEE TO TAKE POSSESSION OF THE PROPERTY AND SELL IT WITHOUT GOING TO COURT IN A FORECLOSURE ACTION UPON DEFAULT BY THE MORTGAGOR UNDER THIS MORTGAGE.

SUBORDINATED MORTGAGE, DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT OF PRODUCTION AND FINANCING STATEMENT

THIS MORTGAGE (the "Mortgage") is made as of this 2nd day of July, 2003 (the "Effective Date"), between INFINITY OIL & GAS OF WYOMING, INC. (the "Mortgagor"), whose address is 950 17TH Street, Suite 800, Denver, Colorado 80202, and IRVING STRICKSTEIN, whose address is 2267 Shankin Drive, Walled Lake, Michigan 48088, and NOLET ASSOCIATES, whose address is 4460 Dow Ridge, Orchard Lake, Michigan 48324 (collectively, the "Mortgagee").

In consideration of the sum of one dollar to Mortgagor in hand paid, and for the purpose of securing the payment and performance of the obligations of Infinity, Inc. ("Borrower"), of which Mortgagor is a wholly-owned subsidiary, hereunder, under the Promissory Note (together with any amendments, substitutions, modifications, extensions, or renewals thereof, the "Note") dated November 25, 2002 from Borrower, as borrower, to Irving Strickstein in the original principal amount of $3,000,000, and under the $3,000,000 Bridge Loan Agreement dated November 25, 2002 between Borrower and Mortgagee (together with any amendments, substitutions, modifications, extensions, or renewals thereof, the "Loan Agreement") and of Mortgagor hereunder to Mortgagee (collectively, the "Indebtedness"), and for other good and valuable consideration, the receipt of which is hereby confessed and acknowledged, Mortgagor does hereby mortgage, warrant, grant, bargain, sell, assign, transfer and convey unto Mortgagee, its successors and assigns, forever, with power of sale, and also grants to Mortgagee, its successors and assigns, a security interest in and to: (i) the oil, gas and/or mineral interest and estates, including leasehold estates, of Mortgagor, and any and all fee interests in surface and related mineral rights of Mortgagor, which are described on Exhibit A, attached hereto and incorporated herein by this reference, and all interests with which any of such interests and estates are now or hereafter may be in whole or in part unitized or pooled excepting, however, certain assignments of overriding royalty which have not been executed and may be owed to Highbridge/ Zwirn Capital Management LLC, or its designees, under the terms of a Credit Agreement dated July 2, 2003, between Highbridge/ Zwirn Capital Management LLC and Infinity Oil & Gas of Wyoming, Inc.; (ii) all right, title and interest of Mortgagor in and to those well bores described on Exhibit A and any recompletions thereof, including recompletions in different horizons whether or not resulting from the deepening of any such well, and any wells drilled in replacement therefor; (iii) all interest of Mortgagor in and to all wells, casing tubing, rods, flow lines, pipelines, derricks, tanks, separators, pumps, machinery, tools, equipment, camp sites, water flood equipment, buildings and all other personal property and fixtures now or hereafter located upon or used in connection with any of the properties described in Exhibit A or properties unitized or pooled therewith; (iv) all interest of Mortgagor in any compressors, pipelines, gas separation and treating equipment, gathering equipment, buildings and other property incorporated in or used in connection with any gathering or processing system of Mortgagor and which now or hereafter serves any wells or properties described on Exhibit A or any other wells or properties, and any and all rights of way, licenses, surface use rights now or hereafter used in connection therewith, including, without limitation, gathering and processing equipment, rights of way, licenses and other surface use rights (collectively, the "Gathering Systems"); (v) all interest of Mortgagor in, to and under all contracts, operating agreements, gas gathering agreements, gas balancing agreements, sales contracts, rights of way, easements, surface leases, permits, licenses, pooling or unitization agreements, pooling designation and

pooling orders now or hereafter affecting any of the interest now or hereafter covered hereby or which are useful or appropriate in drilling for, producing, treating, handling, storing, transporting or marketing oil, gas or other minerals from any wells or properties described in Exhibit A or wells or properties unitized or pooled therewith (collectively, the "Contract Rights"); (vi) all interest of Mortgagor in oil, gas, other hydrocarbons and other minerals produced from or allocated to any wells or properties described in Exhibit A or wells or properties unitized or pooled therewith, all proceeds thereof, and all accounts of Mortgagor under which such proceeds may arise; and (vii) all accounts and other rights to payment of Mortgagor arising under any of the Contract Rights or as a result of the operation of the Gathering Systems (all of such properties, interests and rights being hereinafter sometimes referred to as the "Mortgaged Properties").

To Have and To Hold the Mortgaged Properties unto Mortgagee forever; provided, nevertheless, that this Mortgage is upon express condition that if the Indebtedness shall be paid to Mortgagee as and when due and payable and if Mortgagor shall keep and perform each and every covenant and agreement of Mortgagor herein contained, then this Mortgage and the estate hereby granted shall cease and be and become void and shall be released of record at the expense of Mortgagor; otherwise this Mortgage shall be and remain in full force and effect.

Mortgagor represents, warrants and covenants that Mortgagor is the lawful owner of the Mortgaged Properties and the Proceeds of Runs (as hereinafter defined) and has good right and authority to grant, bargain, sell, transfer, assign and mortgage the same; that, other than deviations therefrom that would not have a material adverse effect, all oil, gas and/or mineral leases and oil and gas leasehold estates and other agreements or interests described in Exhibit A attached hereto are valid and subsisting and are in full force and effect; that, other than deviations therefrom that would not have a material adverse effect, all rents and royalties due and payable thereunder and all severance, production and crude oil windfall profits taxes payable with respect to the production therefrom have been duly paid; that the Mortgaged Properties and the Proceeds of Runs are free and clear from all liens and encumbrances except for imperfections in title that do not in the aggregate materially detract from the value or use of such Mortgaged Premises in the business of Mortgagor and except for those liens and encumbrances described on Exhibit B-1, attached hereto and incorporated herein by this reference (collectively, "Permitted Liens"); that, other than deviations therefrom that would not have a material adverse effect, all producing wells contained in the Mortgaged Properties or the properties unitized therewith have been drilled, operated and produced in conformity with all applicable laws and all rules, regulations and orders of all regulatory authorities having jurisdiction thereover and are subject to no penalties on account of past production; that none of such wells are deviated from the vertical more than the maximum permitted by applicable laws, rule and regulations; that, other than deviations therefrom that would not have a material adverse effect, such wells are in fact bottomed under and are producing from, and the well bores are wholly within, the land described in Exhibit A or properties unitized therewith; and that Mortgagor will warrant and forever defend the title to the Mortgaged Properties against the claims of all persons whomsoever claiming or to claim the same or any part thereof.

Mortgagor further covenants and agrees as follows:

1. Payment of the Indebtedness. Mortgagor will cause Borrower to duly and punctually pay the Indebtedness of Borrower in accordance with the terms of the Note and the Loan Agreement when and as due and payable. The provisions of the Loan Agreement are hereby incorporated by reference into this Mortgage as fully as if set forth at length herein.

2. Application of Payments. All payments received by Mortgagee from Borrower or Mortgagor under the Loan Agreement, the Note or this Mortgage, including the Proceeds of Runs (as hereinafter defined), shall be applied by Mortgagee in the following order of priority: (i) interest then due and payable on advances made pursuant to paragraph 11 hereof; (ii) principal then due and payable on advances made pursuant to paragraph 11 hereof; (iii) the Indebtedness of Borrower, in the manner set forth in the Loan Agreement; and (iv) any other sums then due and payable secured by this Mortgage in such order of application as Mortgagee may determine.

3. Payment of Taxes, Assessments and Other Charges. Subject to paragraph 7 hereof relating to contests, Mortgagor shall pay before they become delinquent or before any penalty might attach for nonpayment thereof, all production, severance and crude oil windfall profits taxes now due or hereafter to be accrued from production from the Mortgaged Properties and all taxes and assessments and all other similar charges whatsoever levied upon or assessed or placed against the Mortgaged Properties, except that assessments may be paid in installments so long as no fine or penalty is added to any installment for the nonpayment thereof. Mortgagor shall likewise pay all taxes, assessments and other charges, levied upon or assessed, placed or made against, or measured by, this Mortgage, or the recordation hereof, or the Indebtedness secured hereby, provided that Mortgagor shall not be obligated to pay such tax, assessment or charge if such payment would be contrary to law or would result in the payment of an unlawful rate of interest on the Indebtedness secured hereby; and provided further that nothing herein contained shall be construed as requiring Mortgagor to pay any net income, profits or revenue taxes of Mortgagee. At any time upon the request of Mortgagee, Mortgagor shall promptly furnish to Mortgagee all notices received by Mortgagor of amounts due under this paragraph and shall promptly furnish to Mortgagee receipts evidencing such payments.

4. Payment of Charges and Expenses of Operation. Subject to paragraph 7 hereof relating to contests, Mortgagor will promptly pay or cause to be paid all material debts, liabilities and charges with respect to the Mortgaged Properties of any character, including without intending to limit the foregoing, its share under any joint operating agreement affecting the Mortgaged Properties and all liabilities for labor, materials and equipment, incurred in the operation and development of the Mortgaged Properties, and will promptly discharge all obligations to the holders of royalty interests and other interests in the Mortgaged Properties.

5. Liens. Subject to paragraph 7 hereof relating to contests, Mortgagor shall not create, incur or suffer to exist any lien, encumbrance or charge on the Mortgaged Properties or any part thereof, whether prior, equal or subordinate to the lien of this Mortgage, except the lien of current real estate taxes and installments of special assessments with respect to which no penalty is yet payable, imperfections in title that do not materially detract from the value or use of such Mortgaged Properties in the business of Mortgagor and any Permitted Liens.

6. Compliance with Laws. Subject to paragraph 7 hereof relating to contests, and except to the extent that failure to do any of the following will not expose Mortgagor to material liabilities or interfere in any material way with the use of, or production of, oil, gas, other hydrocarbons or other minerals from the Mortgaged Properties, Mortgagor shall comply with all present and future statutes, laws, rules, orders, regulations and ordinances affecting the Mortgaged Properties, any part thereof or the use thereof, including without intending to limit the foregoing, laws, rules, orders, regulations and ordinances relating to the operation of the Mortgaged Properties for the production of oil, gas, other hydrocarbons or other minerals.

7. Permitted Contests. Mortgagor shall not be required to (i) pay any tax, assessment or other charge referred to in paragraph 3 hereof, (ii) pay any debt, liability or charge referred to in paragraph 4 hereof, (iii) discharge or remove any lien, encumbrance or charge referred to in paragraph 5 hereof, or (iv) comply with any statute, law, rule, regulation or ordinance referred to in paragraph 6 hereof, (a) if Mortgagor shall contest, in good faith, the existence, amount or the validity thereof, the amount of damages caused thereby or the extent of its liability therefor, by appropriate proceedings which shall operate during the pendency thereof to prevent (A) the collection of, or other realization upon the tax, assessment, charge or lien, so contested, (B) the sale, forfeiture or loss of the Mortgaged Properties or any non-de minimis part thereof, and (C) any material interference with the use of, or production of oil, gas, other hydrocarbons or other minerals from, the Mortgaged Properties or any part thereof, or (b) the failure to do any of the foregoing would not have a material adverse effect. Mortgagor shall give prompt written notice to Mortgagee of the commencement of any contest referred to in this paragraph.

8. Preservation, Maintenance and Operation of Mortgaged Properties. Mortgagor, to the extent permitted by any applicable operating agreement, (i) shall cause the Mortgaged Properties to be operated in a good and workmanlike manner in accordance with the provisions of the oil, gas and/or mineral leases or other instruments described in Exhibit A hereto; (ii) shall maintain all of the Mortgaged Properties consisting of tangible property in good operating condition, ordinary wear and tear excepted, and shall cause all necessary repairs, renewals, replacements, additions and improvements thereto to be promptly made in accordance with good oil field practice; (iii) shall, upon damage or destruction to the Mortgaged Properties or any material part thereof by fire or other casualty, use commercially reasonable efforts to restore, repair, replace or rebuild the property that is damaged or destroyed to the condition it was in immediately prior to such damage or destruction; (iv) shall not remove, or allow to be removed, from the land upon which it is located any of the fixtures or tangible personal property included in the Mortgaged Properties unless the same (a) is no longer necessary for the operation of the Mortgaged Properties in accordance with good oil field practice and is disposed of in the ordinary course of business or (b) is immediately replaced with property of at least equal value and utility, and this Mortgage becomes a valid first lien on such property; and (v) shall prevent drainage of the Mortgaged Properties.

9. Preservation of Leases. Mortgagor shall observe and comply with all of the material terms and provisions, express or implied, of the oil, gas and/or mineral leases, agreements and other instruments described in Exhibit A and, except with the prior written consent of Mortgagee, not to be unreasonably withheld or delayed, will not amend or terminate any of such agreements or surrender, abandon or release any of such leases in whole or in part so

long as any well situated thereon, or located on any unit containing all or any part of such leases, is capable of producing oil, gas, other hydrocarbons or other mineral in economic paying quantities.

10. Inspection. Mortgagee or its agents shall have the right at all reasonable times upon reasonable prior notice to enter upon the Mortgaged Properties including, without limitation, the derrick floor of any well which has been or is being drilled, for the purposes of inspecting the Mortgaged Properties or any part thereof, which inspection shall be at Mortgagee's expense (so long as no Event of Default shall have occurred and be continuing). Mortgagee shall, however, have no duty to make such inspection.

11. Protection of Mortgagee's Security. Subject to the rights of Mortgagor under paragraph 7 hereof, if Mortgagor fails to perform any of the covenants and agreements contained in this Mortgage or if any action or proceeding is commenced which has a material negative effect on the Mortgaged Properties or the interest of Mortgagee therein, or the title thereto, then Mortgagee, at Mortgagee's option, may perform such covenants and agreements, defend against and/or investigate such action or proceeding, and take such other action as Mortgagee deems necessary, in its reasonable discretion, to protect Mortgagee's interest. Mortgagee is hereby given the irrevocable power of attorney (which power is coupled with an interest and is irrevocable) to enter upon the Mortgaged Properties as Mortgagor's agent in Mortgagor's name to perform any and all covenants and agreements to be performed by Mortgagor as herein provided if such covenants and agreements are not duly performed by Mortgagor. Any amounts or expenses disbursed or incurred by Mortgagee pursuant to this paragraph, with interest thereon, shall become additional Indebtedness of Mortgagor secured by this Mortgage. Unless Mortgagor and Mortgagee agree in writing to other terms of repayment, such amounts shall be immediately due and payable, and shall bear interest from the date of disbursement at the annual rate of the loan stated in the Loan Agreement, unless collection from Mortgagor of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate which may be collected from Mortgagor under applicable law. Mortgagee shall, at its option, be subrogated to the lien of any mortgage, deed of trust, or other lien discharged in whole or in part by the Indebtedness or by Mortgagee under the provision thereof, and any such subrogation rights shall be additional and cumulative security for this Mortgage. Nothing contained in this paragraph shall require Mortgagee to incur any expense or do any act hereunder, and Mortgagee shall not be liable to Mortgagor for any damages or claims arising out of action taken by Mortgagee pursuant to this paragraph except for any damages or claims arising out of Mortgagee's gross negligence or willful misconduct.

12. Condemnation.

(a) Mortgagor hereby irrevocably assigns to Mortgagee any award or payment which becomes payable by reason of any taking of the Mortgaged Properties, or any part thereof, whether directly or indirectly or temporarily or permanently, in or by condemnation or other eminent domain proceedings or by reason of sale under threat thereof, or in anticipation of the exercise of the right of condemnation or other eminent domain proceedings (hereinafter called a "Taking"). Forthwith upon receipt by Mortgagor of notice of the institution of any proceedings or negotiations for a Taking, Mortgagor shall give notice thereof to Mortgagee. Mortgagee may appear in any such

proceedings and participate in any such negotiations and may be represented by counsel. Mortgagor, notwithstanding that Mortgagee may not be a party to any such proceeding, will promptly give to Mortgagee copies of all notices, pleadings judgments, determinations and other papers received by Mortgagor therein. Mortgagor will not enter into any agreement permitting or consenting to the Taking of a material portion of the Mortgaged Properties, or providing for the conveyance thereof in lieu of condemnation, with anyone authorized to acquire the same in condemnation or by eminent domain unless Mortgagee shall first have consented thereto in writing, which consent will not be unreasonably withheld. All Taking awards shall be adjusted jointly by Mortgagor and Mortgagee. All awards payable as a result of a Taking shall be paid to Mortgagee, which may, at its option, apply them after first deducting expenses incurred in the collection thereof, to the payment of the Indebtedness, whether or not due and in such order of application as Mortgagee may determine, or to the repair or restoration of the Mortgaged Properties, in such manner as Mortgagee may determine.

(b) If the Taking involves a Taking of any building or other improvement which constitutes part of the Mortgaged Properties, Mortgagor shall proceed with reasonable diligence to demolish and remove any ruins and complete repair or restoration of the Mortgaged Properties as nearly as possible to their respective size, type and character immediately prior to the Taking, to the extent of the condemnation awards and provided that the condemnation awards are available to Mortgagor for such restoration. Mortgagor shall promptly reimburse Mortgagee upon demand for all of Mortgagee's reasonable expenses (including reasonable attorney's fees) incurred in the collection of awards and their disbursement in accordance with this paragraph, and all such expenses, together with interest from the date of disbursement at the annual rate of the loan stated in the Loan Agreement (unless collection of interest from Mortgagor at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate which may be collected from Mortgagor under applicable law), shall be additional amounts secured by this Mortgage.

13. Assignment of Production, Accounts, Contract Rights and Proceeds.

(a) Subject to any rights conveyed in the First Deed of Trust (as defined on Exhibit B-2), or the purpose of additionally securing the payment, and to facilitate the discharge, of the Indebtedness, Mortgagor hereby bargains, sells, transfers, assigns, sets over and delivers to the Mortgagee and grants Mortgagee a security interest in all of Mortgagor's right, title and interest in oil, gas, other hydrocarbons and other minerals produced from or allocated to the Mortgaged Properties after 7:00 o'clock a.m. on the date hereof, and all proceeds thereof, all accounts and contract rights of Mortgagor under which such proceeds may arise and all proceeds of oil, gas and other hydrocarbons and other minerals produced from or allocated to the Mortgaged Properties prior to such date and with respect to which payment has not yet been made (all such proceeds including the accounts being herein called the "Proceeds of Runs").

(b) Subject to any rights conveyed in the First Deed of Trust (as defined on Exhibit B-2), Mortgagee is hereby authorized, at any time after the occurrence and during the continuance of an Event of Default, to give notice to Mortgagor and the operator or

operators of the Mortgaged Properties directing and instructing the operator or operators of the Mortgaged Properties and any and all purchasers of the oil, gas, other hydrocarbons and other minerals produced from or allocated to the Mortgaged Properties to pay, all of the Proceeds of Runs to Mortgagee until such time as such operators or purchasers have been furnished with written notice from Mortgagee that payment should again be made to Mortgagor. At any time after Mortgagor or Mortgagee gives notice that Proceeds of Runs shall be paid to the Mortgagee, Mortgagee may (but need not), in its own name or in Mortgagor's name, demand, sue for, collect or receive any and all Proceeds of Runs and may (but need not) make any compromise or settlement or otherwise agree to waive, modify, amend or change any obligations with respect thereto. All Proceeds of Runs received by Mortgagee pursuant to this Mortgage shall be applied by Mortgagee as provided in paragraph 2 hereof. No purchaser of the production attributed to the Mortgaged Properties shall have any responsibility for the application of any funds paid to Mortgagee after delivery of notice from Mortgagee to Mortgagor that Proceeds of Runs are to be paid to Mortgagee.

(c) Mortgagor agrees to execute and deliver any and all transfer orders, division orders and other instruments that may be required by the operator of any of the Mortgaged Properties or by any purchaser of the production from any of the Mortgaged Properties for the purpose of effectuating payment of the Proceeds of Runs to the Mortgagee. If under any existing sales agreements, other than division orders or transfer orders, any Proceeds of Runs are required to be paid to Mortgagor so that under such existing agreement payment of such Proceeds of Runs cannot be made to the Mortgagee, Mortgagor's interest in all Proceeds of Runs under such sales agreements and in all other Proceeds of Runs which for any reason may be paid to Mortgagor after notice is given that payment shall thereafter be made to Mortgagee, such amounts shall, when received by Mortgagor, constitute trust funds in Mortgagor's hands and shall be immediately paid over to Mortgagee.

(d) Nothing herein contained shall detract from or limit the absolute obligation of Mortgagor or Borrower to make prompt payment of all the Indebtedness when and as the same is due, regardless of whether the Proceeds of Runs herein assigned are sufficient to pay the same. The rights under this assignment shall be in addition to all other security of any and every character now or hereafter existing to secure the payment of the Indebtedness.

14. Security Agreement and Financing Statement. This Mortgage shall constitute a security agreement with respect to personal property and fixtures in which Mortgagee has been granted a security interest hereby, and shall also constitute a Financing Statement pursuant to the Uniform Commercial Code to be filed in the real estate records of the respective counties in which the Mortgaged Properties are located. Mortgagor authorizes Mortgagee to file from time to time where permitted by law, such financing statements against the Mortgaged Properties as required or desired by Mortgagee to perfect the security interest granted in this Mortgage. Mortgagor will from time to time, at the request of Mortgagee, execute any and all additional documents in a form satisfactory to Mortgagee which Mortgagee may consider necessary or appropriate to perfect its security interest.

15. Events of Default. Each of the following occurrences shall constitute an event of default hereunder (herein called an "Event of Default"):

(a) Borrower shall fail to duly and punctually pay any installment of the Indebtedness of Borrower when due and payable, after expiration of any applicable cure period.

(b) Any representation or warranty made by Mortgagor herein shall prove to have been inaccurate in any material respect on or as of the date made or deemed made.

(c) Mortgagor shall fail duly to perform or observe any of the covenants or agreements contained in this Mortgage (other than as provided in subparagraphs (a) and (b) of this paragraph 15) and such failure shall continue for 30 days after there has been given, by certified mail to Mortgagor by the Mortgagee, a written notice specifying such default or breach and requiring it to be remedied.

(d) Mortgagor shall sell or convey the Mortgaged Properties or any part thereof or any interest therein without obtaining in each instance the prior written consent of Mortgagee, not to be unreasonably withheld, conditioned or delayed.

(e) (i) Mortgagor shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets, or Mortgagor shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against Mortgagor any case, proceeding or other action of a nature referred to in clause (i) above that (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed, undischarged or unbonded for a period of 60 days; or (iii) there shall be commenced against Mortgagor any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets that results in the entry of an order for any such relief that shall not have been vacated, discharged, or stayed or bonded pending appeal within 60 days from the entry thereof; or (iv) Mortgagor shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), or (iii) above; or (v) Mortgagor shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due.

(f) An Event of Default shall occur under the Loan Agreement.

16. Acceleration; Foreclosure. Upon the occurrence of any Event of Default and during the continuance thereof, Mortgagee may, at its option, exercise one or more of the following rights and remedies (and any other rights and remedies available to it):

(a) Mortgagee may, by written notice to Mortgagor and Borrower, declare immediately due and payable all unmatured Indebtedness secured by this Mortgage, and the same shall thereupon be immediately due and payable, without further notice or demand; and

(b) Without limiting in any way the rights of the Mortgagee under paragraph 13 hereof, Mortgagee shall have and may exercise with respect to all personal property and fixtures which are part of the Mortgaged Properties, all the rights and remedies accorded upon default to a secured party under the Uniform Commercial Code, as in effect in the state in which the Mortgaged Properties in question are located. If notice to Mortgagor of intended disposition of such property is required by law in a particular instance, such notice shall be deemed commercially reasonable if given to Mortgagor (in the manner specified in paragraph 19) at least 10 calendar days prior to the date of intended disposition;

(c) Mortgagee may, prior or subsequent to institution of any foreclosure proceedings, enter upon the Mortgaged Properties, or any part thereof, and exercise without interference from Mortgagor any and all rights which Mortgagor has with respect to the management, possession and operation of the Mortgaged Properties. All costs, expenses and liabilities of every character incurred by Mortgagee in managing, operating and maintaining such properties shall become additional Indebtedness of Mortgagor secured by the Mortgage. Unless Mortgagor and Mortgagee agree in writing to other terms of repayment, such amounts shall be immediately due and payable and shall bear interest from date of expenditure until paid at the same annual rate of the loan stated in the Loan Agreement, including the rate payable on occurrence of or Event Default (unless collection of interest from Mortgagor at such rate would be contrary to applicable law in which event such amount shall bear interest at the highest rate which may be collected from Mortgagor under applicable law); and

(d) Mortgagee may (and is hereby authorized and empowered to) foreclose this Mortgage by action or by advertisement under the power of sale, pursuant to the laws of the State of Wyoming, in such case made and provided, power being expressly granted to sell the Mortgaged Properties at public auction and convey the same to the purchaser in fee simple and, out of the proceeds arising from such sale, to pay all Indebtedness secured hereby with interest, and all legal costs and charges of such foreclosure and reasonable attorneys' fees (to the extent permitted by law), which costs, charges and fees the Mortgagor agrees to pay. Mortgagee shall be entitled to bid at any sale and the Mortgagee shall have the right to credit upon the amount of the bid made therefore, to the extent necessary to satisfy such bid, the Indebtedness secured hereby owing to the Mortgagee. In connection with any such foreclosure, the Mortgagor waives all rights of appraisal.

(e) Mortgagee may request, and Mortgagor agrees that Mortgagee shall as a matter of right be entitled to, the appointment of a receiver or receivers for all or any part of the Mortgaged Properties, whether such receivership be incident to a proposed sale of the Mortgaged Properties or otherwise, and Mortgagor does hereby consent to the appointment of such receiver or receivers and agrees not to oppose any application

[redacted] [redacted] [redacted]

therefor by the Mortgagee; provided, however, that the appointment of any receiver, trustee or other appointee by virtue of any court order, statute or regulation shall not impair or in any manner prejudice the rights of Mortgagee to receive payment of Proceeds of Runs as herein provided.

17. Forbearance Not A Waiver; Rights and Remedies Cumulative. No delay by Mortgagee in exercising any right or remedy provided herein or otherwise afforded by law or equity shall be deemed a waiver of or preclude the exercise of such right or remedy, and no waiver by Mortgagee of any particular provision of this Mortgage shall be deemed effective unless in writing signed by Mortgagee. All such rights and remedies provided for herein or which Mortgagee or the holder of any of the Indebtedness may have otherwise, at law or in equity, shall be distinct, separate and cumulative and may be exercised concurrently, independently or successively in any order whatsoever, and as often as the occasion therefor arises. Without limiting the foregoing, Mortgagee's taking action pursuant to paragraph 11 hereof or receiving proceeds, awards or damages pursuant to paragraph 12 hereof shall not impair any right or remedy available to Mortgagee under paragraphs 13 and 16 hereof. Acceleration of maturity of the Indebtedness, once claimed hereunder by Mortgagee, may, at the option of Mortgagee, be rescinded by written acknowledgment to that effect by Mortgagee, but the tender and acceptance of partial payments alone shall not in any way affect or rescind such acceleration of maturity of the Indebtedness, unless otherwise provided by law.

18. Successors and Assigns Bound; Number; Gender; Agents; Captions. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, successors and assigns of Mortgagee and Mortgagor, but any assignment by Mortgagor is subject to paragraph 15(d) hereof. Wherever used, the singular number shall include the plural, and the plural the singular, and the use of any gender shall apply to all genders. The captions and headings of the paragraphs of this Mortgage are for convenience only and are, not to be used to interpret or define the provision hereof.

19. Notice. Any notice from Mortgagee to Mortgagor or from the Mortgagor to the Mortgagee under this Mortgage shall be deemed to have been given by Mortgagee or the Mortgagor and received by Mortgagor or the Mortgagee, as the case may be, when mailed by certified mail to the following addresses:

If to Mortgagor:

Infinity Oil & Gas Of Wyoming, Inc.
950 17TH Street, Suite 800
Denver, Colorado 80202

If to Mortgagee:

Irving Strickstein
2267 Shankin Drive
Walled Lake, Michigan 48088

269

And

Nolet Associates
4460 Dow Ridge
Orchard Lake, Michigan 48324

or at such other addresses as the Mortgagor or the Mortgagee may designate in writing to the other party.

20. Governing Law; Severability. This Mortgage shall be governed by the substantive laws of the State of Wyoming. In the event that any provision or cause of this Mortgage conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage which can be given effect without the conflicting provisions and to this end the provisions of the Mortgage are declared to be severable.

21. Counterparts. This Mortgage may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

22. Waiver of Marshalling. Mortgagor, any party who consents to this Mortgage and any party who now or hereafter acquires a lien on the Mortgaged Properties and on the Proceeds of Runs and who has actual or constructive notice of this Mortgage hereby waives any and all right to require the marshalling of assets in connection with the exercise of any of the remedies permitted by applicable law or provided herein.

23. Subordination Agreement. Notwithstanding any provision in this Mortgage, the exercise of Mortgagee's rights hereunder is subject to the terms of that certain Subordination Agreement dated July 2, 2003 among Mortgagee; Infinity Oil & Gas of Wyoming, Inc.; Infinity, Inc.; Highbridge/Zwirn Capital Management, LLC (as Administrative Agent); Highbridge/Zwirn Special Opportunities Fund, LP; and Drawbridge Special Opportunities Fund LP.

IN WITNESS WHEREOF, the Mortgagor has caused the Mortgage to be duly executed as of the day and year first above written.

INFINITY OIL & GAS OF WYOMING, INC., a Wyoming corporation

By _____

Name: Stanton E. Ross

Title: President

This instrument was drafted by:

Davis Graham & Stubbs LLP
1550 17th Street, Suite 500
Denver, Colorado 80202

STATE OF Colorado)
) ss.
COUNTY OF Denver)

The foregoing instrument was acknowledged before me this 2nd day of July, 2003, by Stanton E. Ross, as President of Infinity Oil & Gas of Wyoming, Inc., a Wyoming corporation.

Witness my hand and official seal.

_____
Notary Public

My Commission Expires: 3/23/08

P.M. DiGRAPPA NOTARY PUBLIC STATE OF COLORADO

Exhibit A

[see separate pages attached]

[redacted] [redacted] [redacted]

Exhibit B-1

Permitted Liens

(a) Liens existing on the Effective Date and listed on Exhibit B-2, attached hereto and incorporated herein by this reference, and any renewals or extensions thereof.

(b) Liens for taxes not yet due or which are being contested in good faith and by appropriate proceedings, so long as Mortgagor is in compliance with subsections (a) and (b) and the last sentence of Section 7 of the Mortgage with respect to such liens.

(c) Carriers', warehousemen's, mechanics', materialmen's, repairmen's or other like liens arising in the ordinary course of business which are not overdue for a period of more than 30 days or which are being contested in good faith and by appropriate proceedings, so long as Mortgagor is in compliance with subsections (a) and (b) and the last sentence of Section 7 of the Mortgage with respect to such liens.

(d) Pledges or deposits in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation, other than any lien imposed by ERISA.

(e) Deposits to secure the performance of bids, trade contracts (other than for borrowed money), leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case incurred in the ordinary course of business.

(f) Easements, rights-of-way, restrictions and other similar encumbrances affecting real property which do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of Mortgagor.

(g) Any interest or title of a lessor under any lease entered into by Mortgagor or any parent, subsidiary or affiliate thereof in the ordinary course of its business and covering only the assets so leased.

Exhibit B-2

1. U#026361; Receiving #1342088; Dated: 7/30/01; File: 8/23/01
Debtor: Infinity Oil & Gas of Wyoming, Inc.
Creditor: Merle Kelly Ford, Inc., of 3501 S. Santa Fe, Chanute, KS 66720
Amount: $28,316.64
Total Cost: $37,125.30

2. U#0264655; Receiving #1345852; Dated: 9/17/01; Filed: 10/17/01
Debtor: Infinity Oil & Gas of Wyoming, Inc.
Creditor: Thunder Basin Ford, Lincoln, Mercury, LLC of
1000 West 2nd Street, P.O. Box 969, Gillette, WY 82716
Amount Financed: $27,731.00
Total Price: $32,985.28

3. U#0271215; Receiving #1369142; Dated 8/09/02; Filed: 9/12/02
Debtor: Infinity Oil & Gas of Wyoming, Inc.
Creditor: Fremont Motors-Rawlings, of 622 West Spruce, Rawlings, WY 82301
Amount Financed: $29,384.48
Total Price: $36,298.20

4. Mortgage-Collateral Real Estate Mortgage, Deed Of Trust, Assignment Of As-Extracted Collateral, Security Agreement And Financing Statement, from Infinity Oil & Gas Of Wyoming, Inc., as the Mortgagor, to Highbridge/Zwirn Special Opportunities Fund, L.P., As the Mortgagee, dated July 2, 2003 (the "First Deed of Trust").

Exihibit "A"

Attached to and made a part of that certain mortgage agreement date July 2, 2003 by and between Irving Strickstein, Mortgagee and Infinity Oil and Gas of Wyoming, Inc, Mortgagor.

Lease Number			Lessor	Township	Range	Description	County	State	Book/Page
LEASES									
WY	001		WYW-136852	29	114	Sec 1: LOTS 1-4, S2NW4,N2SW4, Sec 2: LOTS 1,4, SE/4NE/4, SW/4NW/4, NE/4SE/4, Sec 11: SW/4NE/4, W/2, SE/4, Sec 12: NW/4SW/4, S/2S/2, Sec 13: ALL, Sec 14: ALL	Sublette	Wyoming	
WY	002		WYW-136855	30	114	Sec 6: LOTS 1-7, S/2NE/4,SE/4NW/4,E/2SW/4,SE/4, Sec 7: E/2SW/4, N/2SE/4, Sec 17: SW/4, Sec 19: SW/4NE/4, NW/4SE/4, Sec 20: N/2SW/4, Sec 22: S/2, Sec 23: S/2SW/4, SW/4SE/4, Sec 27: N/2N/2, Sec 30: LOTS 3 & 4, SE/4NE/4, E/2SW/4	Sublette	Wyoming	
WY	003		WYW-136857	30	114	Sec 27: S2N2,N2SW,SE	Sublette	Wyoming	
WY	048		WYW-56739	30	114	Sec 32: SE,SENE,E2SW,SWSW	Sublette	Wyoming	58/470
WY	049		WYW-36438	30	114	Sec 33: ALL	Sublette	Wyoming	64/168
WY	050		WYW-38887	29	114	Sec 4: Lot 4, SWNW, S/2, S/2NE; Sec 5: Lots 1-3, S2N2,NESW,SE, W/2SW, SESW	Sublette	Wyoming	52/119
WY	055		Robert V. Thompson	29	113 & 114	Sec. 7: Lots 1,2, W2NE, E2NW, Sec 8: NENW;R114W, Sec 1: Lots 5-7, SWNE, W2SE, Sec 11: SENE, Sec 12: NE, N2SE,NESW, S2NW	Sublette	Wyoming	117/597 ext 124/622
WY	056		Gordon M. Mickelson, Trustee	29	113	Sec 5: Lots 2,3, S2NW,SWNE,SW,W2SE, Sec 6: Lots 5-7, SE,E2SW,SENW,S2NE	Sublette	Wyoming	118/528 ext 124/622
WY	057	A	May Brown Jones	30	114	Sec 15: SW; Sec 21: E2NE; Sec 22: SENE,W2NE,NW; Sec 23: SENE,W2NE,NW,N2S2	Sublette	Wyoming	121/111
WY	057	B	Kathleen King, Trustee	30	114	Sec 15: SW; Sec 21: E2NE; Sec 22: SENE,W2NE,NW; Sec 23: SENE,W2NE,NW,N2S2	Sublette	Wyoming	121/107
WY	057	C	Beulah Riggan	30	114	Sec 15: SW; Sec 21: E2NE; Sec 22: SENE,W2NE,NW; Sec 23: SENE,W2NE,NW,N2S2	Sublette	Wyoming	121/105

Exihibit "A"

Attached to and made a part of that certain mortgage agreement date July 2, 2003 by and between Irving Strickstein, Mortgagee and Infinity Oil and Gas of Wyoming, Inc, Mortgagor.

WY	057	D	Kathleen King, Trustee	30	114	Sec 15: SW; Sec 21: E2NE; Sec 22: SENE,W2NE,NW; Sec 23: SENE,W2NE,NW,N2S2	Sublette	Wyoming	121/138
WY	090		WYW-136357	29	113	Sec 6: Lots 1-4	Sublette	Wyoming	
WY	110		ST-98-00213	30	114	Sec 36: E2,SW	Sublette	Wyoming	
WY	111		WYW-136564	30	113	Sec 31: Lots 2,3,4, E2SW,SWSE	Sublette	Wyoming	
WY	115		WYW118393	30	114	Sec 32: NW,N/2NE,SWNE,NWSW	Sublette	Wyoming	
WY	116		WYW49663	29	114	Sec 4: Lots 1,2,3,SENW	Sublette	Wyoming	
WY	117		WYW60620	29	114	Sec 5: Lot 4	Sublette	Wyoming	

WELLS

SECTION 6 TOWNSHIP 29 NORTH, RANGE 113 WEST

WELL NAME	LOCATION	WI	NRI
Thompson 6-1-29-113	Lot 5	100.000000%	76.000000%
Thompson 6-2-29-113	SWNE	100.000000%	76.000000%
Thompson 6-4-29-113	NESW	100.000000%	76.000000%

SECTION 1 TOWNSHIP 29 NORTH, RANGE 114 WEST

WELL NAME	LOCATION	WI	NRI
Thompson 1-2-29-114	SENE-1-29N-114W	100.000000%	76.000000%
Thompson 1-3-29-114	SWSE-1-29N-114W	100.000000%	76.000000%

RILEY RIDGE MESA VERDE PA "A"

WELL NAME	LOCATION	BPO WI	BPO NRI
Riley Ridge PA "A"	**T29N-R114W** Sec. 04: Lots 2, 3, 4, S2NW, N2SW Sec. 05: Lots 1, 2, 3, S2NE, SENW, NESW, N2SE **T30N-R114W** Sec. 32: SE, SESW Sec. 33: SW, W2SE 963.63 acres, more or less	99.997448%	75.998016%
Riley Ridge Fed 5-2	SWNE-5-29N-114W		
Riley Ridge Fed 14-33	SWSW-33-30N-114W		
Riley Ridge Fed 41-5	NENE-5-29N-114W		
Riley Ridge Fed 44-32	SESE-32-30N-114W		
Riley Ridge Fed 11-4	NWNW-4-29N-114W		

[redacted] [redacted] [redacted]

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 16th day of July 2003, by and between Eugene R. Taylor and Stella L. Taylor, individually and as husband and wife, and Eugene R. Taylor, as Trustee of the Eugene Taylor Trust, dated March 2, 2000, and Stella L. Taylor, as Trustee of the Stella Taylor Trust, dated March 2, 2000

Of P. O. Box 201, Daniel, Wyoming 83115, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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

298866
RECORDED Aug 8 2003 1205P M
IN BOOK 125 Oth PAGE 277
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Tracey L Hoover

And containing 2,672.22 acres, more or less.

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.

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 noncombustible, 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 four (4) 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 Direct to Lessor, at Address listed above (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.

EUGENE TAYLOR TRUST DATED MARCH 2,2000

Eugene R. Taylor Trustee

Eugene R. Taylor, Individually and as Trustee

STELLA TAYLOR TRUST DATED MARCH 2, 2000

Stella L Taylor

Stella L. Taylor, Individually and as Trustee

SS # 520 - 42 - 2026

SS# 520 - 50 - 6032

TRACEY L. HOOVER – NOTARY PUBLIC
COUNTY OF SUBLETTE
STATE OF WYOMING
My Commission Expires 8/18/06

STATE of Wyoming
COUNTY of Sublette

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 8 day of August, 200 3,
Personally appeared Eugene R. Taylor and Stella L. Taylor

Identical person S, described in and who executed the within and foregoing instrument of writing and acknowledged to me that ____ he ____ duly executed the same as their free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: 8/18/06

Tracey L Hoover
Notary Public:
Address: Box 250, Pinedale WY 82941

STATE of _____
COUNTY of _____

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 200 ____,
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.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: _____

Notary Public:
Address:

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

EXHIBIT "A"

This Exhibit is attached to and by reference made a part of that certain oil and gas lease dated July 16, 2003, by and between Eugene R. Taylor and Stella L Taylor, Individually and as husband and wife, and Eugene R. Taylor as Trustee of the Eugene Taylor Trust, dated March 2, 2000, and Stella L. Taylor as Trustee of the Stella Taylor Trust, dated March 2, 2000, as Lessor, and Contex Energy Company, as Lessee:

Township 34 North, Range 113 West
Section 01: N/2SE/4, SE/4SE/4
Section 11: S2/SW4
Section 12: SE/4
Section 13: E/2, NW/4SW/4, S/2SW/4
Section 14: NW/4, NE/4SW/4, SE/4
Section 15: N/2NE/4, SE/4NE/4, NE/4NW/4
Section 23: NE/4, N/2SE/4
Section 24: N/2NE/4, SW/4NE/4, NW/4, NW/4SW/4

Township 34 North, Range 112 West
Section 07: Lots 3(38.78), 4(38.85), W/2SE/4, NE/4SE/4, E2SW/4
Section 08: NW/4SW/4
Section 18: Lots 1(38.89), 2(38.90), 3(38.92), 4(38.93)
E/2NW/4, W/2NE/4, NW/4SE/4, NE/4SW/4
Section 19: Lot 1(38.95), NE/4NW/4

Containing 2,672.22 acres, more or less
Sublette County, Wyoming

Wherever the fraction one-eighth ($1/8^{th}$) appears herein as royalty it is hereby amended to read sixteen percent (16%).

If at the expiration of the primary term, or at any time thereafter, the leased premises are productive of oil, or oil and casinghead gas, or gas, Lessee, its successors or assigns shall conduct a continuous drilling program on the leased premises until the leased premises are fully developed or the Lessee, its successors or assigns, shall suffer the partial expiration and termination of this Lease as hereinafter provided. Within 180 days after the expiration of the primary term, or within 180 days after the completion of the first such well if completed after the expiration of the primary term, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of a second well on the leased premises. The Lessee, its successors or assigns, shall hereinafter drill such well with due diligence to such formation as a reasonable prudent operator might select. In like manner, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of an additional well on the leased premises within 180 days after the completion of the preceding well until the leased premises are fully developed. In the event the Lessee, its successors or assigns, should fail, neglect or refuse to commence or cause to be commenced the drilling of any well within 180 days after the completion of the preceding well and prior to the full and complete development of the leased premises, then and in that event this lease shall automatically terminate insofar and only insofar as to such lands that are not contained within the designated spacing unit in which such well is located.

It is agreed that this lease shall not be continued in force solely by reason of the shut-in well provisions for a period of more than three (3) years beyond the primary term of this lease.

Signed For Identification:

EUGENE R. TAYLOR TRUST DATED March 2, 2000

Eugene R. Taylor Trustee
Eugene R. Taylor, Individually, and as Trustee

STELL TAYLOR TRUST DATED March 2, 2000

Stella L Taylor
Stella L. Taylor, Individually, and as Trustee

277A

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

74

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 6th day of May, 2003, by and between Bradly Joseph McInnis, also known as Bradly J. McInnis

Of 217 Bodine, Evanston, Wyoming 82930, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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

29889?

RECORDED Aug. 11 2003 10:15AM
IN BOOK 125 0+6 PAGE 277
FEES $ 14.00 M. L. COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

And containing 470.29 acres, more or less.

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.

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 noncombustible, 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 Direct to Lessor, at Address listed above (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

[redacted] [redacted] 75496 [redacted]

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.

Bradly Joseph McInnis, also known as
Bradly J. McInnis

STATE of Wyoming
COUNTY of Uinta

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 19th day of May, 200 3,
Personally appeared Bradly Joseph McInnis, also known as Bradly J. McInnis

Identical person S, described in and who executed the within and foregoing instrument of writing and acknowledged to me that he duly executed the same as his free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires:

C. HARVEY NOTARY PUBLIC
COUNTY OF UINTA STATE OF WYOMING
MY COMMISSION EXPIRES MAY 30, 2004

Notary Public: C Harvey
Address:

STATE of
COUNTY of

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 200 ____,
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.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: _____

Notary Public:
Address:

278A

279A

EXHIBIT "A"

This Exhibit "A" attached to and made a part of that certain Oil and Gas Lease dated May 6, 2003, by and between Bradly Joseph McInnis, also known as Bradly J. McInnis, Lessor, and Contex Energy Company, Lessee, to-wit:

TOWNSHIP 32 NORTH, RANGE 114 WEST, 6TH P. M.
Section 11: Lots 2 (15.61), 3 (15.13), SENW
TOWNSHIP 33 NORTH, RANGE 113 WEST, 6TH P. M.
Section 30: S/2SE
Section 31: Lots 2 (39.75), 3 (39.85), 4 (39.95), N/2NE, SENW, E/2SW
Containing 470.29 acres more or less
Sublette County, Wyoming

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

SIGNED FOR IDENTIFICATION

Bradly J. McInnis

Bradly Joseph McInnis, also known
as Bradly J. McInnis

OVERRIDING ROYALTY ASSIGNMENT

THIS AGREEMENT Made and entered into of the date written below is by and between **Mark S. Dolar and Janet K. Dolar, husband and wife,** whose address is 10894 Lostwood Drive, Sandy, UT 84092, party of the first part, hereinafter called Assignor, and **Charles Gillespie,** whose address is 100 w. Grove Street, Suite 557, Reno, NV 89509 as party of the second part, hereinafter called Assignee.

NOW THEREFORE 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 Assignees an undivided One thousand one hundred twenty-five/ten thousandths percent (0.1125%) overriding royalty interest in and to lands located in Sublette County, Wyoming, being more particularly described as follows:

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

This Assignment shall be construed as applicable to all 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.

EXECUTED THIS 1st day of July, 2003.

By: _____
Mark S. Dolar

By: Janet K. Dolar
Janet K. Dolar

INDIVIDUAL NOTARY

STATE OF UTAH)
) ss.
COUNTY OF SALT LAKE)

BEFORE ME, the undersigned authority, on this day personally appeared Mark S. Dolar and Janet K. Dolar, husband and wife known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 31st day of July, 2003.

My commission expires:

01-05-04

Kathleen M. Van Wart
Notary Public

KATHLEEN M. VAN WART
NOTARY PUBLIC • STATE OF UTAH
8174 SO. 2680 EAST
SANDY, UT. 84093
COMM. EXP. 01-05-2004

298933

RECORDED Aug. 11 2003 4:35 PM
IN BOOK 125 O&G PAGE 280
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

C:MYFILES FORMS\ORR.ASG

EXHIBIT "A"

Attached to and becoming a part hereof the Overriding Royalty Assignment dated July 1, 2002, between **Mark S. Dolar and Janet K. Dolar, husband and wife,** party of the first part, hereinafter called Assignor, and **Charles Gillespie,** party of the second part, hereinafter called Assignee.

DESCRIPTION OF LEASEHOLD

Lease 1:

LESSOR: Robert V. Thompson, a widower
LESSEE: Dolar Energy L.L.C.
LEASE DATE: Memorandum of Oil and Gas Lease - April 6, 2001
RECORDING DATA: Book 117 O&G Page 597
DESCRIPTION: Township 29 North, Range 113 West, 6th P.M.
Section 7: Lots 1, 2, W½NE¼, E½NW¼
Section 8: NE¼NW¼

Township 29 North, Range 114 West, 6th P.M.
Section 1: Lots 5, 6, 7, SW¼NE¼, W½SE¼
Section 11: SE¼NE¼
Section 12: NE¼, N½SE¼, NE¼SW¼, S½NW¼
Containing 911.70 acres, more or less
Sublette County, Wyoming

Lease 2:

LESSOR: Gordon M. Mickelson, Trustee of the Betty M. Thompson Testamentary Family Trust
LESSEE: Dolar Energy, L.L.C.
LEASE DATE: Memorandum of Oil and Gas Lease - April 6, 2001
RECORDING DATA: Memorandum: Book 118 O&G, Page 144
Change of Lease Description: Book 120 O&G, Page 382
Second Change of Lease Description: Book 122 O&G, Page 121
DESCRIPTION: Township 29 North, Range 113 West, 6th P.M.
Section 5: Lots 2, 3, S½NW¼, SW¼NE¼, SW¼, W½SE¼
Section 6: Lots 5, 6, 7, SE¼, E½SW¼, SE¼NW¼, S½NE¼
Containing 917.00 acres, more or less
Sublette County, Wyoming

OVERRIDING ROYALTY ASSIGNMENT

THIS AGREEMENT Made and entered into of the date written below is by and between **PETER W. HUMMEL,** whose address is P.o. Box 10350, Reno, Nevada 89510 , party of the first part, hereinafter called Assignor, and **CHARLES W. GILLESPIE**, whose address is 100 West Grove Street, Suite 557, Reno, Nevada 89509 as party of the second part, hereinafter called Assignee.

NOW THEREFORE 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 Assignees an undivided Three thousands eight hundred seventy-five/ten thousandths percent (0.3875%) overriding royalty interest in and to lands located in Sublette County, Wyoming , being more particularly described as follows:

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

This Assignment shall be construed as applicable to all 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.

EXECUTED THIS 1st day of July, 2003.

PETER W. HUMMEL

By: _____

INDIVIDUAL NOTARY

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

BEFORE ME, the undersigned authority, on this day personally appeared PETER W. HUMMEL known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 1st day of July , 2003 .

My commission expires:

May 1, 2005

_____
Notary Public

RACHELLE M. ALEXANDER
Notary Public, State of Nevada
Appointment No. 97-1354-2
My Appt. Expires May 1, 2005

298934

RECORDED Aug. 11 2003 4:35 PM
IN BOOK 125 O+6 PAGE 282
FEES $ 11.00 County Clerk
SUBLETTE COUNTY, PINEDALE, WYOMING

C:MYFILES FORMS\ORR.ASG

EXHIBIT "A"

Attached to and becoming a part hereof the Overriding Royalty Assignment dated July 1, 2002, between **Peter W. Hummel,** party of the first part, hereinafter called Assignor, and **Charles Gillespie,** party of the second part, hereinafter called Assignee.

DESCRIPTION OF LEASEHOLD

Lease 1:

LESSOR: Robert V. Thompson, a widower
LESSEE: Dolar Energy L.L.C.
LEASE DATE: Memorandum of Oil and Gas Lease - April 6, 2001
RECORDING DATA: Book 117 O&G Page 597
DESCRIPTION: Township 29 North, Range 113 West, 6th P.M.
Section 7: Lots 1, 2, W½NE¼, E½NW¼
Section 8: NE¼NW¼

Township 29 North, Range 114 West, 6th P.M.
Section 1: Lots 5, 6, 7, SW¼NE¼, W½SE¼
Section 11: SE¼NE¼
Section 12: NE¼, N½SE¼, NE¼SW¼, S½NW¼
Containing 911.70 acres, more or less
Sublette County, Wyoming

Lease 2:

LESSOR: Gordon M. Mickelson, Trustee of the Betty M. Thompson Testamentary Family Trust
LESSEE: Dolar Energy, L.L.C.
LEASE DATE: Memorandum of Oil and Gas Lease - April 6, 2001
RECORDING DATA: Memorandum: Book 118 O&G, Page 144
Change of Lease Description: Book 120 O&G, Page 382
Second Change of Lease Description: Book 122 O&G, Page 121
DESCRIPTION: Township 29 North, Range 113 West, 6th P.M.
Section 5: Lots 2, 3, S½NW¼, SW¼NE¼, SW¼, W½SE¼
Section 6: Lots 5, 6, 7, SE¼, E½SW¼, SE¼NW¼, S½NE¼
Containing 917.00 acres, more or less
Sublette County, Wyoming

OVERRIDING ROYALTY ASSIGNMENT

THIS AGREEMENT Made and entered into of the date written below is by and between **PETER W. HUMMEL,** whose address is P.O. Box 10350, Reno, Nevada 89510 , party of the first part, hereinafter called Assignor, and **DIAMOND PEAK ENERGY COMPANY, L.P.,** whose address is P.O Box 10350, Reno, Nevada 89510 as party of the second part, hereinafter called Assignee.

NOW THEREFORE 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 Assignees an undivided Three thousands eight hundred seventy-five/ten thousandths percent (0.3875%) overriding royalty interest in and to lands located in Sublette County, Wyoming, being more particularly described as follows:

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

This Assignment shall be construed as applicable to all 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.

EXECUTED THIS 1st day of July, 2003.

PETER W. HUMMEL

By: _____

INDIVIDUAL NOTARY

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

BEFORE ME, the undersigned authority, on this day personally appeared PETER W. HUMMEL known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 1st day of July, 2003.

My commission expires:

May 1, 2005

Rachelle M. Alexander
Notary Public

RACHELLE M. ALEXANDER
Notary Public, State of Nevada
Appointment No. 97-1354-2
My Appt. Expires May 1, 2005

298935

RECORDED Aug. 11 2003 4:35PM
IN BOOK 125 D+G PAGE 284
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

C:MYFILES FORMS\ORR.ASG

EXHIBIT "A"

Attached to and becoming a part hereof the Overriding Royalty Assignment dated July 1, 2002, between **Peter W. Hummel,** party of the first part, hereinafter called Assignor, and **Diamond Peak Energy Company, L.P.,** party of the second part, hereinafter called Assignee.

DESCRIPTION OF LEASEHOLD

Lease 1;

LESSOR: Robert V. Thompson, a widower
LESSEE: Dolar Energy L.L.C.
LEASE DATE: Memorandum of Oil and Gas Lease - April 6, 2001
RECORDING DATA: Book 117 O&G Page 597
DESCRIPTION: Township 29 North, Range 113 West, 6th P.M.
Section 7: Lots 1, 2, W½NE¼, E½NW¼
Section 8: NE¼NW¼

Township 29 North, Range 114 West, 6th P.M.
Section 1: Lots 5, 6, 7, SW¼NE¼, W½SE¼
Section 11: SE¼NE¼
Section 12: NE¼, N½SE¼, NE¼SW¼, S½NW¼
Containing 911.70 acres, more or less
Sublette County, Wyoming

Lease 2:

LESSOR: Gordon M. Mickelson, Trustee of the Betty M. Thompson Testamentary Family Trust
LESSEE: Dolar Energy, L.L.C.
LEASE DATE: Memorandum of Oil and Gas Lease - April 6, 2001
RECORDING DATA: Memorandum: Book 118 O&G, Page 144
Change of Lease Description: Book 120 O&G, Page 382
Second Change of Lease Description: Book 122 O&G, Page 121
DESCRIPTION: Township 29 North, Range 113 West, 6th P.M.
Section 5: Lots 2, 3, S½NW¼, SW¼NE¼, SW¼, W½SE¼
Section 6: Lots 5, 6, 7, SE¼, E½SW¼, SE¼NW¼, S½NE¼
Containing 917.00 acres, more or less
Sublette County, Wyoming

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS:

THAT, the undersigned, **Williams Production Rocky Mountain Company**, One Williams Center, P.O. Box 3102, Tulsa, Oklahoma 74172 (hereinafter called Assignor), for an in consideration of Ten Dollars ($10.00) and other good and valuable consideration, does hereby grant, convey, sell, assign, transfer and set over unto the persons named below (hereinafter called Assignees), their heirs, successors, or assigns, the interests set out opposite their names respectively, to-wit:

Marshall C. Crouch III 123 South Indiana Way Golden, Colorado 80401	0.50% of 8/8ths
Jane R. Crouch 123 South Indiana Way Golden, Colorado 80401	0.50% of 8/8ths

of the interest reflected on Exhibit "A" as an overriding royalty interest in and to all the oil, gas, casinghead gasoline, condensate, gas distillate, all other gases and their constituent parts, other liquid or gaseous hydrocarbons and all other minerals produced, saved and sold attributable to the leases described in Exhibit "A" attached hereto, made a part hereof, and reference to which is hereby made for all purposes as to the lands described therein.

Said overriding royalty shall be free and clear to the Assignees of and from any and all expenses of any nature whatsoever, excepting taxes applicable to said interest and the production therefrom, during the term of the present valid and subsisting oil and gas leases and of all extensions, replacements and renewals thereof.

If said oil and gas leases cover less than the full mineral interest, or if Assignor owns less than a full mineral interest in said leases, then the above overriding royalty interest shall be proportionately reduced.

If Assignor's interest in any lease described in Exhibit "A" is now or later becomes subject to a third party operating or similar agreement, under which Assignor's working interest is in a non-consenting position wherein Assignor is not entitled to receive revenues from production attributable to such lease, Assignee will not be entitled to any production revenue from said lease, until and unless Assignor becomes entitled to receive revenues from said production, as described under the non-consent clause of such agreement.

The provisions of this Assignment shall be binding upon all the heirs, successors, representatives and assigns of the Assignor and Assignees.

It is specifically understood and agreed that this assignment is made without warranty of title, either express or implied.

IN WITNESS WHEREOF, Assignor has executed and delivered this assignment of overriding royalty interest dated this 17th day of June, 2003, however effective October 1, 2000.

Williams Production Rocky Mountain Company

By: _____

Dorsey T. Roach
Attorney-in-Fact

298936

RECORDED Aug. 12 2003 8:05 AM
IN BOOK 125 0+6 PAGE 286
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sacton

STATE OF OKLAHOMA)
) SS.
COUNTY OF Tulsa)

The foregoing instrument was acknowledged before me this 17th day of June 2003, by Dorsey T. Roach, the Attorney-in-Fact for Williams Production Rocky Mountain Company, on behalf of said corporation.

Witness my hand and official seal.

My commission expires: March 4, 2005

Twyla D. Croff
Notary Public

Notary Public Oklahoma
OFFICIAL SEAL
TWYLA D. CROFF
ROGERS COUNTY
COMMISSION #01001993
Comm. Exp. 03-04-2005

EXHIBIT "A"

Attached to Assignment of Overiding Royalty Interest by and between Williams Production Rocky Mountain Company as Assignor and Marshall C. Crouch III and Jane R. Crouch as Assignees

LEASE SERIAL NO	LEASE DATE	LAND DESCRIPTION	INTEREST
USA WYW-142261	9/1/1997	T29N R107W Sec 7:N/2NE/4 Sec 8:NW/4 Sec 9:N/2N/2 Sec 10: N/2NW/4 Sublette County, Wyoming	16.667%

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS:

THAT, the undersigned, **Williams Production Rocky Mountain Company**, One Williams Center, P.O. Box 3102, Tulsa, Oklahoma 74172 (hereinafter called Assignor), for an in consideration of Ten Dollars ($10.00) and other good and valuable consideration, does hereby grant, convey, sell, assign, transfer and set over unto the persons named below (hereinafter called Assignees), their heirs, successors, or assigns, the interests set out opposite their names respectively, to-wit:

Marshall C. Crouch III 123 South Indiana Way Golden, Colorado 80401	0.50% of 8/8ths
Jane R. Crouch 123 South Indiana Way Golden, Colorado 80401	0.50% of 8/8ths

of the interest reflected on Exhibit "A" as an overriding royalty interest in and to all the oil, gas, casinghead gasoline, condensate, gas distillate, all other gases and their constituent parts, other liquid or gaseous hydrocarbons and all other minerals produced, saved and sold attributable to the leases described in Exhibit "A" attached hereto, made a part hereof, and reference to which is hereby made for all purposes as to the lands described therein.

Said overriding royalty shall be free and clear to the Assignees of and from any and all expenses of any nature whatsoever, excepting taxes applicable to said interest and the production therefrom, during the term of the present valid and subsisting oil and gas leases and of all extensions, replacements and renewals thereof.

If said oil and gas leases cover less than the full mineral interest, or if Assignor owns less than a full mineral interest in said leases, then the above overriding royalty interest shall be proportionately reduced.

If Assignor's interest in any lease described in Exhibit "A" is now or later becomes subject to a third party operating or similar agreement, under which Assignor's working interest is in a non-consenting position wherein Assignor is not entitled to receive revenues from production attributable to such lease, Assignee will not be entitled to any production revenue from said lease, until and unless Assignor becomes entitled to receive revenues from said production, as described under the non-consent clause of such agreement.

The provisions of this Assignment shall be binding upon all the heirs, successors, representatives and assigns of the Assignor and Assignees.

It is specifically understood and agreed that this assignment is made without warranty of title, either express or implied.

IN WITNESS WHEREOF, Assignor has executed and delivered this assignment of overriding royalty interest dated this 17th day of June, 2003, however effective October 1, 2000.

Williams Production Rocky Mountain Company

By: _____
Dorsey T. Roach
Attorney-in-Fact

298937

RECORDED Aug. 12 2003 8:05 AM
IN BOOK 125 016 PAGE 288
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Slater

STATE OF OKLAHOMA)
) SS.
COUNTY OF Tulsa)

The foregoing instrument was acknowledged before me this 17th day of June 2003, by Dorsey T. Roach, the Attorney-in-Fact for Williams Production Rocky Mountain Company, on behalf of said corporation.

Witness my hand and official seal.

My commission expires: March 4, 2005

Twyla D. Croff
Notary Public

Notary Public Oklahoma
OFFICIAL SEAL
TWYLA D. CROFF
ROGERS COUNTY
COMMISSION #01001993
Comm. Exp. 03-04-2005

EXHIBIT "A"

Attached to Assignment of Overiding Royalty Interest by and between Williams Production Rocky Mountain Company as Assignor and Marshall C. Crouch III and Jane R. Crouch as Assignees

LEASE SERIAL NO	LEASE DATE	LAND DESCRIPTION	INTEREST
USA WYW-137342	9/1/1995	T29N R107W Sec 1: Lot 1, 2, 3, 4, S/2N/2, S/2 Sec 2: Lot 1, 2, 3, 4, S/2N/2, S/2 Sec 3: Lot 1, 2, S/2 NE/4, SE/4 Sec 10: NE/4 SE/4 NW/4 Sublette County, Wyoming	16.667%

289

299091

RECORDED Aug. 20 2003 8:10A M
IN BOOK 125 O+G PAGE 290
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

STATE OF WYOMING
COUNTY OF SUBLETTE

Blue Rim Prospect

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned WESTPORT OIL AND GAS COMPANY, L.P. whose address is 1670 Broadway, Suite 2800, Denver, Colorado 80202-4800 ("Assignor"), for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Assignor, does hereby CONVEY, TRANSFER, ASSIGN AND SET OVER unto the following parties ("Assignee") the interest set out opposite their names, as an overriding royalty interest payable out of all oil, gas, casinghead gas and associated substances produced, saved and marketed from the leases (the "Leases") and described on Exhibit "A" attached hereto, subject to any applicable pooling, unitization or similar agreement, statute or order:

Westport Overriding Royalty LLC 1670 Broadway, Suite 2800 Denver, Colorado 80202-4800	0.50%
L. Clark Kiser 5580 Lariat Drive Castle Rock, CO 80108	0.25%
Richard A. Kopp 9272 North LaCrosse Lane Parker, CO 80138-6832	0.20%
Robert J. Kozarek 482 S. Magnolia St. Denver, CO 80224	0.05%

TO HAVE AND TO HOLD the interest herein transferred and assigned unto Assignee, its successors and assigns, forever, subject to the following terms and conditions:

1. The overriding royalty interest assigned herein shall be calculated and paid in the same manner and subject to the same terms and conditions as the landowner's royalty under the Leases.

2. If Assignor owns less than all of the working interest in the Leases, or if the Leases cover less than the entire oil and gas mineral estate in any of the lands described therein, the above described overriding royalty shall be reduced proportionately.

3. The overriding royalty interest herein conveyed is payable out of and only out of oil and gas produced, saved and marketed, pursuant to the terms and provisions of the Leases, and is expressly subject thereto.

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

5. Nothing herein contained shall impose upon Assignor any duty or obligation to develop or operate the Leases for oil, gas and other hydrocarbons other than in its sole discretion nor to maintain in effect the Leases by the payment of delay rentals or the performance of any other act.

6. Assignor shall have the right at any time and from time to time at its election to surrender or abandon the Leases in whole or in part without liability of any kind whatsoever to Assignee and in case of such surrender or abandonment, Assignor may release the Leases directly to the lessor thereof.

7. Assignor hereby reserves the right to pool or combine the Leases and lands covered thereby or any part thereof in such manner and to such extent as Assignor shall determine, with other lands and leases into voluntary units, or into units established by any governmental authority having jurisdiction whenever, in the sole judgment of Assignor, it is necessary or advisable to do so in order to properly explore or develop all or any portion of the premises subject to the Leases or to promote the conservation of oil or gas from said premises; and if the Leases or any part thereof are pooled accordingly, then the overriding royalty interest herein conveyed shall be reduced proportionately to and payable only in the ratio that the acreage burdened by said overriding royalty bear to all acreage included in any such pooled unit.

8. The overriding royalty interest herein conveyed is expressly subject to the provisions of any operating agreement which now or hereafter covers any of the Leases, or any

portions thereof ("Operating Agreement" hereafter). If pursuant to the terms of any Operating Agreement all or a portion of Assignor's interest in the Leases or all or a portion of its interest in the production therefrom is forfeited or assigned to one or more other working interest owners, either permanently or for a stipulated period because Assignor fails to participate in any operation or operations, then to the extent that such forfeited or assigned interest is subject to and burdened by the overriding royalty interest conveyed herein, the interest so assigned or forfeited shall be free and clear of such overriding royalty interest for the period of such forfeiture or assignment if the provisions of the Operating Agreement require that such interest be assigned or forfeited free and clear of overriding royalty interests. Further, to the extent any Operating Agreement establishes security rights in favor of the parties thereto, the overriding royalty interest conveyed herein shall be subordinated to such security rights.

9. In the event Assignor is required (under any agreement existing as of the effective date of this assignment) to reassign any of the Leases to any previous owner thereof free of any burdens created by Assignor, Assignee agrees to reassign the overriding royalty interest burdening the Leases upon request of Assignor when such assignment is made.

10. The provisions hereof shall inure to the benefit of and be binding upon the respective successors and assigns of the parties hereto.

11. This assignment is made without warranty of title or other covenant, either express or implied.

IN WITNESS WHEREOF, Assignor has executed and delivered this Assignment of Overriding Royalty Interest this 23rd day of May, 2003, effective October 1, 2001.

WESTPORT OIL AND GAS COMPANY, L.P.
By: WHG, Inc., General Partner

By: _____
Donald D. Wolf
Chairman/CEO DDW

STATE OF COLORADO)
)
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 23rd day of May, 2003, by Donald D. Wolf, Chairman/CEO of WHG, Inc., General Partner of Westport Oil and Gas Company, L.P., a Delaware limited partnership, on behalf of said limited partnership.

Witness my hand and official seal.

My commission expires:

_____

CHERYL A. CHARLES NOTARY PUBLIC STATE OF COLORADO

My Commission Expires 12/3/2005

_____
Notary Public

STATE OF WYOMING
COUNTY OF SUBLETTE

EXHIBIT 'A'
ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT OF OVERRIDING ROYALTY INTEREST
DATED MAY 23, 2003, EFFECTIVE OCTOBER 1, 2001

PROSPECT	LEASE NO	LESSOR	LESSEE	LEASE DATE	DESCRIPTION	BOOK	PAGE
BLUE RIM	WY50803.000	ST WY 97-00723	YATES PETROLEUM CORPORATION	12/2/1997	T30N R108W SEC 16: S/2		

292

293

Form 3100-11b
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No.

WYW155829

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 PANNONIAN ENERGY INC
   Street 14 INVERNESS DR E # H-236
   City, State, Zip Code ENGLEWOOD, CO 80112

[redacted]

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

299108

RECORDED Aug. 20 2003 11:15a M
IN BOOK 125 Q+G PAGE 293
FEES $ 4700 Mary L Hall COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Colton

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

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. 033ON R. 111OW Meridian 06th State WY County Sublette
Sec. 006 LOTS 1-3;

Total acres in lease 120.00
Rental retained $ ~~180.00~~

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 K Lewis
(Signing Officer)

Chief, Fluid Minerals Adjudication
(Title)

MAY 2 8 2003
(Date)

EFFECTIVE DATE OF LEASE JUN 0 1 2003

FOR LESSEE

(Continued on reverse)

[redacted] [redacted] [redacted]

[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 of 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.

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WYW155829

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

COMPETITIVE OIL AND GAS OR GEOTHERMAL RESOURCES LEASE BID

30 U.S.C. 181 et seq.; 30 U.S.C. 351-359;
30 U.S.C. 1001-1025; 42 U.S.C. 6508

FORM APPROVED
OMB NO. 1004-0074
Expires: May 31, 2000

State	Date of sale
WY	9-[illegible]-02

PARCEL NUMBER	AMOUNT OF BID *(See Instructions below)*	
	TOTAL BID	PAYMENT SUBMITTED WITH BID
THE BID IS FOR *(Check one)* :		
☐ Oil and Gas Parcel Number 136		
☐ Geothermal Parcel Number _____ Name of Known Geothermal Resource Area (KGRA) _____		

The appropriate regulations applicable to this bid are: (1) for oil and gas leases—43 CFR 3120; (2) for National Petroleum Reserve-Alaska (NPR-A) leases—43 CFR 3132; and (3) for Geothermal resources leases—43 CFR 3220. *(See details concerning lease qualifications on reverse.)*

I CERTIFY THAT I have read and am in compliance with, and not in violation of, the lessee qualification requirements under the applicable regulations for this bid.

I CERTIFY THAT this bid is not in violation of 18 U.S.C. 1860 which prohibits unlawful combination or intimidation of bidders. I further certify that this bid was arrived at independently and is tendered without collusion with any other bidder for the purpose of restricting competition.

IMPORTANT NOTICE: Execution of this form, where the offer is the high bid, constitutes a binding lease offer, including all applicable terms and conditions. Failure to comply with the applicable laws and regulations under which this bid is made shall result in rejection of the bid and forfeiture of all monies submitted.

[illegible] ENERGY, INC
Print or Type Name of Lessee

[illegible]
Signature of Lessee or Bidder

[illegible] Denver Suite H-23[illegible]
Address of Lessee

[illegible] CO [illegible]
City State Zip Code

INSTRUCTIONS

INSTRUCTIONS FOR OIL AND GAS BID *(Except NPR-A)*

1. Separate bid for each parcel is required. Identify parcel by the parcel number assigned in the *Notice of Competitive Lease Sale.*
2. Bid **must** be accompanied by the national minimum acceptable bid, the first year's rental and the administrative fee. The remittance **must** be in the form specified in 43 CFR 3103.1-1. The remainder of the bonus bid, if any, **must** be submitted to the proper BLM office within 10 working days after the last day of the oral auction. **Failure to submit the remainder of the bonus bid within 10 working days will result in rejection of the bid offer and forfeiture of all monies paid.**
3. If bidder is **not** the sole party in interest in the lease for which the bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.
4. This bid may be executed *(signed)* before the oral auction. If signed before the oral auction, this form cannot be modified without being executed again.
5. In view of the above requirement (4), bidder may wish to leave AMOUNT OF BID section blank so that final bid amount may be either completed by the bidder or the Bureau of Land Management at the oral auction.

INSTRUCTIONS FOR GEOTHERMAL OR NPR-A OIL AND GAS BID

1. Separate bid for each parcel is required. Identify parcel by the number assigned to a tract.
2. Bid **must** be accompanied by one-fifth of the total amount of bid. The remittance **must** be in the form specified in 43 CFR 3220.4 for a Geothermal Resources bid and 3132.2 for a NPR-A lease bid.
3. Mark envelope Bid for Geothermal Resources Lease in *(Name of KGRA)* or Bid for NPR-A Lease, as appropriate. Be sure correct parcel number of tract on which bid is submitted and date of bid opening are noted plainly on envelope. No bid may be modified or withdrawn unless such modification or withdrawal is received prior to time fixed for opening of bids.
4. Mail or deliver bid to the proper BLM office or place indicated in the *Notice of Competitive Lease Sale.*
5. If bidder is not the sole party in interest in the lease for which bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212 make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on reverse)

QUALIFICATIONS

For leases that may be issued as a result of this sale under the Mineral Leasing Act (The Act) of 1920, as amended, the oral bidder must: (1) Be a citizen of the United States; an association *(including partnerships and trusts)* of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or Territory thereof; (2) Be in compliance with acreage limitation requirements wherein the bidder's interests, direct and indirect, in oil and gas leases in the State identified do not exceed 246,080 acres each in public domain or acquired lands including acreage covered by this bid, of which not more than 200,000 acres are under options. If this bid is submitted for lands in Alaska, the bidder's holdings in each of the Alaska leasing districts do not exceed 300,000 acres, of which no more than 200,000 acres are under options in each district; (3) Be in compliance with Federal coal lease holdings as provided in sec. 2(a)(2)(A) of the Act; (4) Be in compliance with reclamation requirements for all Federal oil and gas holdings as required by sec. 17 of the Act; (5) Not be in violation of sec. 41 of the Act; and (6) Certify that all parties in interest in this bid are in compliance with 43 CFR Groups 3000 and 3100 and the leasing authorities cited herein.

For leases that may be issued as a result of this sale under the Geothermal Steam Act of 1970, as amended, the bidder must: (1) Be a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or Territory thereof; and (2) Be in compliance with acreage limitation requirements wherein the bidder's interests, direct and indirect, do not exceed 51,200 acres; and (3) Certify that all parties in interest in this bid are in compliance with 43 CFR Group 3200 and the leasing authority cited herein.

For leases that may be issued as a result of this sale under the Department of the Interior Appropriations Act of 1981, the bidder must: (1) Be a citizen or national of the United States; an alien lawfully admitted for permanent residence; a private, public or municipal corporation organized under the laws of the United States or of any State or Territory thereof; an association of such citizens, nationals, resident aliens or private, public or municipal corporations, and (2) Certify that all parties in interest in this bid are in compliance with 43 CFR Part 3130 and the leasing authorities cited herein.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this bid for a Competitive Oil and Gas or Geothermal Resources Lease.

AUTHORITY: 30 U.S.C. 181 et seq.; 30 U.S.C. 351-359; 30 U.S.C. 1001-1025; 42 U.S.C. 6508

PRINCIPAL PURPOSE: The information is to be used to process your bid.

ROUTINE USES: (1) The adjudication of the bidder's right to the resources for which this bid is made. (2) Documentation for public information. (3) Transfer to appropriate Federal agencies when comment or concurrence is required prior to granting a right in public lands or resources. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION: Disclosure of the information is voluntary. If all the information is not provided, your bid may be rejected.

The Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.) requires us to inform you that:

This information is being collected in accordance with 43 CFR 3120, 43 CFR 3130, or 43 CFR 3220..
This information will be used to determine the bidder submitting the highest bid.
Response to this request is required to obtain a benefit..

BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 2 hours per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer (WO-630), 1620 L Street, Washington, D.C. 20036 and the Office of Management and Budget, Desk Officer for the Interior Department, Office of Regulatory Affairs (1004-0074), Washington, D.C. 20503.

WYW155829

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.

THIS STIPULATION APPLIES TO ALL PARCELS

[redacted] [redacted] [redacted]

WW155029

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 Field Office.

THIS NOTICE APPLIES TO ALL PARCELS

WYW155829

LEASE NOTICE NO. 2

BACKGROUND:

The Bureau of Land Management (BLM), by including National Historic Trails within its National Landscape Conservation System, has recognized these trails as national treasures. Our responsibility is to review our strategy for management, protection, and preservation of these trails. The National Historic Trails in Wyoming, which include the Oregon, California, Mormon Pioneer, and Pony Express Trails, as well as the Nez Perce Trail, were designated by Congress through the National Trails System Act (P.L. 90-543; 16 U.S.C. 1241-1251) as amended through P.L. 106-509 dated November 13, 2000. Protection of the National Historic Trails is normally considered under the National Historic Preservation Act (P.L. 89-665; 16 U.S.C. 470 et seq.) as amended through 1992 and the National Trails System Act. Additionally, Executive Order 13195, "Trails for America in the 21st Century," signed January 18, 2001, states in Section 1: "Federal agencies will...protect, connect, promote, and assist trails of all types throughout the United States. This will be accomplished by: (b) Protecting the trail corridors associated with national scenic trails and the high priority potential sites and segments of national historic trails to the degrees necessary to ensure that the values for which each trail was established remain intact." Therefore, the BLM will be considering all impacts and intrusions to the National Historic Trails, their associated historic landscapes, and all associated features, such as trail traces, grave sites, historic encampments, inscriptions, natural features frequently commented on by emigrants in journals, letters and diaries, or any other feature contributing to the historic significance of the trails. Additional National Historic Trails will likely be designated amending the National Trails System Act. When these amendments occur, this notice will apply to those newly designated National Historic Trails as well.

STRATEGY:

The BLM will proceed in this objective by conducting a viewshed analysis on either side of the designated centerline of the National Historic Trails in Wyoming, except, at this time, for the Nez Perce Trail, for the purpose of identifying and evaluating potential impacts to the trails, their associated historic landscapes, and their associated historic features. Subject to the viewshed analysis and archaeological inventory, reasonable mitigation measures may be applied. These may include, but are not limited to, modification of siting or design of facilities to camouflage or otherwise hide the proposed operations within the viewshed. Additionally, specification of interim and final reclamation measures may require relocating the proposed operations within the leasehold. Surface disturbing activities will be analyzed in accordance with the National Environmental Policy Act of 1969 (P.L. 91-190; 42 U.S.C. 4321-4347) as amended through P.L. 94-52, July 3, 1975 and P.L. 94-83, August 9, 1975, and the National Historic Preservation Act, supra, to determine if any design, siting, timing, or reclamation requirements are necessary. This strategy is necessary until the BLM determines that, based on the results of the completed viewshed analysis and archaeological inventory, the existing land use plans (Resource Management Plans) have to be amended.

The use of this lease notice is a predecisional action, necessary until final decisions regarding surface disturbing restrictions are made. Final decisions regarding surface disturbing restrictions will take place with full public disclosure and public involvement over the next several years if BLM determines that it is necessary to amend existing land use plans.

GUIDANCE:

The intent of this notice is to inform interested parties (potential lessees, permittees, operators) that when any oil and gas lease contains remnants of National Historic Trails, or is located within the viewshed of a National Historic Trails' designated centerline, surface disturbing activities will require the lessee, permittee, operator or, their designated representative, and the surface management agency (SMA) to 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.

THIS NOTICE APPLIES TO ALL PARCELS

[redacted] [redacted] [redacted]

5829

THIS STIPULATION APPLIES TO ALL PARCELS

The U.S. Fish and Wildlife Service (FWS) has proposed for listing under the Endangered Species Act (ESA) of 1973, the mountain plover (*Charadrius montanus*) as a threatened species. A listing package has been sent to the Director of FWS in Washington, D.C. for review/approval. The listing is very likely in the near future. Mountain plovers migrate to Wyoming to nest each year and are confirmed to nest in every county. Even though they arrive in early April and complete their nesting by the middle of July, alteration of habitat throughout the rest of the year can have a detrimental effect on these birds as they generally return to the same location to nest each year. The exploration and development of oil and gas leases may have a detrimental effect on mountain plovers and their habitat. Some of the land encompassed in the lease parcels described in the **April 9, 2002**, *Notice of Competitive Oil and Gas Lease Sale* contain habitat for the mountain plover and have been designated as such. Most of the parcels have not been specifically inventoried for the presence or absence of mountain plovers, so reliable information is not available at this time. This information notice is to alert potential purchasers that **all** of the parcels in this sale are subject to the ESA and may contain habitat for mountain plovers (even if not specifically denoted herein). Inventories will be required when potential mountain plover habitat exists within a lease parcel. If the birds are then found to be present, then additional protective measures most likely will be added to allow for any disturbing activities. If a lease parcel contains no mountain plover habitat or if the birds are not present, then the lease parcel may be developed without restrictions for mountain plovers. If at a later date mountain plovers occupy previously unoccupied habitat within a lease parcel, then additional protective measures will most likely be added. Please see section 6 of the Lease Terms for additional information regarding threatened or endangered species.

WYW155829

NO SURFACE OCCUPANCY STIPULATION - NSO

No surface occupanty or use is allowed on the lands described below (legal subdivision or other description).

(1) Within the designated floodplain in T.0330N, R.1110W, 06th PM, WY Sec. 006 LOTS 1-3;

For the purpose of:

(2) protecting HUD designated Zone A (100 year) flood hazard area on perennial water courses.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of the stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

✓

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

WYW155829

TIMING LIMITATION STIPULATIONS - TLS

No surface use is allowed during the following time period(s). This stipulation does not apply to operations and maintenance of production facilities.

(1) Nov 15 to Apr 30;

On the lands described below:

(2) entire lease;

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 the stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

✓

WYW155829

TIMING LIMITATION STIPULATIONS - TLS

No surface use is allowed during the following time period(s). This stipulation does not apply to operations and maintenance of production facilities.

(1) Apr 1 through Jul 31;

On the lands described below:

(2) as mapped on the Pinedale RMP Oil & Gas Lease Stipulation Overlay #2;

For the purpose of (reasons):

(3) protecting Sage Grouse nesting habitat.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of the stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

WYW155829

CONTROLLED SURFACE USE STIPULATION - CSU

Surface occupancy or use is subject to the following special operating contraints.

(1) The lease area may contain habitat for the threatened, endangered, candidate, or other special status plant and animal species listed below. Exploration and development proposals may be limited, or modifications required, or prohibited altogether, if activity is planned within the habitat boundaries of a threatened, endangered, candidate, or other special status plant/animal species as it then exists. Upon receipt of a site specific proposal, the authorized officer will review current inventory records of each location and may require that further localized surveys be performed to assure no threatened, endangered, candidate (category 1 or 2), proposed, or other special status species or habitat are present. (ENDANGERED SPECIES ACT OF 1973 AS AMENDED, SECTIONS 2 AND 7);

On the lands described below:

(2) entire lease;

For the purpose of:

(3) protecting Charadrius montanus (Mountain plover).

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 the stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

✓

WYW155829

CONTROLLED SURFACE USE STIPULATION - CSU

Surface occupancy or use is subject to the following special operating contraints.

(1) Surface occupancy or use between Feb 1 and Jul 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 & 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 the stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

✓

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

155829

ATTACHMENT TO EACH LEASE

NOTICE TO LESSEE

Provisions of the Mineral Leasing Act (MLA) of 1920, as amended by the Federal Coal Leasing Amendments Act of 1976, affect an entity's qualifications to obtain an oil and gas lease. Section 2(a)(2)(A) of the MLA, 30 U.S.C. 201 (a)(2)(A), requires that any entity that holds and has held a Federal coal lease for 10 years beginning on or after August 4, 1976, and who is not producing coal in commercial quantities from each such lease, cannot qualify for the issuance of any other lease granted under the MLA. Compliance by coal lessees with Section 2(a)(2)(A) is explained in 43 CFR 3472.

In accordance with the terms of this oil and gas lease, with respect to compliance by the initial lessee with qualifications concerning Federal coal lease holdings, all assignees and transferees are hereby notified that this oil and gas lease is subject to cancellation if: (1) the initial lessee as assignor or as transferor has falsely certified compliance with Section 2(a)(2)(A), or (2) because of a denial or disapproval by a State Office of a pending coal action, i.e., arms-length assignment, relinquishment, or logical mining unit, the initial lessee as assignor or as transferor is no longer in compliance with Section 2(a)(2)(A). The assignee, sublessee or transferee does not qualify as a bona fide purchaser and, thus, has no rights to bona fide purchaser protection in the event of cancellation of this lease due to noncompliance with Section 2(a)(2)(A).

Information regarding assignor, sublessor or transferor compliance with Section 2(a)(2)(A) is contained in the lease case file as well as in other Bureau of Land Management records available through the State Office issuing this lease.

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BRM (03) PRODUCERS 88-PAID UP

PLEASE
SIGN & RETURN

OIL AND GAS LEASE

AGREEMENT, made and entered into the 18th day of July, 2003, by and between **Carrol D. McIntosh, a married man dealing in his sole and separate property** whose post office address is 7597 NE 1st Street, Redmond, Oregon 97756 hereinafter called **Lessor** (whether one or more) and **Anschutz Pinedale Corporation**, 555 Seventeenth Street, Suite 2400, Denver, Colorado 80202 hereinafter called **Lessee**:

WITNESSETH, that the Lessor, for and in consideration of **Ten and more ($10.00) DOLLARS** cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the **County of Sublette, State of Wyoming** described as follows, to-wit:

All in Township 32 North, Range 108 West, 6th P.M.

299140

RECORDED Aug. 22 2003 9:10AM
IN BOOK 125 PAGE 307
FEES $11.00
COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

Section 4: SE1/4NW1/4, E1/2SE1/4

Section 9: SE1/4, E1/2W1/2, S1/2NE1/4, less and except that tract deeded to Upper Green River Cemetery District situated in part in the W1/2NE1/4SW1/4, more particularly described in Quit Claim Deeds Book 5, Page 544.

Section 10: SW1/4NW1/4, W1/3SE1/4NW1/4, W1/2SW1/4, W1/3E1/2SW1/4

Together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 671.40 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of **Five (5)** years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled, communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking or other operations for restoring production on the lease premises, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled, communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling, reworking or other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of a dry hole. If Hydrocarbons shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a **PAID-UP LEASE**. For the consideration set forth above, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. **Royalty Payment.** Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:
   (a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be **twelve and one-half percent (12.5%)** of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity;
   (b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be **twelve and one-half percent (12.5%)** of the proceeds realized by the Lessee from the sale thereof, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and
   (c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; said shut-in royalty payment shall be deemed tendered by Lessee to Lessor upon the date that Lessee deposits said royalty payment into the U.S. Mail system or any other recognized mail service; provided that if this lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipeline below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool, communitize or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of Hydrocarbons, individually or in the aggregate, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut-in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut-in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, communitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time

[redacted] NV-27[redacted]0028-AB [redacted]

[redacted] [redacted] [redacted]

to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall thereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, an event of "**Force Majeure**" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force Majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonable within Lessee's control. If Lessee's performance is affected by an event of Force Majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of Force Majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of Force Majeure.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. **Preferential Right.** If, during the term of this lease, Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute this lease as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

X Carrol D. McIntosh
Carrol D. McIntosh

ACKNOWLEDGEMENT

STATE OF Oregon)
) ss.
COUNTY OF Deschutes)

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGEMENT -- INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 25th day of July 2003, personally appeared Carrol D. McIntosh, to me known to be the identical person, described in and who executed the within and foregoing instrument of writing and acknowledged to me that he duly executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

OFFICIAL SEAL
LINDA SMITH
NOTARY PUBLIC- OREGON
COMMISSION NO. 343899
MY COMMISSION EXPIRES MAY 31, 2005

Linda Smith
Notary Public

My commission expires: 5-31-2005

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BRM (03) PRODUCERS 88-PAID UP

PLEASE
SIGN & RETURN

OIL AND GAS LEASE

AGREEMENT, made and entered into the 18th day of July, 2003, by and between **Mary Lu Matylinski, a married woman dealing in her sole and separate property** whose post office address is 203 NW High Street, Goldendale, Washington 98620 hereinafter called **Lessor** (whether one or more) and **Anschutz Pinedale Corporation**, 555 Seventeenth Street, Suite 2400, Denver, Colorado 80202 hereinafter called **Lessee**:
WITNESSETH, that the Lessor, for and in consideration of **Ten and more ($10.00) DOLLARS** cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the **County of Sublette, State of Wyoming** described as follows, to-wit:

All in Township 32 North, Range 108 West, 6th P.M.

299141

RECORDED Aug. 22 2003 9:12AM
IN BOOK 125 PAGE 309
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

Section 4: SE1/4NW1/4, E1/2SE1/4

Section 9: SE1/4, E1/2W1/2, S1/2NE1/4, less and except that tract deeded to Upper Green River Cemetery District situated in part in the W1/2NE1/4SW1/4, more particularly described in Quit Claim Deeds Book 5, Page 544.

Section 10: SW1/4NW1/4, W1/3SE1/4NW1/4, W1/2SW1/4, W1/3E1/2SW1/4

Together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing **671.40** acres, more or less.

1. It is agreed that this lease shall remain in force for a term of **Five (5)** years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled, communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking or other operations for restoring production on the lease premises, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled, communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling, reworking or other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of a dry hole. If Hydrocarbons shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.
2. This is a **PAID-UP LEASE**. For the consideration set forth above, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.
3. **Royalty Payment.** Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:
   (a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be **twelve and one-half percent (12.5%)** of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity;
   (b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be **twelve and one-half percent (12.5%)** of the proceeds realized by the Lessee from the sale thereof, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and
   (c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.
4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; said shut-in royalty payment shall be deemed tendered by Lessee to Lessor upon the date that Lessee deposits said royalty payment into the U.S. Mail system or any other recognized mail service; provided that if this lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.
5. If said Lessor owns less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.
6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.
7. When requested by Lessor, Lessee shall bury Lessee's pipeline below plow depth.
8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.
9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.
10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.
11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.
12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool, communitize or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of Hydrocarbons, individually or in the aggregate, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut-in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut-in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, communitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder

[redacted] WY-[redacted]-00018Aa [redacted]

[redacted] [redacted] [redacted]

with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall thereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, an event of "**Force Majeure**" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force Majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonable within Lessee's control. If Lessee's performance is affected by an event of Force Majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of Force Majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of Force Majeure.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. **Preferential Right**. If, during the term of this lease, Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute this lease as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

X Mary Lu Matylinski
Mary Lu Matylinski

ACKNOWLEDGEMENT

STATE OF Washington)
) ss.
COUNTY OF Klickitat)

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGEMENT -- INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 21st day of July 2003, personally appeared Mary Lu Matylinski, 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 notary seal the day and year last above written.

RONALD E. MOLINE
NOTARY PUBLIC
STATE OF WASHINGTON
COMMISSION EXPIRES
MAY 10, 2006

Ronald E. Moline
Notary Public

My commission expires: 5-10-2006

ASSIGNMENT AND BILL OF SALE
(WELLBORE ONLY)

299147

RECORDED Aug. 22 2003 1:05 P M
IN BOOK 125 O+G PAGE 311
FEES $ 20.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

STATE OF WYOMING)
§.
COUNTY OF SUBLETTE)

THIS ASSIGNMENT AND BILL OF SALE ("Assignment") is made this 11th day of August, 2003, and is effective at 12:01 a.m. MT August 1, 2003 (the "Effective Time", by and between OTTER CREEK, LLC, a Texas Limited Liability Company, with an office at P.O. Box 1557, Sealy, TX 77474 (herein called "Assignor"), and STONE ENERGY CORPORATION, a Delaware Corporation, with an office at 1801 Broadway, Suite 700, Denver, CO 80202, 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 separate designation of each said lease (the "Leases") and all of Assignor's right, title and interest in and to overriding royalty interests, carried interests, net revenue interests, net profits interests, licenses, reversionary interests, production payments, permits and other interests and agreements (the "Interests"), subject to any restrictions, exceptions, reservations, conditions, limitations, burdens, contracts, agreements, assignments and other matters of record applicable to such Leases and lands;

B. All right, title and interest of Assignor in and to all wells, including but not limited to oil, gas, injection, disposal and water wells, located on the Leases or on lands pooled therewith and described on Exhibit "A", attached hereto and made a part hereof for all purposes (the "Wells") and in all lands and leases associated with said Wells whether or not specifically described on Exhibit "A"

C. All oil, gas and other hydrocarbons ("Hydrocarbons") produced therefrom or allocated thereto saved and sold after the Effective Time.

D. All right, title and interest of Assignor in, to and under, or derived from, all contractual rights, including but not limited to, presently existing and valid oil and gas sales agreements, processing contracts, casinghead gas contracts, gas balancing agreements, gathering agreements, operating agreements, joint venture agreements, farmout agreements, farmin agreements, bottom hole agreements, acreage contribution agreements, area of mutual interest agreements, partnership agreements, rights of way, easements, surface leases, permits, salt water disposal agreements, warranties, covenants, indemnities, representations from third parties and other contracts, agreements and instruments, insofar as the same are appurtenant to the Leases, Interests or Wells;

E. All of Assignor's right, title and interest in and to all surface and subsurface equipment, supplies, machinery, signage, gathering assets, distribution and disposal facilities and tanks and all other real or tangible personal property and fixtures located on the Leases or Wells or appurtenant thereto, excluding portable tools, vehicles and other items of personal property temporarily located on the Leases or Wells;

F. 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 and communitization agreements, declarations and orders

relating to the Leases, Interests and Wells, and in and to the properties covered and the units, pools or communitized areas created thereby, which are appurtenant to the Leases, Interests and Wells;

G. To the extent the same are assignable or transferable, all of Assignor's right, title and interest in, to and under, or derived from all: (i) orders, contracts, title opinions and documents, abstracts of title, leases, deeds, unitization agreements, pooling agreements, operating agreements, division of interest statements, participation agreements, and all other agreements and instruments, easements, rights-of-way, licenses, authorizations, permits and similar rights and interests, subject to the rights of third parties (the "Related Agreements") and (ii) except as expressly provided otherwise herein, all warranties, covenants and representations from third parties and all claims, rights and causes of action against third parties, asserted or unasserted, known or unknown; related to the Leases, Interests and Wells arising from the Related Agreements; and

H. All lease files, land files, well files, division order files, abstracts, title files, seismic and geological data and other information in the possession of Assignor (the "Records") that are related to the Leases, Interests and Wells, and all rights thereto, subject to any rights retained by third parties.

All of the foregoing properties, real, personal, or mixed (contractual or otherwise) described in paragraphs A through H, above (herein called the "Properties") are 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 provisions of the subject leases and 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.

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.

3. Limited Warranty: **THIS ASSIGNMENT IS MADE WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF TITLE, THE WARRANTY OF MERCHANTABILITY OR THE WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE AND ASSIGNEE ACCEPTS THE PROPERTIES IN THEIR "AS IS, WHERE IS" CONDITION.**

4. Further Assurance. From time to time, at the request of Assignee (whether on or after the execution date hereof) and without further consideration, Assignor shall execute and deliver, or cause to be delivered, all further instruments of conveyance, assignment, and transfer (including but not limited to transfer and division orders) and take any other action as Assignee may reasonably request in order to more effectively or completely convey and transfer the Properties to Assignee in accordance with the provisions hereof and Assignor shall assist in the transfer of the Properties to the possession of Assignee. Assignor shall execute such additional forms of assignment conveying Assignor's title in the Properties as may be required to conform to governmental regulation and such assignments shall not serve to enlarge or diminish the rights herein conveyed. If any Property is incorrectly described, the description shall be corrected upon proof of proper description.

5. Governing Law: THIS ASSIGNMENT SHALL BE GOVERNED BY AND CONSTRUED UNDER THE LAWS OF THE STATE OF WYOMING.

6. 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.

7. Substitution and Subrogation: This Assignment is made with full rights of substitution and subrogation by Assignee, to the extent of the interest hereby assigned, in and to all covenants and warranties by others heretofore given or made with respect to the Properties.

8. Headings: Titles and headings in this Assignment are included solely for ease of reference and are not to be considered in interpretation or construction of this Assignment.

IN WITNESS WHEREOF the Assignor has executed this Assignment this 11th day of August, 2003 to be effective in all respects as of the Effective Time.

ASSIGNOR:

Otter Creek, LLC

By: William T. Wilson
Title: Manager

STATE OF Texas §
§
COUNTY OF Austin §

This instrument was acknowledged before me this 11th day of August, 2003, by William T. Wilson, as Manager for Otter Creek, LLC (Assignor), a Texas Limited Liability Company, on behalf of said company.

My Commission Expires:
11-10-03

Notary Public

LOIS KRENEK
NOTARY PUBLIC
State of Texas
Comm. Exp. 11-10-2003

[redacted] [redacted] [redacted]

EXHIBIT "A"

Attached to and made a part of that certain Assignment, Bill of Sale and Conveyance (Wellbore Only) by and Between Otter Creek, LLC, as Assignor and Stone Energy Corporation, as Assignee:

SUBLETTE COUNTY, WYOMING

WELL: Federal 2-24 (Bird Canyon) (SW/4SW/4 Section 24, Township 27 North, Range 112 West, 6th P.M.)

LESSOR:	USA WYW-2108
LESSEE:	Jas. O. Breene, Jr.
EFFECTIVE DATE:	11/01/1966
RECORDED:	Book 47, Page 373
LEGAL DESCRIPTION:	Township 27 North, Rang 112 West, 6th P.M. Section 24: Lots 4, 5, 12, 13 (formerly W/2W/2)
GROSS ACRES:	159.65

LESSOR:	USA WYW-61473
LESSEE:	Rainbow Resources, Inc. et al
EFFECTIVE DATE:	January 1, 1978
RECORDING DATA:	Book 59, Page 85
LEGAL DESCRIPTION:	Township 27 North, Range 112 West, 6th P.M. Section 24: Lots 6, 11, 14 (formerly SE/4NW/4, E/2SW/4)
GROSS ACRES:	119.78

THE INTEREST HEREIN CONVEYED IN THE CAPTIONED WELL IS LIMITED TO THE WELLBORE INTEREST ONLY OF THE FEDERAL 2-24 (BIRD CANYON) WELL LOCATED IN THE SW/4SW/4 OF SECTION 24, TOWNSHIP 27 NORTH, RANGE 112 WEST, 6TH P.M.

OTTER CREEK, LLC

MINUTES TO A MEETING HELD APRIL22, 2002.

In attendance:

Mark A. Chapman, Manager
William T. Wilson

Today, April 22, 2002, a meeting was held at the corporate offices located at 1205 Silliman, Sealy, Texas 77474. The following order of business was discussed:

1. Mark A. Chapman, being the sole initial Manager named in the Articles of Organization and Regulations of Otter Creek, LLC appointed William T. Wilson as Manager of the Company.

Since there was no other pertinent business to discuss, the meeting was adjourned.

Mark A. Chapman
Manager
Otter Creek, LLC

Date 4/23/02

PRODUCERS 88—PAID UP
Rev. 5-60, No. 2—4-89

Billings Blue Print
Billings, Montana

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 21st day of April, 2003., by and between

ARTCO Partnership, a general partnership

whose post office address is 120 Carrol Place, Walnut Creek, Ca. 94595, hereinafter called Lessor (whether one or more) and

E & M Oil Corp. whose post office address is PO Box 796, Billings, Mt. 59103 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and More DOLLARS, cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land

situated in the County of Sublette, State of Wyoming, described as follows, to-wit:

Township 35 North, Range 112 West, 6th PM
Section 6: Lot 7, SE¼SW¼, SW¼SE¼
Section 7: Lots 1, 2, W½NE¼, E½NW¼, NE¼SE¼

299187
299187

RECORDED Aug. 26 2003 11:25AM
IN BOOK 126 046 PAGE 316
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Easton

and containing 398.82 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of ~~ten~~ five (5) years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eight (⅛) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (⅛) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (⅛), payable monthly at the prevailing market rate for gas.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (⅛) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the said Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe lines below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions, and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particulary, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor, and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessors. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

ARTCO PARTNERSHIP
By: Charles Edward Farr
CHARLES EDWARD FARR

TAX I.D. #68-0120985

ARTCO PARTNERSHIP
By: Susan F. Armstrong
SUSAN F. ARMSTRONG, AKA SUSAN ANN FARR ARMSTRONG

ARTCO PARTNERSHIP
By: Frances F. Torrey
FRANCES F. TORREY, AKA FRANCES ALISON FARR TORREY
Frances Alison Farr Torrey

STATE OF California
COUNTY OF Los Angeles } ss.

ACKNOWLEDGEMENT — INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this July 9, 2003 day of July, 2003, personally appeared Charles Edward Free —

, to me known to be the identical person(s), described in and who executed the within and foregoing instrument of writing and acknowledged to me that he (she, they) duly executed the same as his (her, 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 July 30, 2003

Phyllis E. Vincent
Notary Public

Residing at Long Beach CA

PHYLLIS E. VINCENT
COMM. # 1227715
Notary Public - California
LOS ANGELES COUNTY
My Commission Expires July 30, 2003

STATE OF California
COUNTY OF Contra Costa } ss.

ACKNOWLEDGEMENT — INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 23rd day of July, 2003, personally appeared Frances F. Tarsey

, to me known to be the identical person(s), described in and who executed the within and foregoing instrument of writing and acknowledged to me that he (she, they) duly executed the same as his (her, 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 July 9th, 2005

Natasha Doktorova
Notary Public

Residing at Alamo, CA

NATASHA DOKTOROVA
COMM. # 1312663
NOTARY PUBLIC-CALIFORNIA
CONTRA COSTA COUNTY
COMM. EXP. JULY 9, 2005

State of ..... } ss.
County of ..... }

ACKNOWLEDGEMENT (For use by Corporation)

On this ..... day of ....., A.D. ....., before me personally appeared ....., to me personally known, who, being by me duly sworn, did say that he is the ..... of ..... and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said ..... acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this ..... day of ....., A.D. .....

(SEAL)

My Commission expires .....

.....
Notary Public

Residing at .....

No. .....

FROM

TO

Dated .....

No. Acres .....

County .....

Term .....

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

..... County Clerk.

By ..... Deputy.

When recorded return to

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of Contra Costa } ss.

On July 30, 2003 (Date) before me, M. Hathaway Notary Public (Name and Title of Officer (e.g., "Jane Doe, Notary Public"))
personally appeared Susan F. Armstrong (Name(s) of Signer(s))

☑ personally known to me
☐ proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

M. Hathaway
Signature of Notary Public

M. HATHAWAY
Commission # 1364499
Notary Public - California
San Francisco County
My Comm. Expires Jul 12, 2006

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 Contract
Document Date: April 21, 2003 Number of Pages: 2
Signer(s) Other Than Named Above: Frances F Torrey, Charles E. Farr

Capacity(ies) Claimed by Signer

Signer's Name: Susan F Armstrong

☑ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

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CORRECTION 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, the receipt of which is hereby acknowledged, did convey, transfer, assign and deliver without warranty, express or implied, under Assignment of Overriding Royalty dated January 29, 1999 and recorded in Book 110 O&G, Page 568, Sublette County, WY. unto the following parties shown below:

Gasconade Oil Company	633 17th Street, Suite 1650 Denver, Colorado 80202
The Roy H. Dubitzky Trust	6663 S. Prescott Way Littleton, Colorado 80120
Riggs Oil & Gas Corporation	P.O. Box 711 Farmington, NM 87499

WHEREAS an overriding royalty interest was assigned to the above individuals on all oil, gas and other hydrocarbon substances that may be produced, saved, and marketed from the oil and gas leases described as follows:

SEE ATTACHED EXHIBIT "A" ATTACHED TO AND MADE A PART HEREOF

WHEREAS the name of the Roy H. Dubitzky Trust needs to be corrected on said assignment of overriding royalty to properly identify the trust as per statute.

NOW THEREFORE the assignee shown on the original Assignment as The Roy Dubitzky Trust needs to be corrected to read as follows:

Roy H. Dubitzky, Trustee of the
Roy H. Dubitzky Trust dated June 28, 1994
6663 S. Prescott Way
Littleton, CO 80120

This instrument is to correct the name of said Trust only and does not effect or increase the interest conveyed, nor any of the other terms of the original Assignment of Overriding Royalty dated January 29, 1999.

WITNESS my hand on this 25th day of August 2003.

ULTRA RESOURCES INC.

Robin Benko
Attorney-in-fact

299294
299294

RECORDED Sept 2 2003 9:00AM
IN BOOK 125 046 PAGE 319
FEES $ 34.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Easton

ACKNOWLEDGEMENT

STATE OF COLORADO)
) SS
COUNTY OF DOUGLAS)

On this 25th day of August, 2003, before me personally appeared Robin Benko, to me personally known, who, being by me duly sworn, did say that she is the Land Manager and Attorney-in-fact 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 Robin Benko acknowledged said instrument to be the free act and deed of said corporation.

WITNESS my hand and seal this 25th day of August 2003.

Vicki M. Smaldone
Notary Public

My Commission Expires:

4.10.06

EXHIBIT "A"
Sublette County, Wyoming

WY-1124	WYW-06269	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 31 North, Rge 109 West Sec 13: All
WY-1125	WYW-06270	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 31 North, Rge 109 West Sec 1: Lots 1-4, S/2NW/4, NW/4SW/4 Sec 9: S/2SE/4 Sec 12: Lots 6-8, 10, S/2SE/4, NE/4SE/4, SE/4SW/4
WY-1150	WYW-143046	Twp 31 North, Rge 109 West Sec 4: Lots 1,2, S/2NE/4, SE/4 Sec 9: N/2NE/4, SW/4NE/4, NW/4SE/4, SE/4NE/4, NE/4SE/4, (excluding 4 acres in RSVR ROW WYW-020645) Sec 21: Lots 2,3,6,9, SW/4NW/4, NE/4SE/4, S/2SE/4, NW/4NW/4, (excluding 3 acres in RSVR ROW WYW-02438) Sec 22: SW/4 Sec 27: W/2NE/4, W/2, SE/4 Sec 34: N/2, E/2SW/4, SE/4
WY-1101	WYW-143374	Twp 31 North, Rge 110 West Sec 12: S/2
WY-1137	WYW-026026	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 31 North, Rge 109 West Sec 12: Lot 9 and the bed of the New Fork River riparian to, Lot 1 of Sec 11; and Lots 8-10 of Sec 12
WY-1179	WYW-124623	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 31 North, Rge 109 West Sec 32: Lot 5, SW/4NE/4, W/2, W/2SE/4
WY-1178	WYW-125139	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 31 North, Rge 109 West Sec 29: W/2NE/4, W/2
WY-1127	WYW-06286	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 32 North, Rge 109 West Sec 33: E/2
WY-1167	WYW-143659	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 31 North, Rge 108 West Sec 25: NE/4, S/2NW/4, SW/4
WY-1128	WYW-06933	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 30 North, Rge 108 West Sec 5: All
WY-1123	WYW-015314	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 30 North, Rge 108 West Sec 8: S/2 Sec 9: S/2
WY-1133	WYW-016161	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 30 North, Rge 108 West Sec 12: All
WY-1088	WYW-113414	Twp 30 North, Rge 109 West Sec 13: NE/4, NW/4NW/4

[redacted] [redacted] [redacted]

EXHIBIT "A"
Sublette County, Wyoming

WY-1338	WYW-107042	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 30 North, Rge 108 West Sec 30: Lots 1-4, E/2W/2, E/2
WY-1160	WYW-143652	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 30 North, Rge 107 West Sec 4: Lots 1-4, S/2N/2, S/2 Sec 9: All
WY-1161	WYW-143653	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 30 North, Rge 107 West Sec 5: Lots 1-4, S/2N/2, SE/4
WY-1132	WYW-016158	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 30 North, Rge 108 West Sec 25: All
WY-1156	WYW-143655	Twp 30 North, Rge 108 West Sec 1: Lt 1, SE/4NE/4

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CORRECTION 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, the receipt of which is hereby acknowledged, did convey, transfer, assign and deliver without warranty, express or implied, under Assignment of Overriding Royalty dated August 5, 1998 and recorded in Book 109 O&G, Page 437, Sublette County, WY. unto the following parties shown below:

Gasconade Oil Company	633 17th Street, Suite 1650 Denver, Colorado 80202
The Roy H. Dubitzky Trust	6663 S. Prescott Way Littleton, Colorado 80120
Riggs Oil & Gas Corporation	P.O. Box 711 Farmington, NM 87499

WHEREAS an overriding royalty interest was assigned to the above individuals on all oil, gas and other hydrocarbon substances that may be produced, saved, and marketed from the oil and gas leases described as follows:

Lessor:	USA WYW-144994
Lease Date:	7/1/51
Lands Covered:	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Township 30 North, Range 108 West Section 8: N/2 Township 31 North, Range 108 West Section 30: E/2 Section 32: W/2

WHEREAS the name of the Roy H. Dubitzky Trust needs to be corrected on said assignment of overriding royalty to properly identify the trust as per statute.

NOW THEREFORE the assignee shown on the original Assignment as The Roy Dubitzky Trust needs to be corrected to read as follows:

Roy H. Dubitzky, Trustee of the
Roy H. Dubitzky Trust dated June 28, 1994
6663 S. Prescott Way
Littleton, CO 80120

This instrument is to correct the name of said Trust only and does not effect or increase the interest conveyed, nor any of the other terms of the original Assignment of Overriding Royalty dated August 5, 1998.

WITNESS my hand on this 25th day of August 2003.

299295

RECORDED Sept 2 2003 9:00 AM
IN BOOK 125 OF 6 PAGE 323
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy

ULTRA RESOURCES INC.

Robin Benko
Attorney-in-fact

ACKNOWLEDGEMENT

STATE OF COLORADO)
) SS
COUNTY OF DOUGLAS)

On this 25th day of August, 2003, before me personally appeared Robin Benko, to me personally known, who, being by me duly sworn, did say that she is the Land Manager and Attorney-in-fact 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 Robin Benko acknowledged said instrument to be the free act and deed of said corporation.

WITNESS my hand and seal this 25th day of August 2003.

Notary Public

My Commission Expires:

4-10-06

CORRECTION 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, the receipt of which is hereby acknowledged, did convey, transfer, assign and deliver without warranty, express or implied, under Assignment of Overriding Royalty dated May 5, 1998 and recorded in Book 107 O&G, Page 672, Sublette County, WY unto the following parties shown below:

Gasconade Oil Company	633 17th Street, Suite 1650 Denver, Colorado 80202
The Roy H. Dubitzky Trust	6663 S. Prescott Way Littleton, Colorado 80120
Riggs Oil & Gas Corporation	P.O. Box 711 Farmington, NM 87499

WHEREAS an overriding royalty interest was assigned to the above individuals on all oil, gas and other hydrocarbon substances that may be produced, saved, and marketed from the oil and gas leases described as follows:

Lessor:	USA WYW-016162
Lessee:	Paul D. Helmig
Lease Date:	7/1/52
Lands Covered:	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: 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 27: E/2, E/2W/2

WHEREAS the name of the Roy H. Dubitzky Trust needs to be corrected on said assignment of overriding royalty to properly identify the trust as per statute.

NOW THEREFORE the assignee shown on the original Assignment as The Roy Dubitzky Trust needs to be corrected to read as follows:

Roy H. Dubitzky, Trustee of the
Roy H. Dubitzky Trust dated June 28, 1994
6663 S. Prescott Way
Littleton, CO 80120

This instrument is to correct the name of said Trust only and does not effect or increase the interest conveyed, nor any of the other terms of the original Assignment of Overriding Royalty dated May 5, 1998.

WITNESS my hand on this 25th day of August 2003.

299296

ULTRA RESOURCES INC.

RECORDED Sept 2 2003 9:00 A.M.
IN BOOK 125 O+G PAGE 325
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Soto

Robin Benko
Attorney-in-fact

[redacted] [redacted] [redacted]

ACKNOWLEDGEMENT

STATE OF COLORADO)
) SS
COUNTY OF DOUGLAS)

On this 25th day of August, 2003, before me personally appeared Robin Benko, to me personally known, who, being by me duly sworn, did say that she is the Land Manager and Attorney-in-fact 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 Robin Benko acknowledged said instrument to be the free act and deed of said corporation.

WITNESS my hand and seal this 25th day of August 2003.

Vicki M. Smaldone
Notary Public

My Commission Expires:

4-10-06

CORRECTION 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, the receipt of which is hereby acknowledged, did convey, transfer, assign and deliver without warranty, express or implied, under Assignment of Overriding Royalty dated October 6, 1998 and recorded in Book 109 O&G, Page 396, Sublette County, WY unto the following parties shown below:

Gasconade Oil Company	633 17th Street, Suite 1650 Denver, Colorado 80202
The Roy H. Dubitzky Trust	6663 S. Prescott Way Littleton, Colorado 80120
Riggs Oil & Gas Corporation	P.O. Box 711 Farmington, NM 87499

WHEREAS an overriding royalty interest was assigned to the above individuals on all oil, gas and other hydrocarbon substances that may be produced, saved, and marketed from the oil and gas leases described as follows:

Lessor:	USA WYW-015314
Lease Date:	6/1/52
Lands Covered:	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Township 30 North, Range 108 West Section 14: SW/4 Section 15: All Section 17: N/2 Section 22: NE/4 Section 23: NW/4
Lessor:	USA WYW-016161
Lease Date:	7/1/52
Lands Covered:	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Township 30 North, Range 108 West Section 13: All Section14:NE/4,N/2SE/4, SE/4SE/4, NE/4NW/4, S/2NW/4 Section 24: All

WHEREAS the name of the Roy H. Dubitzky Trust needs to be corrected on said assignment of overriding royalty to properly identify the trust as per statute.

NOW THEREFORE the assignee shown on the original Assignment as The Roy Dubitzky Trust needs to be corrected to read as follows:

Roy H. Dubitzky, Trustee of the
Roy H. Dubitzky Trust dated June 28, 1994
6663 S. Prescott Way
Littleton, CO 80120

This instrument is to correct the name of said Trust only and does not effect or increase the interest conveyed, nor any of the other terms of the original Assignment of Overriding Royalty dated October 6, 1998.

299297

RECORDED Sept. 2 2003 9:00A M
IN BOOK 250 G PAGE 327
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Seaton

WITNESS my hand on this 25th day of August 2003.

ULTRA RESOURCES INC.

Robin Benko
Attorney-in-fact

ACKNOWLEDGEMENT

STATE OF COLORADO)
) SS
COUNTY OF DOUGLAS)

On this 25th day of August, 2003, before me personally appeared Robin Benko, to me personally known, who, being by me duly sworn, did say that she is the Land Manager and Attorney-in-fact 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 Robin Benko acknowledged said instrument to be the free act and deed of said corporation.

WITNESS my hand and seal this 25th day of August 2003.

Vicki M. Maddox
Notary Public

My Commission Expires:

4.10.06

329

CORRECTED 299313 299313
ASSIGNMENT AND BILL OF SALE

RECORDED Sept. 2 20 93 3:50 PM
IN BOOK 125 016 PAGE 329
FEES $ 38.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Saxton

This Assignment and Bill of Sale ("Assignment") is entered into by and between OLIVE OIL, L.C., a Kansas limited liability company, 300 W. Douglas, Suite 1000, Wichita, Kansas 67202 (hereinafter referred to as "Assignor"), and STATES, INC., a Texas corporation, P. O. Box 911, Breckenridge, Texas 76424-0911 (hereinafter referred to as "Assignee").

WITNESSETH:

WHEREAS, Assignor, subject to the provisions, terms and conditions herein contained, does hereby agree to sell and Assignee does hereby agree to purchase all rights, titles and interests owned, held or claimed by Assignor including, without limitation, leasehold interests, royalty, overriding royalty, production payments, fee mineral interests, tax credits of any kind, rights to claim revenues or gas resulting from any under-production attributable to the Sale Interest, and other interests of every kind whatsoever, in and to the Oil and Gas Leases situated in the states of Colorado, Montana, North Dakota, South Dakota, Nebraska and Wyoming, more fully specified and described in Exhibits "A" (geographical descriptions) and "B" (schedule of gross working interests and net revenue interests) attached hereto and made a part hereof, which shall be not more than the working interests and not less than the revenue interests in and to the wells and leases described in said Exhibit "B" (hereinafter referred to as "the Subject Leases" and "the Subject Wells").

NOW, THEREFORE, for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration in hand paid by Assignee, the receipt and sufficiency of which are hereby acknowledged, Assignor does hereby GRANT, BARGAIN, SELL, CONVEY, ASSIGN, TRANSFER, SET OVER AND DELIVER to Assignee, its successors and assigns, effective as of 7:00 a.m. C.S.T. on August 1, 1995, or at such other time on such day which is consistent with the contracts for the sale of production from the Subject Leases ("Effective Time"), the following properties and rights:

(a) The interests of Assignor in and to the oil and gas leases, leasehold interests and oil and gas wells described in Exhibits "A" and "B", including any reversionary interests applicable to such interests; and

(b) The interests of Assignor in, to and under, or by virtue of or derived from, all property and rights incident to the Subject Leases and the Subject Wells, including, but not limited to, (i) all rights and privileges conferred upon the owner of the Subject Leases with respect to the use and occupancy of the surface and subsurface depths under the land assigned hereunder which may be necessary or convenient to the possession and enjoyment thereof; (ii) all rights in and to any pooled or communitized or unitized acreage by virtue of the interests herein assigned being included in any such pooling, communitization or unitization agreement; (iii) all rights in and to all agreements and contractual rights, easements, rights-of-way, servitudes and other estates which relate to the Subject Leases and the Subject Wells, and including, without limitation, all rights in, to and under or derived from all production sales contracts, operating agreements, purchase, exchange and processing contracts and agreements, surface leases, permits, licenses, options, spacing, pooling and other orders of any governmental agencies, and all other contracts, agreements and instruments attributable or appurtenant to the Subject Leases and Subject Wells, or the production, storage, treatment, transportation, processing, sale or disposal of oil, gas or other hydrocarbons or minerals, water or other substances therefrom; (iv) all tenements, hereditaments and appurtenances belonging to such properties; and (v) all of the real and personal property located on, or used in the operation of, the Subject Leases or land pooled therewith and the Subject Wells, including, without limitation, any salt water disposal or injection wells, gas injection wells, well equipment, casing, tanks, buildings, tubing, rods, pumps, motors, fixtures, machinery and other equipment, compressors, flow lines, power lines, telephone and telegraph lines, roads and other improvements used in the operation of the Subject Leases and Subject Wells.

all of said property being hereinafter referred to collectively as the "Purchased Properties."

TO HAVE AND TO HOLD, all and singular, the Purchased Properties unto the Assignee, its successors and assigns, subject to the following terms and provisions:

ARTICLE I
ASSUMPTION OF OBLIGATIONS

1.1 The interests assigned hereby are subject to the lease royalties, overriding royalties, production payments, net profits obligations, carried working interests and other payments out of

254024

RECORDED Sept. 22 1995 1:45 PM
IN BOOK 109 MG PAGE 245
FEES 22.00 COUNTY CLERK
SUBLETTE COUNTY CLERK
By Cathy Saxton

4r

or with respect to production which are of record and with which the Subject Leases are encumbered at the Effective Time hereof. Assignee hereby assumes and agrees to perform all of the terms and express and implied covenants and conditions of the Subject Leases and any intervening assignments affecting same at the Effective Time.

1.2 This Assignment is expressly made subject to the terms and express and implied covenants and conditions of (i) that certain unrecorded Purchase and Sale Agreement dated August 25, 1995, between Assignor and Assignee, which by reference is incorporated herein; (ii) all instruments, contracts and agreements affecting the Subject Leases and Subject Wells or the production therefrom which are of record in the county and state in which the Subject Leases and Subject Wells are located, and Assignee hereby assumes and agrees to perform said terms and express and implied covenants and conditions, on and after the Effective Time hereof. All of the terms and obligations of the Purchase and Sale Agreement shall survive the closing of this transaction.

1.3 Assignee hereby assumes and agrees to timely perform and discharge all duties and obligations of the owner of the Subject Leases and Subject Wells accruing on and after the Effective Time hereof, including, but not limited to, the obligation to properly plug and abandon the Subject Wells, at Assignee's sole cost, risk and expense, in accordance with the applicable rules and regulations of any authority having jurisdiction thereover. Assignor shall incur no liability from Assignee's failure to perform and discharge such duties and obligations in a timely manner. Assignee agrees to defend, indemnify and hold Assignor, its successors and assigns, harmless against any and all losses, claims, damages, demands, suits, causes of action and liability (including reasonable attorney's fees and costs of investigation and defense associated therewith) relating to all such duties and obligations.

ARTICLE II
TAXES

All taxes, including, but not limited to, applicable ad valorem taxes, excise taxes, severance and production taxes, and any other local, state or federal taxes or assessments attributable to the Subject Leases and Subject Wells, including any deductions, credits and refunds pertaining thereto, shall be apportioned between Assignor and Assignee as of the Effective Time, and Assignor and Assignee shall each indemnify and hold the other free and harmless from and against any such taxes as apportioned, including interest and penalties thereon.

ARTICLE III
LIABILITIES AND RISK OF LOSS

3.1 Assignor shall be responsible for all costs, expenses, losses, claims, damages, demands, suits, causes of action and liabilities pertaining to the Subject Leases and Subject Wells (and the operation thereof) which occurred prior to the Effective Date hereof. Assignor shall defend, indemnify and hold Assignee, its successors and assigns, harmless against the same, including any costs and expenses for reasonable attorney's fees.

3.2 Assignee shall be responsible for all costs, expenses, losses, claims, damages, demands, suits, causes of action and liabilities pertaining to the Subject Leases and Subject Wells (and the operation thereof) which occur after the Effective Date hereof. Assignee shall defend, indemnify and hold Assignor, its successors and assigns, harmless against the same, including any costs and expenses for reasonable attorney's fees.

ARTICLE IV
ACCOUNTING FOR EXPENSES AND PROCEEDS

All costs and expenses attributable to operations on the Purchased Properties prior to the Effective Time shall be borne by Assignor, and all costs and expenses attributable to such operations on or after the Effective Time shall be borne by Assignee. All proceeds from production on the Purchased Properties attributable to sales made prior to the Effective Time shall belong to Assignor, and all proceeds attributable to such sales made on or after the Effective Time shall belong to Assignee. An accounting for all production, proceeds, costs and expenses belonging to or being borne by Assignor or Assignee shall be completed and all remittances and payments thereof shall be made within sixty (60) days following the closing date. Following such accounting, any funds received by, or costs or expenses billed to, either party that belong to or should be borne by the other party, shall be promptly paid to or remitted by such other party. In the accounting adjustments, Seller will retain and be entitled to payment for Seller's interest in the marketable oil above the pipeline connection in the storage tanks as of the Effective Date.

ARTICLE V
WARRANTY

Seller agrees to bind itself, its successors, legal representatives and assigns, to warrant and forever defend all and singular the properties, rights and interests conveyed unto Buyer, its successors and assigns, forever against every person whomsoever claiming by, through or under Seller but not otherwise. All personal property is to be conveyed and assigned to and accepted by Buyer in its "as is, where is" condition and state of repair, and with all faults and defects, without any representation, warranty or covenant of any kind or nature express, implied or statutory, including, but not limited to, warranties of marketability, quality, condition, merchantability and/or fitness for a particular purpose, all of which are expressly disclaimed.

ARTICLE VI
APPLICABLE LAWS

This Assignment is made by Assignor and accepted by Assignee subject to all applicable laws, ordinances, rules and regulations, and Assignee agrees to timely comply with same.

ARTICLE VII
FURTHER ASSURANCES

Assignor and Assignee and their respective successors and assigns, will do, execute, acknowledge and deliver all further acts, conveyances (including State and Federal assignments), transfer orders, division orders, notices, releases and acquittances and such other instruments as may be necessary or appropriate to assure more fully to Buyer that it has acquired good title to the Subject Leases and the Subject Wells intended to be conveyed hereunder.

ARTICLE VIII
COUNTERPART EXECUTION

This Assignment is prepared in several identical counterparts. Execution of a counterpart hereof shall have the same force and effect as execution of the original. The counterparts to be filed for record in the various counties will include only that portion of Exhibits "A" and "B" pertaining to the Subject Leases and Subject Wells located in that particular county. A complete copy of this Assignment and complete Exhibits "A" and "B" are available for examination in the offices of Assignee.

ARTICLE IX
INUREMENT

All of the terms, provisions, covenants and agreements herein contained shall extend to and be binding upon the parties hereto, their respective legal representatives, successors and assigns, and such terms, covenants and conditions shall be covenants running with the Subject Leases and the land herein described and with each transfer or assignment of said land and Subject Leases.

IN WITNESS WHEREOF, this Assignment, or a counterpart hereof, is executed on this 7th day of September, 1995.

ASSIGNOR
OLIVE OIL, L.C.

By: _____
President

ASSIGNEE
STATES, INC.

By: _____
President

LE11/a5.CRA
082895.at

[redacted] [redacted] [redacted]

Acknowledgment

THE STATE OF KANSAS)

COUNTY OF SEDGWICK)

The foregoing instrument was acknowledged before me, a Notary Public, on the 7th day of September, 1995, by ROBERT A. PAGE, President of OLIVE OIL, L.C., a Kansas limited liability company, on behalf of said company, and by JOHN H. CONNALLY, President of STATES, INC., a Texas corporation, on behalf of said corporation.

RENE' O. NICHOLS
NOTARY PUBLIC
STATE OF KANSAS
My Appt. Exp. 3/5/97

Rene O. Nichols
Notary Public in and for _____

EXHIBIT "A"

Fogarty Creek Unit

SYSTEM LEASE & REFERENCE NO.	LESSOR NAME	ORIGINAL LESSEE NAME	LEASE DATE EXP.DATE	BOOK COUNTY	PAGE	GROSS ACREAGE	NET ACREAGE
810700 0810700	WYOMING STATE LAND AND FARM LOAN OFFICE	ETTA MANDEL	3/02/66 3/02/76	SERIAL SUBLETTE	#66-5165 CO., WY.	640.0000	640.0000
	LEGAL DESCRIPTION ALL 16-28N-114W FROM SURFACE TO 100' BELOW T.D. OF FOGARTY CREEK #2-16						
0920800 0920800	U. S. DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT	THOMAS HALAGAN	1/01/74 1/01/84	SERIAL SUBLETTE	#W-42791 CO., WY.	266.6500	266.6500
	LEGAL DESCRIPTION 28N-114W - LOTS 7, 8 & 12 SEC. 5; N/2 NW/4, SE/4 NW/4 & NE/4 SW/4 SEC. 21 AS TO ALL RIGHTS ABOVE 9,630'						
924300 0924300	U. S. DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT	J. E. JOUJON-ROCHE	4/01/68 4/01/78	SERIAL SUBLETTE	#11603 CO., WY.	160.0000	160.0000
	LEGAL DESCRIPTION NE/4 21-28N-114W FROM SURFACE TO 100' BELOW T.D. FOGARTY CREEK #2-16						
927400 0927400	U. S. DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT	ZAREPHA DOBBINS	12/01/75 12/01/85	SERIAL SUBLETTE	#52811 CO., WY.	160.0000	160.0000
	LEGAL DESCRIPTION NW/4 22-28N-114W ALL RIGHTS ABOVE 9,630'						
1287401 1287401	U. S. DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT	JOHN P. ELLBOGEN	12/01/67 12/01/77	SERIAL SUBLETTE	#9578 CO., WY.	1360.0000	1360.0000
	LEGAL DESCRIPTION 28N-114W - W/2 SEC. 3; NW/4 & E/2 SEC. 4; NE/4 SEC. 5; S/2 NW/4 & NE/4 SEC. 9; NW/4 SEC. 10 [illegible] FROM SURFACE DOWN TO 8,838'						
1708000 1708000	U. S. DEPARTMENT OF INTERIOR	DONALD B. ANDERSON	10/01/64 10/01/74	38 SUBLETTE	373 CO., WY.	567.6200	567.6200

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EXHIBIT "A"

SYSTEM LEASE & REFERENCE NO.	LESSOR NAME / LEGAL DESCRIPTION	ORIGINAL LESSEE NAME	LEASE DATE / EXP.DATE	BOOK / COUNTY	PAGE	GROSS ACREAGE	NET ACREAGE
	BUREAU OF LAND MANAGEMENT LEGAL DESCRIPTION 28N-114W - LOTS 9, 10 & 16 SEC. 5; LOTS 10, 11, 12, 13, 14, 16, 17, 18, 19 & 20 SEC. 8; W/2 SW/4 & SE/4 SW/4 SEC. 21 FROM SURFACE TO 8,010'						
1924200 4200	U. S. DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT	PHILADEPHIA OIL CO. OF CALIF.	11/01/66 11/01/76	SERIAL SUBLETTE	#2120 CO., WY.	320.0000	320.0000
	LEGAL DESCRIPTION W/2 15-28N-114W FROM SURFACE TO 100' BELOW T.D. OF FOGARTY CREEK #2-16						
1924400 1924400	U. S. DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT	JOHN A. YATES	11/01/65 11/01/77	SERIAL SUBLETTE	#0320214 CO., WY.	1302.0400	1302.0400
	LEGAL DESCRIPTION 29N-114W - LOTS 1, 2, 3 & 4, N/2 S/2 & N/2 SEC. 34; LOTS 1, 2, 3 & 4, N/2 S/2 & N/2 SEC. 35 ALL DEPTHS ABOVE 9,630'						
1934000 1934000	U. S. DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT	GEORGE C. REEVES	11/01/65 11/01/75	SERIAL SUBLETTE	#0320213 CO., WY.	1413.6000	1413.6000
	LEGAL DESCRIPTION 28N-114W - LOTS 1, 2, 3 & 5-20 SEC. 17; LOTS 1-20 SEC. 20 FROM SURFACE TO 8,010'						
1934100 1934100	U. S. DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT	HUMBLE OIL & REFINING COMPANY	4/01/66 4/01/76	SERIAL SUBLETTE	#0322610 CO., WY.	200.1300	200.1300
	LEGAL DESCRIPTION LOT 4 17-28N-114W; NW/4 12-28N-115W FROM SURFACE TO 8,010'						
1934200 1934200	U. S. DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT	ETTA MANDEL	2/01/66 2/01/76	SERIAL SUBLETTE	#0322083 CO., WY.	1092.8000	1092.8000
	LEGAL DESCRIPTION						

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EXHIBIT "A"

SYSTEM LEASE & REFERENCE NO.	LESSOR NAME	ORIGINAL LESSEE NAME	LEASE DATE EXP.DATE	BOOK COUNTY	PAGE	GROSS ACREAGE	NET ACREAGE
	LOTS 5-8, S/2 SEC. 1; E/2 SEC. 12; E/2 SEC. 13-28N-115W SURFACE TO 8010'						
1934300 1934300	U. S. DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT	HUMBLE OIL & REFINING COMPANY	12/01/65 12/01/75	SERIAL SUBLETTE	#036055 CO., WY.	160.0000	160.0000
	LEGAL DESCRIPTION						
	SW/4 12-28N-115W SURFACE TO 8,010'						
2933900 2933900	U. S. DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT	HUMBLE OIL & REFINING COMPANY	7/01/67 7/01/77	SERIAL SUBLETTE	#6317 CO., WY.	40.0000	40.0000
	LEGAL DESCRIPTION						
	LOT 11 5-28N-114W FROM SURFACE TO 8,010'						

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EXHIBIT "B"

Attached to Assignment and Bill of Sale
from Olive Oil, L.C. to States, Inc.

STATE OF WYOMING
COUNTY OF SUBLETTE

No.	Lease Name	Operator	Working Interest	Net Revenue Interest
2872	Fogarty Creek Unit	Exxon	.05378720	.04263900
2881	Fogarty	Belco Dev.	.03877970	
7080	Pine Grove	Belco Dev.	.07237810	
8107	Wyo St 66-5165	Howell	.08617720	
9208	Wyo 42791	Dyco Pet.	.11490290	
9242	Wyo 2129 Tr A		.05170630	
9243	Wyo 11603		.05170640	
9244	Wyo 0320214	Yates Pet.	.05745150	
9270	Wyo 9578		.05745150	
9274	Wyo 52811		.08617720	
9338	Wyo 03116	Dyco Pet.	.05745150	
9339	Wyo 6317	Dyco Pet.	.05745150	
9340	Wyo 0320213	Howell	.05745130	
9341	Wyo 0322610	Dyco Pet.	.05745150	
9342	Wyo 0322083	Dyco Pet.	.05745150	
9343	Wyo 036055	Dyco Pet.	.05745150	

OFFICER'S CERTIFICATE

The undersigned, Toni Wiggins, does hereby certify that she is the Assistant Secretary of Olive Oil, L.C., a Kansas limited liability company, and further certifies that as such she has the authority to execute the corrective assignment, a copy of which is attached hereto as Exhibit A.

Toni Wiggins, Assistant Secretary

STATE OF KANSAS)
)ss:
COUNTY OF SEDGWICK)

This certificate was acknowledged before me this 21st day of August, 2003, by Toni Wiggins, Assistant Secretary of Olive Oil, L.C., a Kansas limited liability company, on behalf of said company.

STEPHANIE L. MAHONEY
NOTARY PUBLIC
STATE OF KANSAS
My Appt Exp. Aug. 26, 2004

Notary Public, State of Kansas

CORRECTED

ASSIGNMENT OF OIL AND GAS LEASE(S)

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned PETROLEUM, INC. (1300 Epic Center, 301 N. Main, Wichita, KS 67202), is the owner of an undivided interest in and to the Oil and Gas Lease(s) as described on the Exhibit 'A' attached to and made a part of this Assignment of Oil and Gas Lease(s).

NOW THEREFORE, for and in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned PETROLEUM, INC., hereinafter referred to as Assignor, does hereby assign, transfer and set over a portion of Assignor's interest in and to the Oil and Gas Lease(s) described on the attached Exhibit 'A' unto the Assignees set out on the SCHEDULE OF ASSIGNEES AND PERCENT OF INTEREST, attached hereto and made a part hereof, together with the rights incident thereto and all producing wells, service wells and related facilities, including all casing, pipe, tanks, equipment, materials and other personal property therein, thereon, appurtenant thereto or used or obtained in connection therewith, together with all oil, gas and other hydrocarbons produced from the lease(s) and/or the unit to which said lease(s) is attributed.

The lease acreage covered hereby is assigned by the Assignor and accepted by the Assignees subject to the overriding royalties and/or other burdens out of or with respect to production with which said lease acreage is encumbered, and subject to the terms of any agreements under which it may have been acquired by Assignor and the Assignees hereby assume and agree to pay their proportionate part of each of said overriding royalties and/or other burdens to the extent that they are or remain a burden on the lease acreage herein assigned and to comply with the terms of any agreements under which the lease acreage may have been acquired.

In the event the Oil and Gas Lease(s) and land herein assigned cover less than the entire oil, gas and mineral leasehold estate, or in the event all or any portion of the leases are pooled with other leases in a properly-formed producing unit, then the interests herein assigned shall be reduced proportionately on a net acreage basis. In the event production has been obtained prior to the date of this Assignment on any of the leases herein assigned, the effective date of this Assignment shall be the date of first production from the producing lease or leases.

The provisions hereof shall be considered and construed as covenants running with the leasehold estate and shall be available to and binding upon the respective heirs, administrators, successors and assigns as to the Assignor and the Assignees herein.

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

EXECUTED this 21st day of December, 1994.

PETROLEUM, INC.

By _____
Carol S. Frazier, Attorney-in-Fact

251029

RECORDED Feb. 14 1995 9:30a M
IN BOOK 100 Dr 6 PAGE 492
FEES $ 14.00 _____ COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Sexton

STATE OF KANSAS)
) SS:
SEDGWICK COUNTY)

The foregoing instrument was executed/acknowledged before me this 21st day of December, 1994 by Carol S. Frazier, Attorney-in-Fact for PETROLEUM, INC., a Kansas corporation, on behalf of said corporation.

My Commission Expires: 5-11-98

_____
Notary Public

SHERRY FRASER
NOTARY PUBLIC
STATE OF KANSAS
My Appt. Exp. 5-11-98

SHERRY FRASER
c/o Petroleum, Inc.
1300 Epic Center
301 N. Main
Wichita, KS 67202

299314

RECORDED Sept. 2 2003 3:50p M
IN BOOK 125 Dr 6 PAGE 338
FEES $ 26.00 _____ COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sexton

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ATTACHED TO AND MADE A PART OF ASSIGNMENT OF OIL AND GAS LEASE(S)

ASSIGNOR: PETROLEUM, INC.

SCHEDULE OF ASSIGNEES AND PERCENT OF INTEREST

NAME OF ASSIGNEE	INTEREST
OLIVE OIL L.C. 300 W. Douglas Suite 1000 Wichita, KS 67202	45.961208
JACK J. KORFF	0.108948
CHARLES B. WEST	2.178808
J. THOMAS LESNAU, JOHN R. THOMAS, JR. AND JAMES E. THOMAS, TRUSTEES OF THE JOHN RUSSELL THOMAS DISCLAIMER TRUST	0.217898

Fogarty Creek Unit

SYSTEM LEASE & REFERENCE NO.	LESSOR NAME	ORIGINAL LESSEE NAME	LEASE DATE EXP.DATE	BOOK COUNTY	PAGE	GROSS ACREAGE	NET ACREAGE
810700 0810700	WYOMING STATE LAND AND FARM LOAN OFFICE	ETTA MANDEL	3/02/66 3/02/76	SERIAL SUBLETTE	#66-5165 CO., WY.	640.0000	640.0000
	LEGAL DESCRIPTION						
	ALL 16-28N-114W FROM SURFACE TO 100' BELOW T.D. OF FOGARTY CREEK #2-16						
[illegible]800 0[illegible]800	U. S. DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT	THOMAS HALAGAN	1/01/74 1/01/84	SERIAL SUBLETTE	#W-42791 CO., WY.	266.6500	266.6500
	LEGAL DESCRIPTION						
	28N-114W - LOTS 7, 8 & 12 SEC. 5; N/2 NW/4, SE/4 NW/4 & NE/4 SW/4 SEC. 21 AS TO ALL RIGHTS ABOVE 9,630'						
924300 0924300	U. S. DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT	J. E. JOUJON-ROCHE	4/01/68 4/01/78	SERIAL SUBLETTE	#11603 CO., WY.	160.0000	160.0000
	LEGAL DESCRIPTION						
	NE/4 21-28N-114W FROM SURFACE TO 100' BELOW T.D. FOGARTY CREEK #2-16						
927400 0927400	U. S. DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT	ZAREPHA DOBBINS	12/01/75 12/01/85	SERIAL SUBLETTE	#52811 CO., WY.	160.0000	160.0000
	LEGAL DESCRIPTION						
	NW/4 22-28N-114W ALL RIGHTS ABOVE 9,630'						
1287401 1287401	U. S. DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT	JOHN P. ELLBOGEN	12/01/67 12/01/77	SERIAL SUBLETTE	#9578 CO., WY.	1360.0000	1360.0000
	LEGAL DESCRIPTION						
	28N-114W - W/2 SEC. 3; NW/4 & E/2 SEC. 4; NE/4 SEC. 5; S/2 NW/4 & NE/4 SEC. 9; NW/4 SEC. 10 ~~BELOW 8,630'~~ FROM SURFACE DOWN TO 8,838' TLB						
1708000 1708000	U. S. DEPARTMENT OF INTERIOR	DONALD B. ANDERSON	10/01/64 10/01/74	38 Serial #0231167 373 SUBLETTE	CO., WY.	567.6200	567.6200

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SYSTEM LEASE & REFERENCE NO.	LESSOR NAME	ORIGINAL LESSEE NAME	LEASE DATE EXP.DATE	BOOK COUNTY	PAGE	GROSS ACREAGE	NET ACREAGE
	BUREAU OF LAND MANAGEMENT						
	LEGAL DESCRIPTION						
	28N-114W - LOTS 9, 10 & 16 SEC. 5; LOTS 10, 11, 12, 13, 14, 16, 17, 18, 19 & 20 SEC. 8; W/2 SW/4 & SE/4 SW/4 SEC. 21 FROM SURFACE TO 8,010'						
1924200 1924200	U. S. DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT	PHILADEPHIA OIL CO. OF CALIF.	11/01/66 11/01/76	SERIAL SUBLETTE	#2120 CO., WY.	320.0000	320.0000
	LEGAL DESCRIPTION						
	W/2 15-28N-114W FROM SURFACE TO 100' BELOW T.D. OF FOGARTY CREEK #2-16						
1924400 1924400	U. S. DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT	JOHN A. YATES	11/01/65 11/01/77	SERIAL SUBLETTE	#0320214 CO., WY.	1302.0400	1302.0400
	LEGAL DESCRIPTION						
	29N-114W - LOTS 1, 2, 3 & 4, N/2 S/2 & N/2 SEC. 34; LOTS 1, 2, 3 & 4, N/2 S/2 & N/2 SEC. 35 ALL DEPTHS ABOVE 9,630'						
1934000 1934000	U. S. DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT	GEORGE C. REEVES	11/01/65 11/01/75	SERIAL SUBLETTE	#0320213 CO., WY.	1413.6000	1413.6000
	LEGAL DESCRIPTION						
	28N-114W - LOTS 1, 2, 3 & 5-20 SEC. 17; LOTS 1-20 SEC. 20 FROM SURFACE TO 8,010'						
1934100 1934100	U. S. DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT	HUMBLE OIL & REFINING COMPANY	4/01/66 4/01/76	SERIAL SUBLETTE	#0322610 CO., WY.	200.1300	200.1300
	LEGAL DESCRIPTION						
	LOT 4 17-28N-114W; NW/4 12-28N-115W FROM SURFACE TO 8,010'						
1934200 1934200	U. S. DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT	ETTA MANDEL	2/01/66 2/01/76	SERIAL SUBLETTE	#0322083 CO., WY.	1092.8000	1092.8000
	LEGAL DESCRIPTION						

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SYSTEM LEASE & REFERENCE NO.	LESSOR NAME	ORIGINAL LESSEE NAME	LEASE DATE EXP.DATE	BOOK COUNTY	PAGE	GROSS ACREAGE	NET ACREAGE
	LOTS 5-8, S/2 SEC. 1; E/2 SEC. 12; E/2 SEC. 13-28N-115W SURFACE TO 8010'						
1934300 1934300	U. S. DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT	HUMBLE OIL & REFINING COMPANY	12/01/65 12/01/75	SERIAL SUBLETTE	#036055 CO., WY.	160.0000	160.0000
	LEGAL DESCRIPTION						
	SW/4 12-28N-115W SURFACE TO 8,010'						
2[illegible]3900 2933900	U. S. DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT	HUMBLE OIL & REFINING COMPANY	7/01/67 7/01/77	SERIAL SUBLETTE	#6317 CO., WY.	40.0000	40.0000
	LEGAL DESCRIPTION						
	LOT 11 5-28N-114W FROM SURFACE TO 8,010'						

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Form 3000-3a
(January 1996)

263718-00
FORM APPROVED
OMB NO. 1004-0034
Expires: September 30, 1998

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
02 DEC 16 AM 9
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.

WYW-153276

Type or print plainly in ink and sign in ink.

PART A: TRANSFER

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

BURLINGTON RESOURCES OIL & GAS COMPANY LP
3300 N. "A" STREET, BUILDING 6
MIDLAND, TX 79705-5406

299321

RECORDED Sept. 3 2003 9:20 AM
IN BOOK 125 OAG PAGE 843
FEES $ 14.00 County Clerk
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

*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 111 WEST, 6TH PM SECTION 8: N2NW, SENW, NE CONTAINING 280.00 ACRES, MORE OR LESS SUBLETTE COUNTY, WYOMING LIMITED IN DEPTH FROM THE BASE OF THE FORT UNION FORMATION TO THE STRATIGRAPHIC EQUIVALENT OF 13,300 FEET	90.0%	90.0%	NONE	1% PROPORTIONATELY REDUCED TO THE LEASEHOLD INTEREST BEING CONVEYED WITHIN	THOSE OF RECORD
TOWNSHIP 32 NORTH, RANGE 111 WEST, 6TH PM SECTION 8: NESW CONTAINING 40.00 ACRES, MORE OR LESS LIMITED IN DEPTH FROM THE BASE OF THE FORT UNION FORMATION TO THE STRATIGRAPHIC EQUIVALENT OF 13,300 FEET THIS TRANSFER IS SUBJECT TO THE CD EXPLORATION AGREEMENT BETWEEN SHAMA ZOE LIMITED PARTNERSHIP, PANNONIAN ENERGY, INC. AND BURLINGTON RESOURCES OIL & GAS COMPANY LP DATED AUGUST 15, 2001	100% FOR ASSIGNEE	100%	NONE	1% PROPORTIONATELY REDUCED TO THE LEASEHOLD INTEREST BEING CONVEYED WITHIN	THOSE OF RECORD

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 JAN 0 1 2003

By /S/ Julie L. Weaver (Authorized Officer)

LAND LAW EXAMINER (Title)

FEB 0 7 2003 (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.

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 ninety (90) 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 ten (10) 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 Assignor is obligated to honor the reassignment rights of any Assignor in the chain-of-title.

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 right 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 lawsof the United states or 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 associaitons 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 transfer 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 14th day of NOVEMBER, 2002

Name of Transferor **PANNONIAN ENERGY, INC.**

Please type or print

Transferor (Signature)

Attorney-in-fact (Signature)

14 INVERNESS DRIVE EAST, H-236
(Transferor's Address)

ENGLEWOOD, COLORADO 80112
(City) (State) (Zip Code)

Executed this 20th Day of November, 2002

BURLINGTON RESOURCES OIL AND GAS COMPANY LP

Transferee

Attorney-in-fact S. Keith Frank (Signature)

S. Keith Frank

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 (1004-0034), Bureau Clearance Officer , (WO-630), Mail Stop 401 LS, 1849 C Street, N.W., Washington, D.C. 20240.

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 COLORADO)
) ss
COUNTY OF ARAPAHOE)

This instrument was acknowledged before me this 1st day of March 2002, by Christian Dupont as CEO of Pannonian Energy Inc., a Delaware Corporation.

My commission expires: January 18, 2006

Suzanne Wright, Notary Public
14 Inverness Drive East, H-236
Englewood, CO 80112

29934~~5~~

STATE OF WYOMING)
) ss.
COUNTY OF SUBLETTE)

RECORDED Sept. 3 2003 2:15 PM
IN BOOK 125 O+G PAGE 346
FEES $ 39.50 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sacton

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

THIS ASSIGNMENT, BILL OF SALE AND CONVEYANCE ("Assignment"), dated effective June 1, 2003 (the "Effective Time"), is from **STATES, LTD.**, a Texas limited partnership, (the successor by conversion under the Texas Business Corporation Act to **STATES, INC.**, a Texas corporation) whose address is P.O. Box 911, Breckenridge, Texas 76424-0911 ("Assignor") to **Wilbanks Acquisitions I, L.L.C.**, a Colorado limited liability company whose address is 1600 Stout Street, Suite 1710, Denver, Colorado 80202 ("Assignee").

For $10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby sells, assigns, transfers, grants, bargains, conveys to Assignee all of Assignor's right, title and interest, in and to the following (all of which are called the "Assets"), save and except the Excluded Assets as defined below:

1. All of Assignor's right, title and interest in and to the oil and gas leases and overriding royalty interests specifically described in Exhibit A (collectively, the "Leases"), the royalties, overriding royalties, net profits interests, production payments and other interests, if any, owned by Assignor burdening the Leases, and any and all right, title and interest in and to the oil, gas and all other hydrocarbons in, on or under the lands covered by the Leases (the "Lands") and other hydrocarbons and products, whether liquid or gaseous, produced in association therewith ("Hydrocarbons") after the Effective Time and all other minerals of whatever nature in, on or under the Leases and Lands and lands pooled or unitized therewith;

2. The oil and gas wells located on the Leases and Lands, or lands pooled or unitized therewith, including without limitation, the oil and gas wells specifically described in Exhibit B, whether producing or non-producing and whether fully or properly described or not, (the "Wells"), all injection and disposal wells on the Leases or Lands, and all personal property and equipment associated with the Wells as of the Effective Time.

3. The rights, to the extent transferable, in and to all existing and effective unitization, pooling and communitization agreements, declarations and orders, and the properties covered and the units created thereby to the extent that they relate to or affect any of Assignor's properties and interests described in Paragraphs 1 and 2 or the production of Hydrocarbons, if any, attributable to said properties and interests after the Effective Time.

4. The rights, to the extent transferable, without material restriction under applicable law or third party agreements (without the payment of any funds or consideration) in and to existing and effective oil, gas, liquids, condensate, casinghead gas and natural gas sales, purchase, exchange, gathering, transportation and processing contracts, operating agreements, balancing agreements, joint venture agreements, partnership agreements, farmout agreements and other contracts, agreements and instruments insofar only as they relate to any of Assignor's

properties and interests described in Paragraphs 1, 2 and 3, excluding, however, any insurance contracts.

5. All of the personal property, fixtures, improvements, permits, licenses, approvals, servitudes, rights-of-way and easements, including, without limitation the rights of way and easements set forth on Exhibit A, surface leases and other surface rights (including, but not limited to, any wells, tanks, boilers, buildings, injection facilities, saltwater disposal facilities, compression facilities, gathering systems, other appurtenances and facilities) located on or used in connection with or otherwise related to the exploration for or production, gathering, treatment, processing, storing, sale or disposal of Hydrocarbons or water produced from the properties and interests described in Paragraphs 1 through 4 to the extent that they are located on or used in the operation of the Assets as of the Effective Time, and all contract rights (including rights under leases to third parties) related thereto.

6. The files, records, data and information relating to the items described in Paragraphs 1 through 5, maintained by Assignor (the "Records"), but excluding the following: (i) all of Assignor's internal appraisals and interpretive data related to the Leases, Lands and Wells, (ii) all information and data under contractual restrictions on assignment, (iii) all information subject to a privilege, (iv) Assignor's corporate, financial, employee and general tax records that do not relate to the Assets, and (v) all accounting files that do not relate exclusively to the Assets.

7. Assignor specifically excludes from the Assets and this Assignment all vehicles and other transportation equipment, furniture, office supplies and equipment, telephones and radio or other telecommunication systems, tools, store stock, spare parts, and equipment, and any other assets not specifically used in connection with the operation of the Leases (the "Excluded Property").

TO HAVE AND TO HOLD the Assets unto Assignee and its successors and assigns forever, and Assignor agrees to warrant and 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. 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) MERCHANTABILITY OR CONDITION, (ii) FITNESS FOR A PARTICULAR PURPOSE, (iii) 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.

B. To the extent permitted by law, Assignee shall be subrogated to Assignor's rights in and to representations, warranties and covenants given by others 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 such 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.

C. 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, relating to periods on and after the Effective Time, including, without limitation, environmental obligations and liabilities, the obligation to plug and abandon all Wells and reclaim all Well sites, and all obligations arising under all agreements covering or relating to the Assets, subject to Assignee's rights and obligations, including without limitation, Assignee's indemnity obligations, under the Purchase and Sale Agreement dated June 9, 2003 between Assignor and Assignee (the "Purchase Agreement") and other documents executed in connection therewith.

D. The references herein to liens, encumbrances, burdens, defects and other matters shall not be deemed to ratify or create any rights in third parties or merge with, modify or limit the rights of Assignor or Assignee, as between themselves, as set forth in the Purchase Agreement or other documents executed in connection therewith.

E. 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.

F. 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, warranties, rights, titles, power and privileges set forth herein as fully as though they were set forth in each such assignment. The interests conveyed by such separate assignments are the same, and not in addition to, the interest in the Assets conveyed herein.

G. This Assignment binds and inures to the benefit of Assignor and Assignee and their respective successors and assigns.

H. This Assignment may be executed in any number of counterparts, each of which shall be deemed to be an original instrument, but all of which together shall constitute but one instrument.

I. This assignment is subject in all respects to the terms and conditions of the Purchase Agreement, including, but not limited to, the assumptions and indemnifications contained in the Purchase Agreement.

EXECUTED on the dates contained in the acknowledgment of this instrument, to be effective for all purposes as of the Effective Time.

ASSIGNOR

STATES, LTD.
By IBEX, INC., its general partner

By:_____
John H. Connally
President

ASSIGNEE

WILBANKS ACQUISITIONS I, L.L.C.
By WILBANKS RESERVE CORPORATION,
Manager

By:_____
James O. Wilbanks
President

[redacted] [redacted] [redacted]

Acknowledgments

STATE OF TEXAS)
) ss.
COUNTY OF STEPHENS)

The foregoing instrument was acknowledged before me this 4th day of ~~July~~ August 2003 by JOHN H. CONNALLY, as President of IBEX, INC., General Partner of STATES, LTD., a Texas limited partnership, on behalf of said company.

Witness my hand and official seal.

My commission expires:

ANITA THORNE
NOTARY PUBLIC
STATE OF TEXAS
My Commission Expires 8/22/2006

Notary Public, State of Texas

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

The foregoing instrument was acknowledged before me this 25 day ~~July~~ August, 2003 by James O. Wilbanks, as President of WILBANKS RESERVE CORPORATION, Manager of WILBANKS ACQUISITIONS I, L.L.C., a Colorado Limited Liability Company on behalf of said company.

Witness my hand and official seal.

My commission expires: November 16, 2005

VIKKI LEE GRAY NOTARY PUBLIC STATE OF COLORADO
My Commission Expires 11/16/2005

Vikki Lee Gray, Notary Public
1600 Stout Street, Suite 1010
Denver, CO 80202

EXHIBIT A

Package 5 - Lease Schedule

SUBLETTE COUNTY, WYOMING

UNIT NAME	STATES, INC. LEASE NO.	LEASE NAME	LEASE DATE	LESSOR	LESSEE	LAND DESCRIPTION	RECORDED VOL/PAGE
FOGARTY CREEK UNIT	21454					T-28-N, R-114-W Secs. 3, 4, 5, 8, 9, 10, 15, 16, 17, 20, 21, 22, 27, 28, 29, 32 & 33 T-27-N, R-114-W Sec. 5 T-28-N, R-115-W Secs. 1, 12, 13, 24, 25 & 36 T-29-N, R-114-W Secs. 33, 34 & 35	
	21457	Wyo State 66-5165	03/02/66	State of Wyoming	Etta Mandel	T-28-N, R-114-W Sec. 16: NW/4, S/2 NE/4, NW/4 NE/4 & S/2 Surf. down to 100' below TD of Fogarty Creek #2-16	
	21469	Wyo 036055	12/01/65	USA	Humble Oil & Refining Co.	T-28-N, R-115-W Sec. 12: SW/4 Surf. down to 8010' sub.	
	21468	Wyo 0322083	02/01/66	USA	Etta Mandel	T-28-N, R-115-W Sec. 1: Lots 5-8 and S/2 Sec. 12: E/2 Sec. 13: E/2 Surf. down to 8010' sub.	
	21467	Wyo 51104	04/01/66	USA	Humble Oil & Refining Co.	T-28-N, R-114-W Sec. 17: Lot 4 T-28-N, R-115-W Sec. 12: NW/4 Surf. down to 8010' sub.	
	21466	Wyo 0320213	11/01/65	USA	George C. Reeves	T-28-N, R-114-W Sec. 20: Lots 1-20 Surf. down to 8010' sub.	
	21465	Wyo 6317	07/01/67	USA	Humble Oil & Refining Co.	T-28-N, R-114-W Sec. 5: Lot 11 Surf. down to 8010' sub.	
	21458	Wyo 42791	01/01/74	USA	Thomas Halagan	T-28-N, R-114-W Sec. 5: Lots 7, 8 & 12 Sec. 21: N/2 NW/4, SE/4 NW/4 & NE/4 SW/4 Surf. down to 9630' sub.	
	21461	Wyo 0320214	11/01/65	USA	John A. Yates	T-29-N, R-114-W Sec. 34: All Sec. 35: All Surf. down to 9630' sub.	

UNIT NAME	STATES, INC. LEASE NO.	LEASE NAME	LEASE DATE	LESSOR	LESSEE	LAND DESCRIPTION	RECORDED VOL/PAGE
FOGARTY CREEK UNIT continued . . .	**21454**						
	21460	Wyo 11603	04/01/68	USA	J. E. Joujon-Roche	T-28-N, R-114-W Sec. 21: NE/4 Surf. down to 100' below TD of Fogarty Creek #2-16	
	21462	Wyo 9578	12/01/67	USA	John P. Ellbogen	T-28-N, R-114-W Sec. 3: Lots 7-10, 15-18 Sec. 4: Lots 5-14, 19 & 20 Sec. 5: Lots 5 & 6, S/2 NE/4 Sec. 9: N/2 NE/4 Sec. 10: NW/4 Surf. down to 8838' sub.	
	21463	Wyo 52811	12/01/75	USA	Zarepha Dobbins	T-28-N, R-114-W Sec. 22: NW/4 Surf. down to 9630' sub.	
	21459	Wyo 2120	11/01/66	USA	Philadelphia Oil Co. of CA	T-28-N, R-114-W Sec. 15: W/2 Surf. down to 100' below TD of Fogarty Creek #2-16	
	21464	Wyo 0311662	10/01/64	USA	Donald B. Anderson	T-28-N, R-114-W Sec. 5: Lots 9, 10 & 16 Sec. 8: Lots 11-14, 16-20 Sec. 21: W/2 SW/4 & SE/4 SW/4 Surf. down to 8010' sub.	38 / 373
	21542	WYW-51103	11/01/65	USA	George C. Reeves	T-28-N, R-114-W Sec. 17: Lots 1, 2, 3, 5-20 Surf. down to 8010' sub.	

Exhibit B
Package 5-Well List

County	State	Field	API	Lease	Operator	Location
Fogarty Creek Unit						
Sublette	WY	Fogarty Creek	49-035-221960000	Fogarty Creek Unit 2632	Exxon-Mobil	32-28N-114W-NWSW
Sublette	WY	Fogarty Creek	49-035-208700000	Unit W0322083 2201	Exxon-Mobil	1-28N-115W-SESW
Sublette	WY	Fogarty Creek	49-035-208940000	Fogarty Creek Unit 2103	Exxon-Mobil	3-28N-114W-SWNW
Sublette	WY	Fogarty Creek	49-035-208900000	Fogarty Creek Unit 2312	Exxon-Mobil	12-28N-115W-NESE
Sublette	WY	Fogarty Creek	49-035-208730000	Unit W0322083 2013	Exxon-Mobil	13-28N-115W-SESW
Sublette	WY	Fogarty Creek	49-035-208620000	Fogarty Creek Unit 1935	Exxon-Mobil	35-29N-114W-NENW
Sublette	WY	Fogarty Creek	49-035-208150000	Unit W0317228 1632	Exxon-Mobil	32-28N-114W-NWSW
Sublette	WY	Fogarty Creek	49-035-208460000	Fogarty Creek Unit 1817	Exxon-Mobil	17-28N-114W-SESW
Sublette	WY	Fogarty Creek	49-035-208170000	Fogarty Creek Unit 1405	Exxon-Mobil	5-28N-114W-NESW
Sublette	WY	Fogarty Creek	49-035-208490000	Unit 66-5165 1716	Exxon-Mobil	16-28N-114W-SESW
Sublette	WY	Fogarty Creek	49-035-208180000	Unit W0317228 1528	Exxon-Mobil	28-28N-114W-NENW
Sublette	WY	Fogarty Creek	49-035-207500000	Fogarty Creek Unit 13-10	Exxon-Mobil	10-28N-114W-SWNW
Sublette	WY	Fogarty Creek	49-035-206090000	Federal W0322610 11-24	Exxon-Mobil	24-28N-115W-SWSE
Sublette	WY	Fogarty Creek	49-035-204890000	Unit W42791 9-21	Exxon-Mobil	21-28N-114W-NESW
Sublette	WY	Fogarty Creek	49-035-204160000	Unit 66-5165 616	Exxon-Mobil	16-28N-114W-SWSE
Sublette	WY	Fogarty Creek	49-035-203960000	Unit W51103 4-17	Exxon-Mobil	17-28N-114W-SWSE
Sublette	WY	Fogarty Creek	49-035-203490000	Unit 66-5165 2-16	Exxon-Mobil	16-28N-114W-SWNW
Sublette	WY	Fogarty Creek	49-035-203260000	Unit W17208 1-32	Exxon-Mobil	32-28N-114W-SWSE
Sublette	WY	Fogarty Creek	49-035-202730000	Fogarty Creek Unit 1	Exxon-Mobil	8-28N-114W-SESW
Sublette	WY	Fogarty Creek	49-035-204140000	Fogarty Creek 820	Exxon-Mobil	20-28N-114W-NESE

299349

THE STATE OF WYOMING §
§
COUNTY OF SUBLETTE §

RECORDED Sept. 3 2003 3:29 PM
IN BOOK 125 OR6 PAGE 354
FEES $29.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Lynn

ASSIGNMENT OF OIL AND GAS LEASES

THIS ASSIGNMENT OF OIL AND GAS LEASES ("Assignment") dated and effective as of 12:01 a.m. Pacific Standard time, on July 1, 2003 (the "Effective Date"), is from RIATA ENERGY INC., a Texas corporation ("Assignor"), whose address is P. O. Box 10209, 701 Park Place, Amarillo, TX 79116-0209 to BERRY PETROLEUM COMPANY, a Delaware corporation ("Assignee"), whose address is 5201 Truxtun Avenue, Suite 300, Bakersfield, California 93309-0640.

1. **Assignment**. For the sum of Ten Dollars ($10) and other good and valuable consideration, the receipt and sufficiency of which Assignor hereby acknowledges, Assignor hereby transfers, grants, bargains, conveys and assigns to Assignee, effective for all purposes as of the Effective Date, subject to the terms and conditions set forth in that certain Property Purchase Agreement dated August 25, 2003, by and between Riata Energy, Inc. and Berry Petroleum Company ("Property Purchase Agreement"), and subject to all contracts, agreements, encumbrances and other matters to which the following assets are subject as of the Effective Date, all of the following assets (such assets are hereinafter collectively called and referred to as the "Assets"):

a. All of Assignor's right, title and interest in and to the oil, gas and mineral leasehold estates (the "Leases"), overriding royalty, royalty and other interests and rights described in Exhibit "A" to this Agreement or relating to the lands covered by the oil and gas leases described in Exhibit "A".

b. To the extent attributable or allocable to the properties described in subsection (a) hereof, all of Assignor's right, title and interest in and to (i) all wells, equipment and facilities which constitute fixtures and are located on or used directly in connection with production, treatment or transportation of oil and gas from the properties described in subsection (a) hereof; (ii) all oil and gas produced from and after the Effective Date or in the tanks as of the Effective Date; (iii) all permits held by Assignor and used in connection with the ownership and operation of the properties described in subsection (a) hereof; and (iv) all other rights, privileges, obligations, benefits and powers conferred upon the owner or holder of the properties described in subsection (a) hereof.

2. **Assumption**. Assignee hereby assumes and agrees to pay, perform and discharge its obligations under the Assets, and the agreements, associated contracts and other burdens pertaining thereto, which accrue and relate to, or are based upon or arise out of, events occurring after the Effective Date, all in accordance with the terms of the Property Purchase Agreement.

3. **Further Assurances.** The parties agree to take all such further actions and execute, acknowledge and deliver all such further documents that are necessary or useful in carrying out the purposes of this Assignment. So long as authorized by applicable law so to do, Assignor hereby agrees to execute, acknowledge and deliver to Assignee all such other additional instruments, notices, division orders, transfer orders and other documents and to do all such other and further acts and things as may be necessary to more fully and effectively grant, convey, transfer and assign to Assignee the Assets conveyed hereby or intended so to be.

4. **Governmental Assignments.** Separate assignments of certain of the Oil and Gas leases may be executed on officially approved forms by Assignor to Assignee in sufficient counterparts to satisfy applicable statutory and regulatory requirements. Those assignments shall incorporate this Assignment by reference and be deemed to contain all of the exceptions, reservations, rights, titles, powers and privileges set forth herein and in the Property Purchase Agreement 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.

5. **Warranties.**

(a) Assignor is a corporation duly organized, validly existing and in good standing under the laws of the State of Wyoming and has all requisite corporate power and authority to carry on its business that is now being conducted, and to execute, deliver and perform this Agreement, the Property Purchase Agreement and the documents to be delivered at the Closing (collectively, the "Transaction Documents") and to consummate the transactions contemplated hereby.

(b) The execution, delivery and performance by Assignor of this Agreement and the other Transaction Documents and the consummation by Assignor of the transactions contemplated hereby and thereby have been duly authorized by all necessary action on the part of the Assignor. Each of this Agreement and the other Transaction Documents has been duly and validly executed and delivered by Assignor and constitutes the legal, valid and binding obligation of Assignor, enforceable against Assignor in accordance with its terms. The execution, delivery and performance by Assignor of this Agreement and the other Transaction Documents and the consummation by Assignor of the transactions contemplated hereby and thereby (i) do not require the consent, approval, clearance, waiver, order or authorization of any person, except as otherwise disclosed in this Agreement; (ii) do not violate any provision of the Articles of Incorporation, Certificate of Incorporation or Bylaws of Assignor; and (iii) do not conflict with or violate any permit, concession, grant, franchise, statue, rule or regulation of any governmental entity or any order, judgment, award or decree of any court or any other governmental entity to which Assignor is subject.

(c) The defined term "Assets" represents all of Assignor's and its affiliates, right, title and interest in the real property, contracts, oil and gas leases, easements, rights of way, drilling and operating permits, licenses, personal property, fixtures,

[redacted] [redacted] [redacted]

improvements, etc. located on the real property and leased premises and directly used in connection therewith, which comprise the Mickelson Creek Field Property located in Sublette County, Wyoming.

(d) All rentals, royalties and other payments due under the oil and gas leases included in the Assets have been properly and timely paid, unless reasonable grounds exist to hold any such amounts in suspense without jeopardizing title to any of the Assets. All ad valorem, property, production, severance, excise and similar taxes and assessments based on or measured by the ownership of the Assets or the production of hydrocarbons or other substances therefrom or the receipt of proceeds therefrom that have become due and payable have been properly and timely paid. All costs and expenses incurred in connection with the operation of the Assets have been fully paid and discharged in accordance with the terms of payment therefor except expenses invoiced within the previous sixty (60) days.

(e) Assignor and the Assets are in compliance in all material respects with all laws, ordinances, rules, regulation, orders, decisions and decrees of all applicable governmental authorities applicable to the Assets, and all necessary governmental permits, approvals, licenses, consents, certificates and other authorizations with regard to the ownership or operation of the Assets have been obtained and maintained in effect and no material violations exist in respect thereto.

(f) Except as set forth in the Exhibits hereto, there are no wells located on the leases or properties included in the Assets that:

(1) Assignor is currently obligated by law or contract to plug and abandon; or

(2) Assignor will be obligated by law or contract to plug and abandon with the lapse of time or notice or both because the well is not currently capable of producing in commercial quantities;

(3) are subject to exceptions to a requirement to plug and abandon issued by a regulatory authority having jurisdiction over the Assets; or

(4) to the knowledge of the Assignor, have been plugged and abandoned but have not been plugged or reclaimed in accordance with all applicable requirements of each regulatory authority having jurisdiction over the Assets.

(g) Since May 1, 2003, none of the Assets has suffered any material destruction, damage or loss.

(h) Schedule 1 to Exhibit C to the Property Purchase Agreement contains a complete and accurate list of the following contracts, agreements, and commitments: (i) any agreement with any affiliate of Assignor relating to the Assets, (ii) any

agreement of Assignor for the sale, exchange or other disposition of hydrocarbons or other substances produced from the Assets that is not cancelable without penalty on not more than 30 days prior written notice, (iii) any agreement of Assignor to sell, lease, farmout, or otherwise dispose of any interest in the Assets other than conventional rights of reassignment, (iv) any tax partnership affecting any of the Assets, (v) any operating agreement to which Assignor's interest in any of the Assets is subject, (vi) any agreement that requires Assignor to expend more than Ten Thousand Dollars ($10,000) in any year in connection with the Assets, (vii) any agreement relating to the Assets that contains a provision obligating Assignor to indemnify any third party with respect to environmental or health or safety matters, (viii) any option to purchase or call on the hydrocarbons or other substances produced from the Assets, and (ix) any agreement relating to the Assets that contains terms or conditions that are not customary in the oil and gas industry. Except as set forth in Schedule 1 to Exhibit C, none of the contracts or agreements described therein have been amended. All of the leases, contracts, rights-of-way and other obligations of Assignor that relate to or that are included in the Assets (a) are in full force and effect and (b) neither Assignor, nor to the best of Assignor's knowledge, any other party to any such lease, contract, right-of-way, surface agreement or other obligation (1) is in breach or default of, or with the lapse of time or the giving of notice, or both, would be in breach or default of such obligation that would have an adverse effect on any of the Assets and (2) has given or threatened to give notice of any default under or made any inquiry into any possible default under, or action to alter, terminate, rescind or procure a judicial reformation of any such obligation.

6. **Schedules**. Reference is made to the Schedule attached hereto and made a part hereof for all purposes. Reference in such Schedule to instruments on file or recorded in the public records are made for all purposes.

7. **Headings**. Headings are included in this Assignment for convenience of reference and shall in no way define, limit, extend, or describe the scope or intent of any provision of this Agreement.

8. **Successors and Assigns**. This Assignment shall bind and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

9. **Multiple Counterparts**. This Assignment may be executed in any number of counterparts and each counterpart hereof shall be deemed to be an original instrument but all of such counterparts shall constitute but one assignment.

10. **Recordation**. To facilitate recording or filing of this Assignment, each counterpart filed with a federal or state agency or office may contain only those portions of the schedule that describe property under the jurisdiction of that agency or office. Assignor and Assignee have each retained a counterpart of this Assignment with a complete Schedule.

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

11. **Governing Law**. The provisions of this Assignment shall be governed by and construed in accordance with the laws of the State of Wyoming, excluding any conflicts of law, rule or principle that might refer same to the laws of another jurisdiction.

RIATA ENERGY, INC.
a Texas corporation

By: _____
Malone Mitchell, III, President

"Assignor"

BERRY PETROLEUM COMPANY,
a Delaware corporation

By: _____
Michael Duginski, Vice President
Corporate Development

"Assignee"

STATE OF TEXAS §
§
COUNTY OF POTTER §

This instrument was acknowledged before me on Aug. 26, 2003, by Malone Mitchell, 3rd, President of Riata Energy, Inc.

TERRY D. POPE
Notary Public, State of Texas
My Commission Expires
June 30, 2007

NOTARY PUBLIC

My Commission Expires on June 30, 2007.

STATE OF _____ §
§
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2003, by Michael Duginski, Vice President Corporate Development for Berry Petroleum Company.

_____
NOTARY PUBLIC

My Commission Expires on _____.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of **California**)
) ss.
County of **Kern**)

On **August 25, 2003**, before me, **Monica L. Ward-Keller**, Notary Public, personally appeared **Michael Duginski**, 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.

MONICA L. WARD-KELLER
Commission # 1277994
Notary Public - California
Kern County
My Comm. Expires Oct 20, 2004

WITNESS my hand and official seal.

Monica L. Ward-Keller

---------- **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: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

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: _____

Signer Is Representing:

_____

RIGHT THUMBPRINT OF SIGNER

Signer's Name: _____
☐ Individual
☐ Corporate Officer
Title(s): _____
☐ Partner -- ☐ Limited ☐ General
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing:

_____

RIGHT THUMBPRINT OF SIGNER

EXHIBIT "A"

Attached to and made a part of the Assignment dated August 27, 2003, between RIATA ENERGY, INC., as Seller, and BERRY PETROLEUM COMPANY, as Buyer.

FLS #	Lease Date	Legal Description	Gross Acres
W-6008	6-1-51	T-32N, R-114W Sec. 20: S2 SE	80.00
		T-32N, R-114W Sec. 20: S2 SW	80.00
W-6008-A	6-1-51	T-32N, R-114W Sec. 29: NW	160.00
W-73977	6-1-51	T-32N, R-114W Sec. 17: NW NW, E2, E2 NW, NE SW	480.00
		T-32N, R-114W Sec. 17: SW NW, NW SW, S2 SW	160.00
		T-32N, R-114W Sec. 18: E2	320.00
		T-32N, R-114W Sec. 20: NW, N2 SW	240.00
		T-32N, R-114W Sec. 20: NE, N2 SE	240.00
W-6008	6-1-51	T-32N, R-114W Sec. 29: NE, S2	480.00
		T-32N, R-114W Sec. 32: N2, E2 SW, SE	560.00
			2800.00

299350

RECORDED Sept 3 2003 3:20 PM
IN BOOK 125 OF 6 PAGE 362
FEES $ 26.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE WYOMING
By Cathy Scott

THE STATE OF WYOMING §
§
COUNTY OF SUBLETTE §

ASSIGNMENT OF RIGHTS OF WAY

THIS ASSIGNMENT OF RIGHTS OF WAY ("Assignment") dated and effective as of 12:01 a.m. Pacific Standard time, on July 1, 2003 (the "Effective Date"), is from RIATA ENERGY, INC., a Texas corporation ("Assignor") whose address is P. O. Box 10209, 701 Park Place, Amarillo, TX 79116-0209, to BERRY PETROLEUM COMPANY, a Delaware corporation ("Assignee"), whose address is 5201 Truxtun Avenue, Suite 300, Bakersfield, California 93309-0640.

1. **Assignment**. For the sum of Ten Dollars ($10) and other good and valuable consideration, the receipt and sufficiency of which Assignor hereby acknowledges, Assignor hereby transfers, grants, bargains, conveys and assigns to Assignee, effective for all purposes as of the Effective Date, subject to the terms and conditions set forth in that certain Property Purchase Agreement dated August 25, 2003, by and between Riata Energy, Inc. and Berry Petroleum Company ("Property Purchase Agreement"), and subject to all contracts, agreements, encumbrances and other matters to which the following assets are subject as of the Effective Date, all of Assignor's right, title and interest in and to the interests and rights described in Exhibit "A" to this Assignment (hereinafter collectively called and referred to as the "Assets") and all other rights, privileges, obligations, benefits and powers conferred upon the owner or holder of the Assets.

2. **Assumption**. Assignee hereby assumes and agrees to pay, perform and discharge its obligations under the Assets, and the agreements, associated contracts and other burdens pertaining thereto, which accrue and relate to, or are based upon or arise out of, events occurring after the Effective Date, all in accordance with the terms of the Property Purchase Agreement.

3. **Further Assurances**. The parties agree to take all such further actions and execute, acknowledge and deliver all such further documents that are necessary or useful in carrying out the purposes of this Assignment. So long as authorized by applicable law so to do, Assignor hereby agrees to execute, acknowledge and deliver to Assignee all such other additional instruments, notices, division orders, transfer orders and other documents and to do all such other and further acts and things as may be necessary to more fully and effectively grant, convey, transfer and assign to Assignee the Assets conveyed hereby or intended so to be.

4. **Warranties**.

(a) Assignor is a corporation duly organized, validly existing and in good standing under the laws of the State of Wyoming and has all requisite corporate power and authority to carry on its business that is now being conducted, and to execute, deliver

and perform this Agreement and the documents to be delivered at the Closing (collectively, the "Transaction Documents") and to consummate the transactions contemplated hereby.

(b) The execution, delivery and performance by Assignor of this Agreement and the other Transaction Documents and the consummation by Assignor of the transactions contemplated hereby and thereby have been duly authorized by all necessary action on the part of the Assignor. Each of this Agreement and the other Transaction Documents has been duly and validly executed and delivered by Assignor and constitutes the legal, valid and binding obligation of Assignor, enforceable against Assignor in accordance with its terms. The execution, delivery and performance by Assignor of this Agreement and the other Transaction Documents and the consummation by Assignor of the transactions contemplated hereby and thereby (i) do not require the consent, approval, clearance, waiver, order or authorization of any person, except as otherwise disclosed in this Agreement; (ii) do not violate any provision of the Articles of Incorporation, Certificate of Incorporation or Bylaws of Assignor; and (iii) do not conflict with or violate any permit, concession, grant, franchise, statue, rule or regulation of any governmental entity or any order, judgment, award or decree of any court or any other governmental entity to which Assignor is subject.

(c) The defined term "Assets" represents all of Assignor's and its affiliates, right, title and interest in the real property, contracts, oil and gas leases, easements, rights of way, drilling and operating permits, licenses, personal property, fixtures, improvements, etc. located on the real property and leased premises and directly used in connection therewith, which comprise the Mickelson Field Property located in Sublette County, Wyoming.

(d) All rentals, royalties and other payments due under the oil and gas leases included in the Assets have been properly and timely paid, unless reasonable grounds exist to hold any such amounts in suspense without jeopardizing title to any of the Assets. All ad valorem, property, production, severance, excise and similar taxes and assessments based on or measured by the ownership of the Assets or the production of hydrocarbons or other substances therefrom or the receipt of proceeds therefrom that have become due and payable have been properly and timely paid. All costs and expenses incurred in connection with the operation of the Assets have been fully paid and discharged in accordance with the terms of payment therefor except expenses invoiced within the previous sixty (60) days.

(e) Assignor and the Assets are in compliance in all material respects with all laws, ordinances, rules, regulation, orders, decisions and decrees of all applicable governmental authorities applicable to the Assets, and all necessary governmental permits, approvals, licenses, consents, certificates and other authorizations with regard to the ownership or operation of the Assets have been obtained and maintained in effect and no material violations exist in respect thereto.

(f) Except as set forth in the Exhibits hereto, there are no wells located on the leases or properties included in the Assets that:

[redacted] [redacted] [redacted]

(1) Assignor is currently obligated by law or contract to plug and abandon; or

(2) Assignor will be obligated by law or contract to plug and abandon with the lapse of time or notice or both because the well is not currently capable of producing in commercial quantities;

(3) are subject to exceptions to a requirement to plug and abandon issued by a regulatory authority having jurisdiction over the Assets; or

(4) to the knowledge of the Assignor, have been plugged and abandoned but have not been plugged or reclaimed in accordance with all applicable requirements of each regulatory authority having jurisdiction over the Assets.

(g) Since May 1, 2003, none of the Assets has suffered any material destruction, damage or loss.

(h) Schedule 1 to Exhibit C to the Property Purchase Agreement contains a complete and accurate list of the following contracts, agreements, and commitments: (i) any agreement with any affiliate of Assignor relating to the Assets, (ii) any agreement of Assignor for the sale, exchange or other disposition of hydrocarbons or other substances produced from the Assets that is not cancelable without penalty on not more than 30 days prior written notice, (iii) any agreement of Assignor to sell, lease, farmout, or otherwise dispose of any interest in the Assets other than conventional rights of reassignment, (iv) any tax partnership affecting any of the Assets, (v) any operating agreement to which Assignor's interest in any of the Assets is subject, (vi) any agreement that requires Assignor to expend more than Ten Thousand Dollars ($10,000) in any year in connection with the Assets, (vii) any agreement relating to the Assets that contains a provision obligating Assignor to indemnify any third party with respect to environmental or health or safety matters, (viii) any option to purchase or call on the hydrocarbons or other substances produced from the Assets, and (ix) any agreement relating to the Assets that contains terms or conditions that are not customary in the oil and gas industry. Except as set forth in Schedule 1 to Exhibit C, none of the contracts or agreements described therein have been amended. All of the leases, contracts, rights-of-way and other obligations of Assignor that relate to or that are included in the Assets (a) are in full force and effect and (b) neither Assignor, nor to the best of Assignor's knowledge, any other party to any such lease, contract, right-of-way, surface agreement or other obligation (1) is in breach or default of, or with the lapse of time or the giving of notice, or both, would be in breach or default of such obligation that would have an adverse effect on any of the Assets and (2) has given or threatened to give notice of any default under or made any inquiry into any possible default under, or action to alter, terminate, rescind or procure a judicial reformation of any such obligation.

5. **Schedules**. Reference is made to the Exhibit "A" attached hereto and made a part hereof for all purposes. Reference in such Exhibit "A" to instruments on file or recorded in the public records are made for all purposes.

6. **Headings**. Headings are included in this Assignment for convenience of reference and shall in no way define, limit, extend, or describe the scope or intent of any provision of this Agreement.

7. **Successors and Assigns**. This Assignment shall bind and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

8. **Multiple Counterparts**. This Assignment may be executed in any number of counterparts and each counterpart hereof shall be deemed to be an original instrument but all of such counterparts shall constitute but one assignment.

9. **Recordation**. To facilitate recording or filing of this Assignment, each counterpart filed with a federal or state agency or office may contain only those portions of the schedule that describe property under the jurisdiction of that agency or office. Assignor and Assignee have each retained a counterpart of this Assignment with a complete Schedule.

10. **Governing Law**. The provisions of this Assignment shall be governed by and construed in accordance with the laws of the State of Wyoming, excluding any conflicts of law, rule or principle that might refer same to the laws of another jurisdiction.

RIATA ENERGY, INC.
a Texas corporation

By: _____
Malone Mitchell, III, President

"Assignor"

BERRY PETROLEUM COMPANY,
a Delaware corporation

By: _____
Michael Duginski, Vice President
Corporate Development

"Assignee"

[redacted] [redacted] [redacted]

EXHIBIT 'A'

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT OF RIGHTS-OF-WAY, EFFECTIVE JULY 1, 2003, BY AND BETWEEN RIATA ENERGY, INC., AS SELLER, AND BERRY PETROLEUM COMPANY, BUYER

Right-of-Way Grant/Temporary Use Permit
Serial Number WYW-14352

R-O-W for 2 7/8" gas pipeline across W/2NW/4 of Section 29: T32N-R114W, 6th PM, Sublette County, Wyoming for a term of 20 years from September 18, 1997.

COUNTY OF POTTER §
§

This instrument was acknowledged before me on Aug. 26th, 2003, by Malone Mitchell, 3rd, President of Riata Energy, Inc.

NOTARY PUBLIC

My Commission Expires on June 30, 2007.

TERRY D. POPE
Notary Public, State of Texas
My Commission Expires
June 30, 2007

STATE OF _____ §
§
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2003, by Michael Duginski, Vice President Corporate Development for Berry Petroleum Company.

NOTARY PUBLIC

My Commission Expires on _____.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of **California**)
) ss.
County of **Kern**)

On **August 25, 2003**, before me, **Monica L. Ward-Keller**,
Notary Public, personally appeared **Michael Duginski**, 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.

Brian L. Ward-Keller

---------- **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: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

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: _____

Signer Is Representing:

_____

RIGHT THUMBPRINT OF SIGNER

Signer's Name: _____
☐ Individual
☐ Corporate Officer
Title(s): _____
☐ Partner -- ☐ Limited ☐ General
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing:

_____

RIGHT THUMBPRINT OF SIGNER

STIPULATION AND ASSIGNMENT

THE STATE OF WYOMING §
§ **299368**
COUNTY OF SUBLETTE §

RECORDED Sept. 4 2003 11:00 A.M.
IN BOOK 625 Pg 46 PAGE 369
FEES $26.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sch

WHEREAS, **RIATA ENERGY, INC.** (sometimes hereinafter referred to as "Riata"), P. O. Box 10209, Amarillo, Texas 79116-1020 and **MIKE A. TINKER** (sometimes hereinafter referred to as "Tinker"), 1888 Sherman St. Suite 760 Denver, CO 80203, are the owners (sometimes hereinafter collectively referred to as "said owners") of working interests or overriding royalties in those certain Oil, Gas and Mineral Leases covering lands located in Sublette County, Wyoming (the "Mickelson Creek Leases") as is referred to in Exhibit "A" attached hereto.

WHEREAS, Riata previously assigned Tinker overriding royalty interests in the Mickelson Creek Leases. Those assignments are attached to as Exhibit "B." Any discrepancies between the leases described on Exhibit "A" and "B" should be limited to leases that have terminated since the initial assignments.

WHEREAS, Tinker and Riata have agreed that Tinker's overriding royalty interest in the Mickelson Creek Leases should be modified and reduced to one and one-quarter percent (1¼% of 100%).

NOW, THEREFORE, in consideration of the sum of Ten and No/100 Dollars ($10.00) cash in hand, the receipt of which is hereby acknowledged, Tinker does hereby transfer, assign, and convey unto Riata, ALL OF TINKER'S RIGHT, TITLE AND INTEREST, including overriding royalty interests, in the Mickelson Creek Leases.

For the same consideration, Riata does hereby transfer, assign, convey to Tinker a one and one-quarter percent (1¼% of 100%) overriding royalty interest in the Mickelson Creek Leases. The one and one-quarter percent (1¼% of 100%) overriding royalty interest in the Mickelson Creek Leases will be proportionately reduced on tracts or horizons where Riata owns less than 100% of the working interest as shown on Exhibit "A" attached hereto.

Notwithstanding anything to the contrary, it is understood and agreed that it is the intent of Riata and Tinker, that Tinker have a one and one-quarter percent (1¼% of 100%) overriding royalty interest in the Mickelson Creek Leases, no more, no less. It is this intent that shall determine the necessity, if any, for subsequent assignments and/or cross-conveyances between Riata and Tinker that may hereafter be required so as to reflect their respective interests in and to the Mickelson Creek Leases.

TO HAVE AND TO HOLD, subject to the terms, exceptions and other provisions herein stated, unto to said owners, their heirs, respective personal representatives, successors and assigns.

This Stipulation and Assignment is made without warranty of title, either expressed or implied, except by, through, and under Riata and Tinker.

This Stipulation and Assignment may be executed in any number of counterparts, each of which shall be considered an original for all purposes.

IN WITNESS WHEREOF, the undersigned have executed this instrument on the date of the acknowledgments annexed hereto, effective as of June 30, 2003.

RIATA ENERGY, INC.

By_____
Malone Mitchell, 3rd, President

MIKE A. TINKER

G:\LEGAL\MICKLESO\STIPAS.DOC

[redacted] [redacted] [redacted]

STATE OF TEXAS)
)
COUNTY OF POTTER)

This instrument was acknowledged before me on the 24 day of August, 2003, by Malone Mitchell, 3rd, on behalf of Riata Energy, Inc., a Texas Corporation.

TERRY D. POPE
Notary Public, State of Texas
My Commission Expires
June 30, 2007

Terry D. Pope
Notary Public in and for
State of Texas

STATE OF COLORADO)
)
COUNTY OF Arapahoe)

This instrument was acknowledged before me on the 27th day of August 2003, by Mike A. Tinker.

NOTARY PUBLIC

Daniel Clark
Notary Public in and for
State of Colorado
My commission expires 9/26/2006

E:\LEGAL\MICKLESO\STIPAS.doc

F:\LEGAL\MICKLESO\STIPAS.DOC

EXHIBIT "A" To Mickleson Creek Leases Stipulation and Assignment

Attached to and made a part ot the Stipulation and Assignment by and between RIATA Energy, Inc., and Mike A. Tinker, executed the _____day of August 2003.

FLS #	Lease Date	Legal Description	Gross Acres	Net Acres	Interest Surf to 5199'	Interest Below Mesa Verde (MV)
W-6008	6-1-51	T-32N, R-114W Sec. 20: S2SE	80.00	28.000	0.00%	0.00%
		T-32N, R-114W Sec. 20: S2SW	80.00	80.000	100.00%	55.00%
W-6008-A	6-1-51	T-32N, R-114W Sec. 29: NW	160.00	160.000	100.00%	55.00%
W-73977	6-1-51	T-32N, R-114W Sec. 17: E2,E2NW, NESW	440.00	91.66	20.8333%	55.00%
		T-32N, R-114W Sec. 17:NWNW	40.00	12.00	30.000%	55.00%
		T-32N, R-114W Sec. 17: SWNW, NWSW, S2SW	160.00	160.000	100.00%	55.00%
		T-32N, R-114W Sec. 18: E2	320.00	320.000	100.00%	55.00%
		T-32N, R-114W Sec. 20: NW, N2SW	240.00	240.000	100.00%	55.00%
		T-32N, R-114W Sec. 20: NE, N2SE	240.00	35.350	0.00%	0.00%
W-6008	6-1-51	T-32N, R-114W Sec. 29: NE, S2	480.00	480.000	100.00%	55.00%
		T-32N, R-114W Sec. 32: N2, E2SW, SE	560.00	560.000	100.00%	55.00%
			2800.00	**2167.01**		

EXHIBIT "B" TO MICKELSON CREEK LEASES STIPULATION AND ASSIGNMENT
Attached to and made a part of the Stipulation and Assignment by and between RIATA ENERGY, INC. and MIKE A. TINKER, executed the _____ day of _____, 2003.

ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS: That Riata Energy, Inc., Assignor, of P.O. Box 19068 Amarillo, TX 79114-1068, for and in consideration of the sum of One Dollar($1.00) and other good and valuable considerations, in hand paid by Mike A. Tinker of 1888 Sherman St. Suite 760 Denver, CO 80203, hereinafter designated Assignee, for the sum of one and 00/100 dollar ($1.00) and other good and valuable consideration, the receipt whereof is hereby acknowledged does hereby SELL ASSIGN, SET OVER TRANSFER AND CONVEY unto said assignee his heirs , successors and assigns, all of its right and title in and to any overriding royalty interest owned by Assignor in the oil and gas produced and saved from lands situated in SUBLETTE, County WYOMING, To Wit;

LEASE DATE: June 1, 1951
LESSOR: U.S.A. W-73977
RECORDED: BK 2, Page 506
DESCRIPTION: TWP 32 NORTH, RGE 114 WEST
Section 20: NE/4, N/2SE/4
Limited to depths from surface down to the base of the Mesaverde Formation

LEASE DATE: June 1, 1951
LESSOR: U.S.A. W-06008
RECORDED: BK 2, Page 503
DESCRIPTION: TWP 32 NORTH, RGE 114 WEST
Section 20: S/2SE/4
Limited to depths from surface down to the base of the Mesaverde Formation

and embracing 800.00 acres, more or less, according to the survey thereof.

This is an OVERRIDING ROYALTY conveyed by Assignor and accepted by Assignee subject to the terms and conditions of the described Leases, and or other Contracts and Agreements or Assignments of record in Assignor's chain of title.

TO HAVE AND TO HOLD said overriding royalty interest unto said assignee, his heirs, successors and assigns forever.

THIS ASSIGNMENT OF OVERRIDING ROYALTY is made without warranty of title, either express or implied.

DATED THIS 10 th DAY of August, 19 94.

249857

RECORDED NOV 28 1994 1250 PM
BOOK 100 Misc PAGE 20
FEES 6.00
SUBLETTE COUNTY CLERK
By Tracey L Fields

Riata Energy, Inc.

BY: Steven E. Logsdon

ACKNOWLEDGEMENT

State of Colorado)
County of Denver)

The foregoing instrument was acknowledged before me this 9 day of NOVEMBER, 1994 by STEVEN E. LOGSDON as LAND MANAGER of Riata Energy, Inc.

WITNESS my hand and official seal.

My commission expires:
Sept 5, 1996

Notary Public

EXHIBIT "B" TO MICKELSON CREEK LEASES STIPULATION AND ASSIGNMENT
Attached to and made a part of the Stipulation and Assignment by and between RIATA ENERGY, INC. and MIKE A. TINKER, executed the _____ day of _____, 2003.

ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS: That Riata Energy, Inc., Assignor, of P.O. Box 19068 Amarillo, TX 79114-1068, for and in consideration of the sum of One Dollar($1.00) and other good and valuable considerations, in hand paid by Mike A. Tinker of 1888 Sherman St. Suite 760 Denver, CO 80203, hereinafter designated Assignee, for the sum of one and:00/100 dollar ($1.00) and other good and valuable consideration, the receipt whereof is hereby acknowledged does hereby SELL ASSIGN, SET OVER TRANSFER AND CONVEY unto said assignee his heirs, successors and assigns, an overriding royalty interest equal to three percent percent (3.0%) of all of the oil and gas produced and saved from lands situated in Sublette County, Wyoming, To Wit;

(See Exhibit "A" Attached Hereto)

and embracing _____ acres, more or less, according to the survey thereof.

If the overriding royalty being conveyed to assignor by assignee reduces the net revenue interest of Assignor to less than eighty one percent (81.0%), then said overriding royalty interest shall be reduced accordingly but to not less than one-half of one percent (0.5%).

This is an OVERRIDING ROYALTY conveyed by Assignor and accepted by Assignee subject to the terms and conditions of the described Leases; and or other Contracts and Agreements or Assignments of record in Assignor's chain of title. In the event the mineral interest covered by the above described leases is less than a full mineral interest or the working interest which the overriding royalty interest burdens is less than 100% the overriding royalty interest assigned shall be proportionately reduced.

TO HAVE AND TO HOLD said overriding royalty interest unto said assignee, his heirs, successors and assigns forever.

THIS ASSIGNMENT OF OVERRIDING ROYALTY is made without warranty of title, either express or implied except as to any burdens, liens or encumbrances created by through or under Assignor.

DATED THIS 10 th DAY of August, 19 94.

249858

Riata Energy, Inc.

BY: Steven E. Leggett

RECORDED Nov 22 1994 1250 PM
BOOK 100 Page 216
$ 10.00
SUBLETTE COUNTY CLERK
Tracey L Fields

ACKNOWLEDGEMENT

State of Colorado)
County of Denver)

The foregoing instrument was acknowledged before me this 9 day of November, 1994 by Steven E. Leggett as Land Manager of Riata Energy, Inc.

WITNESS my hand and official seal.

My commission expires:
September 8, 1996

(Seal) NOTARY PUBLIC STATE OF COLORADO

Notary Public
Residing at:
6431 Quail St. #231
Arvada, CO 80004

EXHIBIT "B" TO MICKELSON CREEK LEASES STIPULATION AND ASSIGNMENT
Attached to and made a part of the Stipulation and Assignment by and between RIATA ENERGY, INC. and MIKE A. TINKER, executed the _____ day of _____, 2003.

EXHIBIT "A"

To Assignment of Overriding Royalty dated the ___ day of _____, 1994, from Riata Energy, Inc. to Mike A. Tinker.

WELL IDENTIFICATION

WELL #2	SWNW	SECTION 29: TWP 32 NORTH, RGE 114 WEST
WELL #4	NWNW	SECTION 29: TWP 32 NORTH, RGE 114 WEST
WELL #5	NESE	SECTION 18: TWP 32 NORTH, RGE 114 WEST
WELL #6	NWNW	SECTION 20: TWP 32 NORTH, RGE 114 WEST
WELL #7	NWSW	SECTION 20: TWP 32 NORTH, RGE 114 WEST
WELL #8	SWSE	SECTION 7: TWP 32 NORTH, RGE 114 WEST
WELL #1-17	NWNW	SECTION 17: TWP 32 NORTH, RGE 114 WEST
WELL #43-20	NESE	SECTION 20: TWP 32 NORTH, RGE 114 WEST

ALL IN SUBLETTE COUNTY, WYOMING

OIL AND GAS LEASES

IDENTIFIED BELOW

C&A LEASE #: WY-0323-211-00-00
LEASE DATE: June 1, 1951
LESSOR: USA Serial #W-05900
RECORDED: -----
DESCRIPTION: TWP 32 NORTH, RGE 114 WEST
Section 19: NE/4NE/4
40.00 acres

C&A LEASE #: WY-0323-226-00-00
LEASE DATE: June 1, 1951
LESSOR: USA Serial #W-05900-C
RECORDED: -----
DESCRIPTION: TWP 32 NORTH, RGE 114 WEST
Section 19: SENE, NESE, SWNE, NWSE, S/2SE
Section 30: Lots 3, 4, E/2SW
388.74 acres

C&A LEASE #: WY-0323-231-00-00
LEASE DATE: June 1, 1951
LESSOR: USA Serial #W-06008
RECORDED: Book 002 at Page 503
DESCRIPTION: TWP 32 NORTH, RGE 114 WEST
Section 20: S/2SE, S/2SW
160.00 acres

C&A LEASE #: WY-0323-232-00-00
LEASE DATE: June 1, 1951
LESSOR: USA Serial #W-05900-B
RECORDED: -----
DESCRIPTION: TWP 32 NORTH, RGE 114 WEST
Section 31: Lots 3, 4, E/2SW/4
149.10 acres

EXHIBIT "B" TO MICKELSON CREEK LEASES STIPULATION AND ASSIGNMENT
Attached to and made a part of the Stipulation and Assignment by and between RIATA ENERGY, INC. and MIKE A. TINKER, executed the _____ day of _____, 2003.

C&A LEASE #: WY-0323-233-00-00
LEASE DATE: June 1, 1951
LESSOR: USA Serial #W-06008-A
RECORDED: Book 002 at Page 503
DESCRIPTION: TWP 32 NORTH, RGE 114 WEST
Section 29: NW/4

160.00 acres

C&A LEASE #: WY-0323-234-00-00
LEASE DATE: June 1, 1951
LESSOR: USA Serial #W-77041
RECORDED: Book 023 at Page 276
DESCRIPTION: TWP 32 NORTH, RGE 114 WEST
Section 30: E/2NE/4

80.00 acres

C&A LEASE #: WY-0323-235-00-00
LEASE DATE: June 1, 1951
LESSOR: USA Serial #W-77041
RECORDED: Book 023 at Page 276
DESCRIPTION: TWP 33 NORTH, RGE 114 WEST
Section 30: W/2NE/4, SE/4
Section 31: Lots 1, 2, E/2NW/4

388.90 acres

C&A LEASE #: WY-0323-728-00-00
LEASE DATE: June 1, 1951
LESSOR: USA Serial #W-73977
RECORDED: Book 002 at Page 506
DESCRIPTION: TWP 32 NORTH, RGE 114 WEST
Section 17: NWNW, E/2, E/2NW, NESW, SWNW, NWSW, S/2SW
Section 18: E/2
Section 20: NE/4, N/2SE/4, NW/4, N/2SW/4

1,440.00 acres

C&A LEASE #: WY-3231-231-00-00
LEASE DATE: June 1, 1951
LESSOR: USA Serial #W-06008
RECORDED: Book 002 at Page 503
DESCRIPTION: TWP 32 NORTH, RGE 114 WEST
Section 29: NE/4, S/2
Section 32: N/2, E/2SW, SE/4

1,040.00 acres

C&A LEASE #: WY-3233-230-00-00
LEASE DATE: June 1, 1951
LESSOR: USA Serial #W-06009
RECORDED: Book 002 at Page 506
DESCRIPTION: TWP 32 NORTH, RGE 114 WEST
Section 7: Lots 1, 2, S/2NE/4, SE/4

260.76 acres

[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 **EOG RESOURCES, INC.**, whose address is P. O. Box 4362, Houston, TX 77210-4362 and **ENCANA OIL & GAS (USA) INC.**, whose address is 950 17th Street, Suite 2600, Denver, CO 80202 the receipt of which is hereby acknowledged, and subject to the conditions hereinafter stated, does hereby bargain, sell, transfer, assign and convey an undivided forty percent (40%) interest unto the said **EOG RESOURCES, INC.**, and an undivided sixty percent (60%) interest unto the said **ENCANA OIL & GAS (USA) INC.**, hereinafter called "Assignees", their successors and assigns, the Oil and Gas Lease, described on EXHIBIT "A" attached hereto and made a part hereof, and all rights thereunder or incident thereto, and personal property thereon or used or obtained in connection therewith which said lease cover the lands identified and described therein situated in Sublette County, Wyoming.

Reference is hereby made to said lease, and the recording thereof in Sublette County, Wyoming, 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 Assignees herein, their successors and assigns, subject to and in accordance with the terms, provisions, and conditions of said lease, and Assignees by acceptance hereof, agree to comply with and hereby assume 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 Assignees, their 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 1ST day of July, 2003.

299403

RECORDED Sept. 5 2003 3:25 PM
IN BOOK 125 O&G PAGE 376
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By

CONTEX ENERGY COMPANY

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 1ST day of July, 2003.

My Commission Expires: 1/24/2005

ELLY BARMES NOTARY PUBLIC STATE OF COLORADO

My Commission Expires 01/24/2005

_____
Notary Public: Elly Barmes
Address: Littleton, Colorado 80127

376

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Lease dated July 1, 2003, by and between Contex Energy Company, Assignor and EOG Resources, Inc. and ENCANA Oil & Gas (USA) Inc., Assignees, to wit:

Assignor hereby assigns all of its right, title and interest in said Oil and Gas Lease to Assignees in the percentages heretofore set out insofar as said Oil and Gas Lease covers the following described lands, to wit:

Lessor:	Bradley Joseph McInnis, also known as Bradley J. McInnis
Lessee:	Contex Energy Company
Dated:	May 6, 2003
Recorded:	Book 125, Page 277
	In the records of Sublette County, Wyoming
Covering:	TOWNSHIP 32 NORTH, RANGE 114 WEST
	Section 11: Lot 2 (15.61), Lot 3 (15.13), SENW
	TOWNSHIP 33 NORTH, RANGE 113 WEST
	Section 30: S/2SE
	Section 31: Lot 2 (39.75), Lot 3 (39.85), Lot 4 (39.95) N/2NE, SENW, E/2SW
	Containing 470.29 acres, more or less
	Sublette County, Wyoming

[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 EOG RESOURCES, INC. of P. O. Box 4362, Houston, TX 77210-4362, 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 EOG 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:	State of Wyoming, Lease No. 03-00088
Lessee:	Contex Energy Company
Dated:	effective April 2, 2003
Recorded:	Filed in records of the State of Wyoming, Board of Land Commissioners
Covering:	TOWNSHIP 31 NORTH, RANGE 113 WEST, 6th P.M. Section 16: N2 containing 320.00 acres, more or less

Reference is hereby made to said lease, and the filing thereof in the records of the State of Wyoming, Board of Land Commissioners, 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 lease, 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 26th day of August, 2003.

299404

RECORDED Sept. 5 2003 3:25PM
IN BOOK 125 D-G PAGE 378
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

CONTEX ENERGY COMPANY

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 26th day of August, 2003.

ELLY BARNES NOTARY PUBLIC STATE OF COLORADO

My Commission Expires 01/24/2005

My Commission Expires:
January 24, 2005

Elly Barnes
Notary Public

Address: Elly Barnes
11412 West Prentice Drive
Littleton, CO 80127

Horse Creek 77115.000

[redacted] [redacted] [redacted]

ProducersS8
Rocky Mountain 1989
(Paid-Up Rev. 1996)

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 6th day of May 2003, by and between Shelly R. Goodman, a single woman

of 1313 Green House Street, Rosewall, Georgia 30076, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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

299537

RECORDED Sept. 10 2003 9:25AM
IN BOOK 125 OF 6 PAGE 379
FEES $ 14.00
COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sisto

And containing 470.29 acres, more or less.

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.

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 noncombustible, 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 Direct to Lessor, at Address listed above (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.

Shelly R. Goodman, a single woman

STATE of Florida

COUNTY of Lee

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 12th day of May June, 200 3,

Personally appeared Shelly R. Goodman, a single woman

Identical person ____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that S he ____ duly executed the same as her free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: Feb. 25, 2007

DARLENE D'ALBERTO
MY COMMISSION # DD 184483
EXPIRES: February 25, 2007
Bonded Thru Budget Notary Services

Notary Public: Darlene D'Alberto
Address: DARLENE D'ALBERTO

STATE of _____

ACKNOWLEDGEMENT-CORPORATE

COUNTY of _____

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 200 ____,

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.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: _____

Notary Public:
Address:

[redacted] [redacted] [redacted]

EXHIBIT "A"

This Exhibit "A" attached to and made a part of that certain Oil and Gas Lease dated May 6, 2003, by and between Shelly R. Goodman, a single woman, Lessor, and Contex Energy Company, Lessee, to-wit:

TOWNSHIP 32 NORTH, RANGE 114 WEST, 6TH P. M.
Section 11: Lots 2 (15.61), 3 (15.13), SENW
TOWNSHIP 33 NORTH, RANGE 113 WEST, 6TH P. M.
Section 30: S/2SE
Section 31: Lots 2 (39.75), 3 (39.85), 4 (39.95), N/2NE, SENW, E/2SW
Containing 470.29 acres more or less
Sublette County, Wyoming

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

SIGNED FOR IDENTIFICATION

Shelly R. Goodman

382

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 15th day of July 2003, by and between Floyd L. Briggs, Jr. and Kathryn J. Briggs, husband and wife

Of 523 Ehman Lane, Pinedale WY 82941, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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:

Township 34 North, Range 113 West, 6th P.M.
Section 1: SW1/4
Section . 2: SE1/4
Section 34: S1/2S1/2

299538

RECORDED Sept. 10 2003 9:35 AM
IN BOOK 125 OF 6 PAGE 382
FEE $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

]

See Exhibit "A" attached hereto and made a part hereof and signed by Lessor for Identification.

480.0 acres, more or less.

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.

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 noncombustible, 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 Four (4) 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 Direct to Lessor, at Address listed above (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.

Floyd L. Briggs, Jr.

Floyd L. Briggs, Jr.

SS # 480-32-9488

Kathryn J. Briggs

520-34-8448

STATE of Wyoming

COUNTY of Sublette

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 21st day of July, 2003,

Personally appeared Floyd L. Briggs, Jr. and Kathryn J. Briggs, husband and wife

Identical person s, described in and who executed the within and foregoing instrument of writing and acknowledged to me that t he y duly executed the same as Their free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: 5/17/06

Notary Public:

Address: Pinedale, Wyoming

STATE of

COUNTY of

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 200 ____,

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.

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:

EXHIBIT "A"

This Exhibit is attached to and by reference made a part of that certain oil and gas lease dated July 15, 2003, by and between Floyd L. Briggs, Jr. and Kathryn J. Briggs, husband and wife, as Lessor, and Contex Energy Company, as Lessee:

Township 34 North, Range 113 West, 6th P.M
Section 1: SW1/4
Section 2: SE1/4
Section 34: S1/2S1/2

Wherever the fraction one-eighth (1/8th) appears herein as royalty it is hereby amended to read sixteen percent (16%).

If at the expiration of the primary term, or at any time thereafter, the leased premises are productive of oil, or oil and casinghead gas, or gas, Lessee, its successors or assigns shall conduct a continuous drilling program on the leased premises until the leased premises are fully developed or the Lessee, its successors or assigns, shall suffer the partial expiration and termination of this Lease as hereinafter provided. Within 180 days after the expiration of the primary term, or within 180 days after the completion of the first such well if completed after the expiration of the primary term, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of a second well on the leased premises. The Lessee, its successors or assigns, shall hereinafter drill such well with due diligence to such formation as a reasonable prudent operator might select. In like manner, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of an additional well on the leased premises within 180 days after the completion of the preceding well until the leased premises are fully developed. In the event the Lessee, its successors or assigns, should fail, neglect or refuse to commence or cause to be commenced the drilling of any well within 180 days after the completion of the preceding well and prior to the full and complete development of the leased premises, then and in that event this lease shall automatically terminate insofar and only insofar as to such lands that are not contained within the designated spacing unit in which such well is located.

It is agreed that this lease shall not be continued in force solely by reason of the shut-in well provisions for a period of more than three (3) years beyond the primary term of this lease.

Lessee agrees not to drill a well within 400 feet of any existing water well without the prior consent of Lessor and Lessor agrees not to unreasonably withhold such consent.

Signed For Identification:

Floyd L. Briggs, Jr.

Kathryn J. Briggs

[redacted] [redacted] [redacted]

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 3rd day of July 2003, by and between Barbara J. Tonn, also known as Barbara Jean Tonn, a married woman dealing in her sole and separate property

Of 1014 E. Olive, Bozeman, Montana 59715, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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

299539

RECORDED Sept. 10 2003 9:25 A.M.
IN BOOK 125 O+G PAGE 385
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Lee

And containing 2,506.30 acres, more or less.

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.

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 noncombustible, 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 four (4) 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 Direct to Lessor, at Address listed above (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.

Barbara J. Tonn

Barbara J. Tonn, also known as Barbara Jean Tonn, a married woman dealing in her sole and separate property

SS # 516-68-3114

ACKNOWLEDGEMENT-INDIVIDUAL

STATE of Montana

COUNTY of Gallatin

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 9 day of July, 200 3,

Personally appeared Barbara J. Tonn, also known as Barbara Jean Tonn

Identical person S, described in and who executed the within and foregoing instrument of writing and acknowledged to me that S he her duly executed the same as free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

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 for the State of Montana
Residing at Bozeman, Montana
My Commission Expires April 25, 2006

Penelope H. Tolland

Notary Public: Penelope H. Tolland
Address: First Interstate Bank
P.O. Box 1930
[illegible], MT

ACKNOWLEDGEMENT-CORPORATE

STATE of

COUNTY of

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 200 ____,

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.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: _____

Notary Public:
Address:

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

EXHIBIT "A"

This Exhibit is attached to and by reference made a part of that certain oil and gas lease dated July 3, 2003, by and between Barbara J. Tonn, also known as Barbara Jean Tonn, a married woman dealing in her sole and separate property, Lessor, and Contex Energy Company, as Lessee:

Township 34 North, Range 113 West
Section 1: N/2SE/4, SE/4SE/4, S/2NE
Section 12: SE, SENE
Section 13: NE, N/2SE, SESE
Section 21: SENE, NESW, NWSE

Township 34 North, Range 112 West
Section 5: NWSW, S/2SW
Section 6: Lots 5 (38.51), 6 (38.55), 7 (38.60), SENW, E/2SW
Section 7: Lots 1 (38.65), 2 (38.72), 3 (38.78), 4 (38.85), NE, E/2NW, E/2SW, N/2SE, SWSE
Section 8: NW/4SW/4, NW
Section 18: Lots 1 (38.89), 2 (38.90), 3 (38.92), 4 (38.93), E/2NW, W/2NE, NWSE, NESW

And containing 2,506.30, more or less
Sublette County, Wyoming

Wherever the fraction one-eighth ($1/8^{th}$) appears herein as royalty it is hereby amended to read fifteen and one-half percent (15.50%).

If at the expiration of the primary term, or at any time thereafter, the leased premises are productive of oil, or oil and casinghead gas, or gas, Lessee, its successors or assigns shall conduct a continuous drilling program on the leased premises until the leased premises are fully developed or the Lessee, its successors or assigns, shall suffer the partial expiration and termination of this Lease as hereinafter provided. Within 180 days after the expiration of the primary term, or within 180 days after the completion of the first such well if completed after the expiration of the primary term, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of a second well on the leased premises. The Lessee, its successors or assigns, shall hereinafter drill such well with due diligence to such formation as a reasonable prudent operator might select. In like manner, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of an additional well on the leased premises within 180 days after the completion of the preceding well until the leased premises are fully developed. In the event the Lessee, its successors or assigns, should fail, neglect or refuse to commence or cause to be commenced the drilling of any well within 180 days after the completion of the preceding well and prior to the full and complete development of the leased premises, then and in that event this lease shall automatically terminate insofar and only insofar as to such lands that are not contained within the designated spacing unit in which such well is located.

It is agreed that this lease shall not be continued in force solely by reason of the shut-in well provisions for a period of more than three (3) years beyond the primary term of this lease.

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 3rd day of July, 2007, 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, her heirs, successors or assigns at the last known address, the sum amount equal to the original per net acre consideration paid for the execution of this lease for each net mineral acre Lessee elects to extend on or before the expiration date of the initial primary term of this lease. If Lessee exercises this option, the lease, as extended will thereafter be considered as if the original primary term provided in the body of the lease was for seven (7) years.

Signed For Identification:

Barbara J. Tonn

Barbara J. Tonn, also known as Barbara Jean Tonn, a married woman dealing in her sole and separate property

388

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 3rd day of July 2003, by and between Mary Ruth Nelson, a married woman dealing in her sole and separate property

Of 3922 Broadwater, Bozeman, Montana 59715, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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

299540

RECORDED Sept 10 2003 9:25AM
IN BOOK 125 O+G PAGE 388
FEES $ 14.00 [illegible] COUNTY CLERK
SUBLETTE COUNTY, [illegible]
By [illegible]

And containing 2,506.30 acres, more or less.

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.

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 noncombustible, 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 four (4) 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 Direct to Lessor, at Address listed above (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

[redacted] [redacted] [redacted]

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.

Mary Ruth Nelson

Mary Ruth Nelson, a married woman dealing in her sole and separate property

SS # 517-32-9971

STATE of ~~Notary Public for the State of Montana Residing at Bozeman, Montana My Commission Expires April 25, 2006~~ ACKNOWLEDGEMENT-INDIVIDUAL

COUNTY of _____

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 10 day of July, 200 3.

Personally appeared Mary Ruth Nelson

Identical person ____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that S he ____ duly executed the same as her free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein

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 for the State of Montana Residing at Bozeman, Montana My Commission Expires April 25, 2006

Penelope H. Idland

Notary Public: Penelope H. Idland

Address: First Interstate Bank P.O. Box 1694 Bozeman, MT

STATE of _____ ACKNOWLEDGEMENT-CORPORATE

COUNTY of _____

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 200__.

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.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: _____

Notary Public:

Address:

390

EXHIBIT "A"

This Exhibit is attached to and by reference made a part of that certain oil and gas lease dated July 3, 2003, by and between Mary Ruth Nelson, a married woman dealing in her sole and separate property, Lessor, and Contex Energy Company, as Lessee:

Township 34 North, Range 113 West
Section 1: N/2SE/4, SE/4SE/4, S/2NE
Section 12: SE, SENE
Section 13: NE, N/2SE, SESE
Section 21: SENE, NESW, NWSE

Township 34 North, Range 112 West
Section 5: NWSW, S/2SW
Section 6: Lots 5 (38.51), 6 (38.55), 7 (38.60), SENW, E/2SW
Section 7: Lots 1 (38.65), 2 (38.72), 3 (38.78), 4 (38.85), NE, E/2NW, E/2SW, N/2SE, SWSE
Section 8: NW/4SW/4, NW
Section 18: Lots 1 (38.89), 2 (38.90), 3 (38.92), 4 (38.93), E/2NW, W/2NE, NWSE, NESW

And containing 2,506.30, more or less
Sublette County, Wyoming

Wherever the fraction one-eighth ($1/8^{th}$) appears herein as royalty it is hereby amended to read fifteen and one-half percent (15.50%).

If at the expiration of the primary term, or at any time thereafter, the leased premises are productive of oil, or oil and casinghead gas, or gas, Lessee, its successors or assigns shall conduct a continuous drilling program on the leased premises until the leased premises are fully developed or the Lessee, its successors or assigns, shall suffer the partial expiration and termination of this Lease as hereinafter provided. Within 180 days after the expiration of the primary term, or within 180 days after the completion of the first such well if completed after the expiration of the primary term, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of a second well on the leased premises. The Lessee, its successors or assigns, shall hereinafter drill such well with due diligence to such formation as a reasonable prudent operator might select. In like manner, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of an additional well on the leased premises within 180 days after the completion of the preceding well until the leased premises are fully developed. In the event the Lessee, its successors or assigns, should fail, neglect or refuse to commence or cause to be commenced the drilling of any well within 180 days after the completion of the preceding well and prior to the full and complete development of the leased premises, then and in that event this lease shall automatically terminate insofar and only insofar as to such lands that are not contained within the designated spacing unit in which such well is located.

It is agreed that this lease shall not be continued in force solely by reason of the shut-in well provisions for a period of more than three (3) years beyond the primary term of this lease.

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 3rd day of July, 2007, 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, her heirs, successors or assigns at the last known address, the sum amount equal to the original per net acre consideration paid for the execution of this lease for each net mineral acre Lessee elects to extend on or before the expiration date of the initial primary term of this lease. If Lessee exercises this option, the lease, as extended will thereafter be considered as if the original primary term provided in the body of the lease was for seven (7) years.

Signed For Identification:

Mary Ruth Nelson

Mary Ruth Nelson, a married woman dealing in
her sole and separate property

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 3rd day of July 2003, by and between Mary A. Bridger, a married woman dealing in her sole and separate property

Of 808 Blackmore Place, Bozeman, Montana 59715, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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

299541

RECORDED Sept. 10 2003 9:25 AM
IN BOOK 125 O+G PAGE 391
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, WYOMING
By

And containing 2,506.30 acres, more or less.

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.

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 noncombustible, 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 four (4) 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 Direct to Lessor, at Address listed above (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.

Mary A. Bridger

Mary A. Bridger, a married woman dealing in her sole and separate property

SS # 516-68-3081

STATE of Montana
COUNTY of Gallatin

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 9 day of July, 200 3,

Personally appeared Mary A. Bridger

Identical person ____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that S he ____ duly executed the same as her free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

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 for the State of Montana
Residing at Bozeman, Montana
My Commission Expires April 25, 2006

Penelope H. Idland Penelope H. Idland
Notary Public:
Address: First Interstate Bank
P.O. Box 1890
Bozeman, MT 59771-1890

STATE of ____
COUNTY of ____

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this ____ day of ____, 200 ____,

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.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: ____

Notary Public:
Address:

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

EXHIBIT "A"

This Exhibit is attached to and by reference made a part of that certain oil and gas lease dated July 3, 2003, by and between Mary A. Bridger, a married woman dealing in her sole and separate property, Lessor, and Contex Energy Company, as Lessee:

Township 34 North, Range 113 West
Section 1: N/2SE/4, SE/4SE/4, S/2NE
Section 12: SE, SENE
Section 13: NE, N/2SE, SESE
Section 21: SENE, NESW, NWSE

Township 34 North, Range 112 West
Section 5: NWSW, S/2SW
Section 6: Lots 5 (38.51), 6 (38.55), 7 (38.60), SENW, E/2SW
Section 7: Lots 1 (38.65), 2 (38.72), 3 (38.78), 4 (38.85), NE, E/2NW, E/2SW, N/2SE, SWSE
Section 8: NW/4SW/4, NW
Section 18: Lots 1 (38.89), 2 (38.90), 3 (38.92), 4 (38.93), E/2NW, W/2NE, NWSE, NESW

And containing 2,506.30, more or less
Sublette County, Wyoming

Wherever the fraction one-eighth (1/8th) appears herein as royalty it is hereby amended to read fifteen and one-half percent (15.50%).

If at the expiration of the primary term, or at any time thereafter, the leased premises are productive of oil, or oil and casinghead gas, or gas, Lessee, its successors or assigns shall conduct a continuous drilling program on the leased premises until the leased premises are fully developed or the Lessee, its successors or assigns, shall suffer the partial expiration and termination of this Lease as hereinafter provided. Within 180 days after the expiration of the primary term, or within 180 days after the completion of the first such well if completed after the expiration of the primary term, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of a second well on the leased premises. The Lessee, its successors or assigns, shall hereinafter drill such well with due diligence to such formation as a reasonable prudent operator might select. In like manner, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of an additional well on the leased premises within 180 days after the completion of the preceding well until the leased premises are fully developed. In the event the Lessee, its successors or assigns, should fail, neglect or refuse to commence or cause to be commenced the drilling of any well within 180 days after the completion of the preceding well and prior to the full and complete development of the leased premises, then and in that event this lease shall automatically terminate insofar and only insofar as to such lands that are not contained within the designated spacing unit in which such well is located.

It is agreed that this lease shall not be continued in force solely by reason of the shut-in well provisions for a period of more than three (3) years beyond the primary term of this lease.

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 3rd day of July, 2007, 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, her heirs, successors or assigns at the last known address, the sum amount equal to the original per net acre consideration paid for the execution of this lease for each net mineral acre Lessee elects to extend on or before the expiration date of the initial primary term of this lease. If Lessee exercises this option, the lease, as extended will thereafter be considered as if the original primary term provided in the body of the lease was for seven (7) years.

Signed For Identification:

Mary A. Bridger

Mary A. Bridger, a Married woman dealing in
her sole and separate property

394

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 11th day of June 2003, by and between Barbara Joan Bachmeyer and Kenneth Bachmeyer, her husband

Of 43882 Manzanita, Three Rivers, CA 93271, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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:

Township 34 North, Range 113 West, 6th P.M.
Section 1: Lot s 3(39.20), 4(38.88), S1/2NW1/4
Section 2: Lots 1(38.62), 2(38.43), S1/2NE1/4
Section 3: Lots 3(38.84), 4(39.20), S1/2NW1/4
Section 4: S1/2

299542

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IN BOOK 125 O+G PAGE 394
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Easton

Notwithstanding anything to the contrary herein contained, all reference to royalty in paragraph two shall be changed to read 16% rather than 1/8th.

793.17 acres, more or less.

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.

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 noncombustible, 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 Four (4) 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 Direct to Lessor, at Address listed above (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

[redacted] [redacted] [redacted]

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.

Barbara Joan Bachmeyer
Barbara Joan Bachmeyer

Kenneth Bachmeyer
Kenneth Bachmeyer

SS # 520-30-4881

STATE of Montana
COUNTY of Flathead Residing in Kalispell

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 28 day of July, 200 3.

Personally appeared Barbara Joan Bachmeyer and Kenneth Bachmeyer, her husband

Identical person S, described in and who executed the within and foregoing instrument of writing and acknowledged to me that t he y duly executed the same as Their free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: 2-4-07

GINA R. BONDURANT NOTARIAL SEAL STATE OF MONTANA

Notary Public: Gina R Bondurant
Address: PO Box 88
Kalispell, MT 59903

STATE of
COUNTY of

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 200 ____,

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.

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:

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 15th day of August 2003, by and between

Mary A. Bridger, a married woman dealing in her sole and separate property

Of 808 Blackmore Place, Bozeman, Montana 59715, hereinafter called lessor (whether one or more), and

Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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

299543

RECORDED Sept. 10 2003 9:25 AM
IN BOOK 125 O+G PAGE 396
FEES $ 14.00
SUBLETTE COUNTY CLERK
PINEDALE, WYOMING
By Cathy Scott

And containing 1,435.34 acres, more or less.

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.

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 noncombustible, 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 four (4) 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 Direct to Lessor, at Address listed above (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.

Mary A Bridger

Mary A. Bridger, a married woman dealing in her sole and separate property

SS # 516-68-3081

STATE of Montana

COUNTY of Gallatin

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 22 day of August, 200 3.

Personally appeared Mary A. Bridger

Identical person ____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that S he ____ duly executed the same as her free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereupto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: Notary Public for the State of Montana Residing at Bozeman, Montana My Commission Expires April 25, 2006

Penelope H. Idland Penelope H. Idland

Notary Public
Address: First Interstate Bank, P.O. Box 1890 Bozeman, MT 59771-1890

STATE of ____

COUNTY of ____

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this ____ day of ____, 200 ____.

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.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: ____

Notary Public:
Address:

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EXHIBIT "A"

This Exhibit is attached to and by reference made a part of that certain oil and gas lease dated August 15, 2003, by and between Mary A. Bridger, a married woman dealing in her sole and separate property, Lessor, and Contex Energy Company, as Lessee:

TOWNSHIP 34 NORTH, RANGE 112 WEST, 6TH P.M.
Section 6: SE
Section 19: Lot 1 (38.95), NENW
TOWNSHIP 33 NORTH, RANGE 112 WEST, 6TH P.M.
Section 27: W/2NE, S/2NW, S/2
Section 34: ~~W/2NE~~, SENE, N/2 NE/4
Section 35: W/2, SWNE, SE
TOWNSHIP 32 NORTH, RANGE 112 WEST, 6TH P.M.
Section 10: Lots 1 (27.07), 2 (25.47), 3 (23.85)
Containing 1,435.34 acres, more or less
Sublette County, Wyoming

Wherever the fraction one-eighth (1/8th) appears herein as royalty it is hereby amended to read sixteen percent (16%).

If at the expiration of the primary term, or at any time thereafter, the leased premises are productive of oil, or oil and casinghead gas, or gas, Lessee, its successors or assigns shall conduct a continuous drilling program on the leased premises until the leased premises are fully developed or the Lessee, its successors or assigns, shall suffer the partial expiration and termination of this Lease as hereinafter provided. Within 180 days after the expiration of the primary term, or within 180 days after the completion of the first such well if completed after the expiration of the primary term, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of a second well on the leased premises. The Lessee, its successors or assigns, shall hereinafter drill such well with due diligence to such formation as a reasonable prudent operator might select. In like manner, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of an additional well on the leased premises within 180 days after the completion of the preceding well until the leased premises are fully developed. In the event the Lessee, its successors or assigns, should fail, neglect or refuse to commence or cause to be commenced the drilling of any well within 180 days after the completion of the preceding well and prior to the full and complete development of the leased premises, then and in that event this lease shall automatically terminate insofar and only insofar as to such lands that are not contained within the designated spacing unit in which such well is located.

It is agreed that this lease shall not be continued in force solely by reason of the shut-in well provisions for a period of more than three (3) years beyond the primary term of this lease.

Signed For Identification:

Mary A Bridger

Mary A. Bridger, a Married woman dealing in
her sole and separate property

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 15th day of August 2003, by and between

Mary Ruth Nelson, a married woman dealing in her sole and separate property

Of 3922 Broadwater, Bozeman, Montana 59715, hereinafter called lessor (whether one or more), and

Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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

299544

RECORDED Sept. 10 2003 9:25 A.M.
IN BOOK 125046 PAGE 399
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE, WYOMING
By

And containing 1,435.34 acres, more or less.

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.

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 noncombustible, 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 four (4) 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 Direct to Lessor, at Address listed above (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.

Mary Ruth Nelson

Mary Ruth Nelson, a married woman dealing in her sole and separate property

SS # 517-32-9771

STATE of Montana

COUNTY of Gallatin

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 22 day of August, 200 3.

Personally appeared Mary Ruth Nelson

Identical person ____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that S he ____ duly executed the same as her free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

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 for the State of Montana Residing at Bozeman, Montana My Commission Expires April 25, 2006

Notary Public: Penelope H. Ward Penelope H Ward

Address: ~~First Interstate Bank~~ P.O. Box 1890 Bozeman, MT 59771-1890

STATE of ____

COUNTY of ____

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this ____ day of ____

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.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: ____

Notary Public:

Address:

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

EXHIBIT "A"

This Exhibit is attached to and by reference made a part of that certain oil and gas lease dated August 15, 2003, by and between Mary Ruth Nelson, a married woman dealing in her sole and separate property, Lessor, and Contex Energy Company, as Lessee:

TOWNSHIP 34 NORTH, RANGE 112 WEST, 6TH P.M.
Section 6: SE
Section 19: Lot 1 (38.95), NENW
TOWNSHIP 33 NORTH, RANGE 112 WEST, 6TH P.M.
Section 27: W/2NE, S/2NW, S/2
Section 34: ~~W/2NE~~, SENE, N/2NE/4
Section 35: W/2, SWNE, SE
TOWNSHIP 32 NORTH, RANGE 112 WEST, 6TH P.M.
Section 10: Lots 1 (27.07), 2 (25.47), 3 (23.85)
Containing 1,435.34 acres, more or less
Sublette County, Wyoming

Wherever the fraction one-eighth (1/8th) appears herein as royalty it is hereby amended to read sixteen percent (16%).

If at the expiration of the primary term, or at any time thereafter, the leased premises are productive of oil, or oil and casinghead gas, or gas, Lessee, its successors or assigns shall conduct a continuous drilling program on the leased premises until the leased premises are fully developed or the Lessee, its successors or assigns, shall suffer the partial expiration and termination of this Lease as hereinafter provided. Within 180 days after the expiration of the primary term, or within 180 days after the completion of the first such well if completed after the expiration of the primary term, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of a second well on the leased premises. The Lessee, its successors or assigns, shall hereinafter drill such well with due diligence to such formation as a reasonable prudent operator might select. In like manner, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of an additional well on the leased premises within 180 days after the completion of the preceding well until the leased premises are fully developed. In the event the Lessee, its successors or assigns, should fail, neglect or refuse to commence or cause to be commenced the drilling of any well within 180 days after the completion of the preceding well and prior to the full and complete development of the leased premises, then and in that event this lease shall automatically terminate insofar and only insofar as to such lands that are not contained within the designated spacing unit in which such well is located.

It is agreed that this lease shall not be continued in force solely by reason of the shut-in well provisions for a period of more than three (3) years beyond the primary term of this lease.

Signed For Identification:

Mary Ruth Nelson

Mary Ruth Nelson, a Married woman dealing in
her sole and separate property

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 15th day of August 2003, by and between Barbara J. Tonn, also known as Barbara Jean Tonn, a married woman dealing in her sole and separate property

Of 1014 E. Olive, Bozeman, Montana 59715, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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

299545

RECORDED Sept. 10 2003 9:25AM
IN BOOK 125 OF G PAGE 402
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Lee

And containing 1435.34 acres, more or less.

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.

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 noncombustible, 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 four (4) 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 Direct to Lessor, at Address listed above (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.

Barbara J. Tonn

Barbara J. Tonn, also known as Barbara Jean Tonn, a married woman dealing in her sole and separate property

SS # 516-68-3114

STATE of Montana

COUNTY of Gallatin

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 22 day of August, 200 3.

Personally appeared Barbara J. Tonn, also known as Barbara Jean Tonn

Identical person S, described in and who executed the within and foregoing instrument of writing and acknowledged to me that S he duly executed the same as her free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

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 for the State of Montana ~~Residing at Bozeman,~~ Montana My Commission Expires April 25, 2006

Penelope H. Idland

Notary Public: Penelope H. Idland

Address: First Interstate Bank P.O. Box 1880 Bozeman, MT 59771-1880

STATE of

COUNTY of

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 200 _____.

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.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: _____

Notary Public:

Address:

EXHIBIT "A"

This Exhibit is attached to and by reference made a part of that certain oil and gas lease dated August 15, 2003, by and between Barbara J. Tonn, also known as Barbara Jean Tonn, a married woman dealing in her sole and separate property, Lessor, and Contex Energy Company, as Lessee:

TOWNSHIP 34 NORTH, RANGE 112 WEST, 6TH P.M.
Section 6: SE
Section 19: Lot 1 (38.95), NENW
TOWNSHIP 33 NORTH, RANGE 112 WEST, 6TH P.M.
Section 27: W/2NE, S/2NW, S/2
Section 34: ~~W/2NE~~, SENE, N/2NE/4
Section 35: W/2, SWNE, SE
TOWNSHIP 32 NORTH, RANGE 112 WEST, 6TH P.M.
Section 10: Lots 1 (27.07), 2 (25.47), 3 (23.85)
Containing 1,435.34 acres, more or less
Sublette County, Wyoming

Wherever the fraction one-eighth (1/8th) appears herein as royalty it is hereby amended to read sixteen percent (16%).

If at the expiration of the primary term, or at any time thereafter, the leased premises are productive of oil, or oil and casinghead gas, or gas, Lessee, its successors or assigns shall conduct a continuous drilling program on the leased premises until the leased premises are fully developed or the Lessee, its successors or assigns, shall suffer the partial expiration and termination of this Lease as hereinafter provided. Within 180 days after the expiration of the primary term, or within 180 days after the completion of the first such well if completed after the expiration of the primary term, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of a second well on the leased premises. The Lessee, its successors or assigns, shall hereinafter drill such well with due diligence to such formation as a reasonable prudent operator might select. In like manner, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of an additional well on the leased premises within 180 days after the completion of the preceding well until the leased premises are fully developed. In the event the Lessee, its successors or assigns, should fail, neglect or refuse to commence or cause to be commenced the drilling of any well within 180 days after the completion of the preceding well and prior to the full and complete development of the leased premises, then and in that event this lease shall automatically terminate insofar and only insofar as to such lands that are not contained within the designated spacing unit in which such well is located.

It is agreed that this lease shall not be continued in force solely by reason of the shut-in well provisions for a period of more than three (3) years beyond the primary term of this lease.

Signed For Identification:

Barbara J. Tonn

Barbara J. Tonn, also know as Barbara Jean Tonn,
a Married woman dealing in
her sole and separate property

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 6th day of August 2003, by and between John Perry Barlow Trustee of the Miriam Jenkins Bailey Granddaughter's Trust u/a/d/ March 12, 1997

Of P.O. Box 1009, Pinedale, WY 82941, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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:

Township 34 North, Range 113 West, 6th P.M.
Section 01: SW1/4
Section 11: E1/2, N1/2SW1/4
Section 13: NW1/4, NE1/4SW1/4
Section 14: NE1/4

299546

RECORDED Sept. 10 2003 9:25 AM
IN BOOK 125 O+G PAGE 405
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Seaton

See Exhibit "A" attached hereto and made a part hereof and signed by Lessor for Identification.

1240.0 acres, more or less.

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.

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 noncombustible, 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 Four (4) 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 Direct to Lessor, at Address listed above (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

Rlsd. BK 126 O+G pg. 219 1-23-04

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.

John Perry Barlow, Trustee

MIRIAM BAILEY GRANDDAUGHTERS TRUST

SS # 83-6046833

OFFICIAL SEAL
ANTONIO RIEMEDIO ABREGANA III
NOTARY PUBLIC - CALIFORNIA
COMMISSION #1346350
SAN FRANCISCO COUNTY
My Commission Exp. March 11, 2006

ACKNOWLEDGEMENT-INDIVIDUAL

STATE of CALIFORNIA

COUNTY of SAN FRANCISCO

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 8th day of August, 200 3.

Personally appeared John Perry Barlow Trustee of the Miriam Jenkins Bailey Granddaughter's Trust u/a/d March 12 1997

identical person ____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that ____ he ____ duly executed the same as His free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: 4 March 4 2006

Notary Public: ANTONIO RIEMEDIO ABREGANA III

Address: 4104 - 24th St #SF, CA 94114

ACKNOWLEDGEMENT-CORPORATE

STATE of ____

COUNTY of ____

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this ____ day of ____, 200 ____.

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.

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: ____

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 17th th day of June 2003, by and between
Sidney Allen Roberts and Linda H. Roberts, husband and wife

Of 3085 Cody Street, Medford, Or 97504 . , hereinafter called lessor (whether one or more), and
Contex Energy Company . whose address is. 1645 Court Place, Suite 212 Denver, CO 80202 , 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:
Township 34 North, Range 113 West of 6th P.M.
Section 1: W1/2 of Lot 4(19.44), W1/2SW1/4NW1/4
Section 2: Lot 1(38.43), Lot 2(38.62), S1/2NE1/4
Section 3: Lot 3(38.84), 4(39.20), S1/2NW1/4
Section 4: SE1/4SW1/4, SW1/4SE1/4, E1/2 SE1/4

299547

RECORDED 4 of 10 2003 3:30 PM
IN BOOK 125 OF 6 PAGE 407
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Lee

407

Notwithstanding anything to the contrary herein contained, all reference to royalty in paragraph two (2) shall be changed to read 16% rather than 1/8th (one-eighth)

514.53 acres, more or less.

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.

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 noncombustible, 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 Four (4) 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 Direct to Lessor , at Address listed above (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.

Sidney Allen Roberts

Linda H. Roberts

SS # 520-36-7924

STATE of Oregon

COUNTY of JACKSON

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 30th day of June July, 200 3,

Personally appeared Sidney Allen Roberts and Linda H. Roberts, husband and wife

Identical person s, described in and who executed the within and foregoing instrument of writing and acknowledged to me that t he y duly executed the same as Their free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: April 8, 2005

OFFICIAL SEAL
E. VOIN
NOTARY PUBLIC-OREGON
COMMISSION NO. 344693
MY COMMISSION EXPIRES APRIL 8, 2005

Notary Public:

Address: 1320 E. McAndrews Medford OR 97504

STATE of

COUNTY of

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 200 ____,

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.

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:

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 20th th day of June 2003, by and between
Steven Louis Roberts, also known as Steve Louis Roberts and Teena M. Roberts, husband and wife

Of 319 South Jackson, P.O. box 1534 Pinedale, WY 82941 . , hereinafter called lessor (whether one or more), and
Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202 , 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:

Township 34 North, Range 113 West of 6th P.M.
Section 1: Lot 3(39.20), E1/2 Lot 4(19.44), SE1/4NW1/4, E1/2SW1/4NW1/4
Section 2: Lot 2(38.43), SW1/4NE1/4
Section 3: Lots 3(38.84), 4(39.20) S1/2NW1/4
Section 4: SE1/4SW1/4, SW1/4SE1/4, E1/2SE1/4

299548

RECORDED Sept 10 2003 9:25 AM
IN BOOK 125 OAS PAGE 409
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

Notwithstanding anything to the contrary herein contained, all reference to royalty in paragraph two (2) shall be changed to read 16% rather than 1/8th (one-eighth)

515.11 acres, more or less.

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.

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 noncombustible, 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 Four (4) 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.

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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 Direct to Lessor , at Address listed above (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.

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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.

Steven Louis Roberts

Teena M. Roberts

SS # 521-30-6697

STATE of Wyoming
County of Sublette

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 29 day of ~~June~~ July, 200 3,
Personally appeared Steven Louis Roberts also known as Steve Louis Roberts and Teena M. Roberts, his wife

Identical person s, described in and who executed the within and foregoing instrument of writing and acknowledged to me that t he y duly executed the same as Their free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: My Commission Expires March 2, 2006

Notary Public
Address: Pinedale, Wy. 82941

STATE of _____
COUNTY of _____

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 200 ____,
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.

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:

[redacted] [redacted] [redacted]

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 18th day of August 2003, by and between

George L. Barp, as trustee of the Barp Trust dated February 6, 1997

Of Sublette Center, P. O. Box 788, Pinedale, Wyoming 82941, hereinafter called lessor (whether one or more), and

Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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:

299549

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

RECORDED Sept. 10 2003 9:25AM
IN BOOK 125 0+6 PAGE 411
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE WYOMING
By Cathy

And containing 1,196.39 acres, more or less.

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.

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 noncombustible, 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 Four (4) 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 Direct to Lessor, at Address listed above (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.

George L. Barp, as trustee of the Barp Trust dated February 6, 1997

SS # 520-58-9408

STATE of Wyoming

COUNTY of Sublette

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 21st day of August, 200 3.

Personally appeared George L. Barp

Identical person described in and who executed the within and foregoing instrument of writing and acknowledged to me that he duly executed the same as his free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: 5/17/06.

Notary Public:
Address: Pinedale, Wyoming

STATE of

COUNTY of

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 200 ____.

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.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: _____

Notary Public:
Address:

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

EXHIBIT "A"

This Exhibit is attached to and by reference made a part of that certain oil and gas lease dated August 18, 2003, by and between George L. Barp, as Trustee of the Barp Trust dated February 6, 1997, Lessor, and Contex Energy Company, as Lessee:

TOWNSHIP 33 NORTH, RANGE 112 WEST, 6TH P.M.
Section 27: W/2NE, S/2NW, S/2
Section 34: ~~W/2NE~~, SENE, N/2NE/4
Section 35: W/2, SWNE, SE
TOWNSHIP 32 NORTH, RANGE 112 WEST, 6TH P.M.
Section 10: Lots 1 (27.07), 2 (25.47), 3 (23.85)
Containing 1,196.39 acres, more or less
Sublette County, Wyoming

Wherever the fraction one-eighth (1/8th) appears herein as royalty it is hereby amended to read sixteen percent (16%).

If at the expiration of the primary term, or at any time thereafter, the leased premises are productive of oil, or oil and casinghead gas, or gas, Lessee, its successors or assigns shall conduct a continuous drilling program on the leased premises until the leased premises are fully developed or the Lessee, its successors or assigns, shall suffer the partial expiration and termination of this Lease as hereinafter provided. Within 180 days after the expiration of the primary term, or within 180 days after the completion of the first such well if completed after the expiration of the primary term, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of a second well on the leased premises. The Lessee, its successors or assigns, shall hereinafter drill such well with due diligence to such formation as a reasonable prudent operator might select. In like manner, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of an additional well on the leased premises within 180 days after the completion of the preceding well until the leased premises are fully developed. In the event the Lessee, its successors or assigns, should fail, neglect or refuse to commence or cause to be commenced the drilling of any well within 180 days after the completion of the preceding well and prior to the full and complete development of the leased premises, then and in that event this lease shall automatically terminate insofar and only insofar as to such lands that are not contained within the designated spacing unit in which such well is located.

It is agreed that this lease shall not be continued in force solely by reason of the shut-in well provisions for a period of more than three (3) years beyond the primary term of this lease.

Signed For Identification:

George L. Barp, as Trustee of the Barp Trust dated February 6, 1997

ASSIGNMENT OF MINERAL OVERRIDES

STEVEN B. ALLRED and MARY ANNA G. CLAY hereby grant, assign, transfer and convey to **STEVEN B. ALLRED or MARY ANNA G. CLAY, trustees, or successor trustee(s) of the 1996 ALLRED-CLAY FAMILY TRUST DATED NOVEMBER 20, 1996, AS AMENDED AND COMPLETELY RESTATED AUGUST 29, 2003,** any and all mining interests, including mineral overrides, located in the State of Wyoming.

WITNESSES:

ASSIGNORS:

STEVEN B. ALLRED

MARY ANNA G. CLAY

STATE OF UTAH)
) **SS:**
COUNTY OF WASHINGTON)

Personally came before me this 29th day of August, 2003, the above named STEVEN B. ALLRED and MARY ANNA G. CLAY, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

PHYLLIS A. HANCEY
NOTARY PUBLIC • STATE of UTAH
76 NORTH 100 EAST
IVINS, UTAH 84738
COMM. EXP. 11-6-2006

Notary Public
63 South 300 East, Suite 202
St. George, Utah 84770
My Commission expires 11/06/06

299593

RECORDED Sept. 11 2003 8:35 AM
IN BOOK 125 O+G PAGE 414
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

ASSIGNMENT OF OVERRIDING ROYALTIES

Gordon Gerrard, Trustee of the Daniel Gerrard, Jr. Trust (hereafter "assignor"), in consideration of the sum of one dollar ($1.00) and other good and valuable consideration, the receipt and sufficiency of which assignor acknowledges, does hereby sell, assign, set over, transfer and convey to Gordon Gerrard, 309 Main Street, Evanston, Wyoming 82930, his heirs, successors and assigns, one-third (0.33333334) of assignor's right, title and interest in each of the following overriding royalty interest(s) in and to the following oil and gas, (including, but not limited to, condensate, distillate, casinghead gas and other liquid or gaseous hydrocarbon substances) produced, saved and marketed from the leases and lands described as follows (and from such other leases and lands as shall by pooling, consolidation, operation of law, order, and/or otherwise, be burdened with an obligation to, or a benefit in favor of, the assignee of the following described lands) :

Township 28 North, Range 113 West
Section 20, Lot 1, Containing four and
twenty-three hundredths (4.23) acres,
in Sublette County, Wyoming.

The overriding royalty interest(s) conveyed by this assignment are payable out of and only out of the oil, gas and other hydrocarbon substances produced, saved and marketed from the leases and lands described above, and this assignment of these overriding royal interests is made without warranty of title, either express or implied.

In Witness Whereof: Gordon Gerrard, Trustee of the Daniel Gerrard, Jr. Trust, assignor has executed and delivered this Assignment of Overriding Royalty Interest(s) effective the _____ day of September, 2003.

Gordon Gerrard, Trustee of the Daniel Gerrard, Jr. Trust

State of Wyoming)
) ss.
County of Uinta)

On September 8th, 2003, Gordon Gerrard appeared personally before me, the undersigned, a Notary Public in and for Wyoming; he is known to me to be the person described as assignor in, and who executed, the above Assignment of Overriding Royalty Interest(s), and he acknowledged to me that he duly executed the same as his free and voluntary act and deed for the uses and purposes set forth therein.

Notary Public for Wyoming
My commission expires:

MARK K. HANSEN - NOTARY PUBLIC
County of Uinta State of Wyoming
My Commission Expires April 28, 2004

299596

RECORDED Sept. 11 2003 10:00 AM
IN BOOK 1250G PAGE 45
FEES $ 8.00 County Clerk
SUBLETTE COUNTY, PINEDALE, WYOMING

ASSIGNMENT OF OVERRIDING ROYALTIES

Gordon Gerrard, Trustee of the Daniel Gerrard, Jr. Trust (hereafter "assignor"), in consideration of the sum of one dollar ($1.00) and other good and valuable consideration, the receipt and sufficiency of which assignor acknowledges, does hereby sell, assign, set over, transfer and convey to Constance Gerrard, 417 Street, Southeast, Washington, DC 20003, her heirs, successors and assigns, one-third (0.33333333) of assignor's right, title and interest in each of the following overriding royalty interest(s) in and to the following oil and gas, (including, but not limited to, condensate, distillate, casinghead gas and other liquid or gaseous hydrocarbon substances) produced, saved and marketed from the leases and lands described as follows (and from such other leases and lands as shall by pooling, consolidation, operation of law, order, and/or otherwise, be burdened with an obligation to, or a benefit in favor of, the assignee of the following described lands) :

Township 28 North, Range 113 West
Section 20, Lot 1, Containing four and
twenty-three hundredths (4.23) acres,
in Sublette County, Wyoming.

The overriding royalty interest(s) conveyed by this assignment are payable out of and only out of the oil, gas and other hydrocarbon substances produced, saved and marketed from the leases and lands described above, and this assignment of these overriding royal interests is made without warranty of title, either express or implied.

In Witness Whereof: Gordon Gerrard, Trustee of the Daniel Gerrard, Jr. Trust, assignor has executed and delivered this Assignment of Overriding Royalty Interest(s) effective the _____ day of September, 2003.

Gordon Gerrard, Trustee of Daniel Gerrard, Jr. Trust

Gordon Gerrard, Trustee of the Daniel Gerrard, Jr. Trust

State of Wyoming)
) ss.
County of Uinta)

On September 8th, 2003, Gordon Gerrard appeared personally before me, the undersigned, a Notary Public in and for Wyoming; he is known to me to be the person described as assignor in, and who executed, the above Assignment of Overriding Royalty Interest(s), and he acknowledged to me that he duly executed the same as his free and voluntary act and deed for the uses and purposes set forth therein.

MARK K. HANSEN - NOTARY PUBLIC
County of Uinta State of Wyoming
My Commission Expires April 28, 2004

Notary Public for Wyoming
My commission expires:

299597

RECORDED Sept. 11 2003 10:00AM
IN BOOK 125 pt 6 PAGE 416
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE, WYOMING
By Cathy Scott

ASSIGNMENT OF OVERRIDING ROYALTIES

Gordon Gerrard, Trustee of the Daniel Gerrard, Jr. Trust (hereafter "assignor"), in consideration of the sum of one dollar ($1.00) and other good and valuable consideration, the receipt and sufficiency of which assignor acknowledges, does hereby sell, assign, set over, transfer and convey to Judith Haeder, assignee, 1410 West Boulevard, Rapid City, SD 57701, her heirs, successors and assigns, one-third (0.33333333) of assignor's right, title and interest in each of the following overriding royalty interest(s) in and to the following oil and gas, (including, but not limited to, condensate, distillate, casinghead gas and other liquid or gaseous hydrocarbon substances) produced, saved and marketed from the leases and lands described as follows (and from such other leases and lands as shall by pooling, consolidation, operation of law, order, and/or otherwise, be burdened with an obligation to, or a benefit in favor of, the assignee of the following described lands) :

Township 28 North, Range 113 West
Section 20, Lot 1, Containing four and
twenty-three hundredths (4.23) acres,
in Sublette County, Wyoming.

The overriding royalty interest(s) conveyed by this assignment are payable out of and only out of the oil, gas and other hydrocarbon substances produced, saved and marketed from the leases and lands described above, and this assignment of these overriding royal interests is made without warranty of title, either express or implied.

In Witness Whereof: Gordon Gerrard, Trustee of the Daniel Gerrard, Jr. Trust, assignor has executed and delivered this Assignment of Overriding Royalty Interest(s) effective the _____ day of September, 2003.

Gordon Gerrard, Trustee of the Daniel Gerrard, Jr. Trust

Gordon Gerrard, Trustee of the Daniel Gerrard, Jr. Trust

State of Wyoming)
) ss.
County of Uinta)

On September 25, 2003, Gordon Gerrard appeared personally before me, the undersigned, a Notary Public in and for Wyoming; he is known to me to be the person described as assignor in, and who executed, the above Assignment of Overriding Royalty Interest(s), and he acknowledged to me that he duly executed the same as his free and voluntary act and deed for the uses and purposes set forth therein.

MARK K. HANSEN - NOTARY PUBLIC
County of Uinta
State of Wyoming
My Commission Expires April 28, 2004

Notary Public for Wyoming
My commission expires:

299598

RECORDED Sept. 11 2003 10:00 A.M.
IN BOOK 125 O+G PAGE 417
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

ASSIGNMENT, CONVEYANCE AND BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS:

DONALD B. ANDERSON, a married man dealing in his sole and separate property, and SALLY MIDGETTE ANDERSON, wife of Donald B. Anderson (executing hereto and acknowledging, waiving and conveying any community property rights she may have) of 6300 S. Syracuse Way, Suite 470, Englewood, Colorado 80111, (hereinafter collectively referred to as "ASSIGNOR"), for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby grant, assign, transfer and convey, subject to the terms and provisions herein contained, unto DONALD B. ANDERSON LTD., a general partnership, whose address is 6300 S. Syracuse Way, Suite 470, Englewood, Colorado 80111, (hereinafter referred to as "ASSIGNEE") all of Assignor's right, title and interest in and to the oil and gas leases and/or minerals interests, described on Exhibit "A", attached hereto and made a part hereof (hereinafter referred to as the "Leases and Mineral Interests").

Assignor does also hereby sell, transfer and convey unto Assignee all of Assignor's right, title, and interest in and to the wells, if any, located on the lands described herein or on lands pooled with the lands described herein and regardless of whether or not all wells are listed herein, set forth on Exhibit "A", attached hereto and made a part hereof (hereinafter referred to as the "Wells"), together with all of Assignor's right, title and interest in and to all personal property, equipment, fixtures, facilities, materials and improvements located upon the lands and used in connection with the Wells

Assignor and Assignee, in mutual consideration hereof, agree to the following terms and conditions:

1. This Assignment, Conveyance and Bill of Sale shall be effective 7:00 am Mountain Standard Time, July 1, 2003 (the "Effective Date").

2. This Assignment, Conveyance and Bill of Sale is specifically made subject to all royalties, overriding royalties, payments out of production, oil payments and other similar interests, that are of record as of the effective date hereof, if any, and Assignee shall bear and agree to assume the responsibility for any such burdens. Furthermore, this Assignment, Conveyance and Bill of Sale is made subject to all agreements and contractual rights, royalties, easements, rights-of-way, which relate to the Leases and Mineral Interests and Wells, including without limitation, all rights in, to and under or derived from all production sales contracts, operating agreements, farmin and farmout agreements, pooling, unitization or communitization agreements, purchase, exchange and processing contracts and agreements, surface leases, permits and licenses.

3. Assignor makes no warranty, either express, implied or statutory, as to any of the rights, titles or interests hereby conveyed. Furthermore, Assignor EXPRESSLY DISCLAIMS AND NEGATES ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY AND ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE AS TO ALL PERSONAL PROPERTY, EQUIPMENT, FIXTURES, FACILITIES, MATERIALS AND IMPROVEMENTS HEREBY CONVEYED TO ASSIGNEE. The Wells and all such personal property, equipment, fixtures, facilities, materials and improvements are conveyed to Assignee AS IS, WHERE IS, AND WITH ALL FAULTS AND IN ITS PRESENT CONDITION AND STATE OF REPAIR.

4. Separate assignments of the interests from Assignor to Assignee may be executed on officially approved forms and in sufficient counterparts to satisfy applicable statutory and regulatory requirements. Those assignments shall be deemed to contain all of the exceptions, reservations, rights, titles, power and privileges set forth therein as fully as though they were set forth in each such assignment. The interests conveyed by such separate assignments are the same and not in addition to the interests conveyed herein.

This Assignment, Conveyance and Bill of Sale and all rights and covenants in connection herewith shall be binding upon the parties hereto, their respective heirs, successors, and assigns, and the covenants hereof shall run with the interests and lands herein described.

299602

RECORDED Oct 11 2003 11:05 AM
IN BOOK 125 OR 6 PAGE 418
FEES $ 17.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

IN WITNESS WHEREOF, this Assignment, Conveyance and Bill of Sale is executed and delivered this 2nd day of September, 2003, but is made effective as of the Effective Date.

ASSIGNOR:

DONALD B. ANDERSON.

Donald B Anderson

SALLY MIDGETTE ANDERSON.

Sally Midgette Anderson

ASSIGNEE:

DONALD B. ANDERSON LTD.

Donald B Anderson

Donald B. Anderson, general partner

STATE OF COLORADO)
)ss.
COUNTY OF ARAPAHOE)

On this 2nd day of September, 2003, before me, the undersigned, in and for said County and State, personally appeared Donald B. Anderson known to be the identical person who executed the within and foregoing instrument, and acknowledged to me that he executed the same as his free and voluntary act and deed, for the uses and purposes therein set forth.

WITNESS my hand and official seal.

Linnea C. Hill

My commission expires:
May 3, 2007

STATE OF COLORADO)
)ss.
COUNTY OF ARAPAHOE)

On this 2nd day of September, 2003, before me, the undersigned, in and for said County and State, personally appeared Sally Midgette Anderson known to be the identical person who executed the within and foregoing instrument, and acknowledged to me that she executed the same as her free and voluntary act and deed, for the uses and purposes therein set forth.

WITNESS my hand and official seal.

Linnea C. Hill

My commission expires:
May 3, 2007

STATE OF COLORADO)
)ss.
COUNTY OF ARAPAHOE)

On this 2nd of September, 2003, before me, a Notary Public in and for said State and County, personally appeared Donald B. Anderson, known to me to be the general partner of Donald B. Anderson Ltd., a New Mexico general partnership, that executed the above instrument or the person who executed the instrument on behalf of said partnership and acknowledged to me that such partnership executed the same.

Linnea C. Hill
Notary Public

My commission expires:

May 3, 2007

LEASE NUMBER	ORIGINAL LESSOR	ORIGINAL LESSEE	LEASE DATE	BK/VOL	PAGE	GROSS ACRES	LEGAL DESCRIPTION	STATE	COUNTY
00130-U-0100-00	WYW-0311662-USA/BLM	ANDERSON, DONALD B	10/01/1964			1022.2400	TOWNSHIP 28 NORTH, RANGE 114 WEST, 6TH P.M SECTION 5: LOTS 9, 10, 14, 15, 16, 17, 18, 19 SECTION 8: LOTS 2-20 SECTION 21: W/2SW/4, SE/4SW/4 SUBLETTE COUNTY, WYOMING	WY	SUBLETTE

Wells Involved in Federal Lease WYW-0311662:

Operated by Exxon Company USA/Exxon Mobil Corporation

Well Name:	Location:
Fogarty Creek 1-8	SE SW Sec. 8, T28N, R114W
Unit 66-5165-2-16	SW NW Sec. 16, T28N, R114W
Unit W-51103-4-17	SW SE Sec. 17, T28N, R114W
Unit 66-5165-6-16	SW SE Sec. 16, T28N, R114W
Fogarty Creek 8-20	NE SE Sec. 20, T28N, R114W
Unit W-42791-9-21	NE SW Sec. 21, T28N, R114W
Fogarty Creek 10-8	NE NW Sec. 8, T28N, R114W
Fogarty Creek 18-17	SE SW Sec. 17, T28N, R114W
Unit 66-5165-17-16	SE SW Sec. 16, T28N, R115W

and any other wells in Fogarty Unit Participating Area "B"
and Fogarty Unit in which Assignor may own an interest

299657

STATE OF WYOMING)
) ss.
COUNTY OF SUBLETTE)

RECORDED Sept. 16 2003 9:50 A M
IN BOOK 195 046 PAGE 422
FEES $ 39.00 Mary L Lehnert CLERK
SUBLETTE COUNTY, WYOMING
By Cathy Saxton

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

THIS ASSIGNMENT, BILL OF SALE AND CONVEYANCE ("Assignment"), dated effective June 1, 2003 (the "Effective Time"), is from **Wilbanks Acquisitions I, L.L.C.**, a Colorado limited liability company whose address is 1600 Stout Street, Suite 1710, Denver, Colorado 80202 ("Assignor") to **Thomas Operating Co., Inc.**, a Colorado corporation whose address is 2102 45th Avenue Court, Greeley, Colorado 80634 ("Assignee").

For $10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby sells, assigns, transfers, grants, bargains, conveys to Assignee, an undivided **Fifteen Percent (15%)** of Assignor's right, title and interest, in and to the following (all of which are called the "Assets"), save and except the Excluded Assets as defined below:

1. Assignor's right, title and interest in and to the oil and gas leases and overriding royalty interests specifically described in Exhibit A (collectively, the "Leases"), the royalties, overriding royalties, net profits interests, production payments and other interests, if any, owned by Assignor burdening the Leases, and any and all right, title and interest in and to the oil, gas and all other hydrocarbons in, on or under the lands covered by the Leases (the "Lands") and other hydrocarbons and products, whether liquid or gaseous, produced in association therewith ("Hydrocarbons") after the Effective Time and all other minerals of whatever nature in, on or under the Leases and Lands and lands pooled or unitized therewith;

2. The oil and gas wells located on the Leases and Lands, or lands pooled or unitized therewith, including without limitation, the oil and gas wells specifically described in Exhibit B, whether producing or non-producing and whether fully or properly described or not, (the "Wells"), all injection and disposal wells on the Leases or Lands, and all personal property and equipment associated with the Wells as of the Effective Time.

3. The rights, to the extent transferable, in and to all existing and effective unitization, pooling and communitization agreements, declarations and orders, and the properties covered and the units created thereby to the extent that they relate to or affect any of Assignor's properties and interests described in Paragraphs 1 and 2 or the production of Hydrocarbons, if any, attributable to said properties and interests after the Effective Time.

4. The rights, to the extent transferable, without material restriction under applicable law or third party agreements (without the payment of any funds or consideration) in and to existing and effective oil, gas, liquids, condensate, casinghead gas and natural gas sales, purchase, exchange, gathering, transportation and processing contracts, operating agreements, balancing agreements, joint venture agreements, partnership agreements, farmout agreements

and other contracts, agreements and instruments insofar only as they relate to any of Assignor's properties and interests described in Paragraphs 1, 2 and 3, excluding, however, any insurance contracts.

5. All of the personal property, fixtures, improvements, permits, licenses, approvals, servitudes, rights-of-way and easements, including, without limitation the rights of way and easements set forth on Exhibit A, surface leases and other surface rights (including, but not limited to, any wells, tanks, boilers, buildings, injection facilities, saltwater disposal facilities, compression facilities, gathering systems, other appurtenances and facilities) located on or used in connection with or otherwise related to the exploration for or production, gathering, treatment, processing, storing, sale or disposal of Hydrocarbons or water produced from the properties and interests described in Paragraphs 1 through 4 to the extent that they are located on or used in the operation of the Assets as of the Effective Time, and all contract rights (including rights under leases to third parties) related thereto.

6. The files, records, data and information relating to the items described in Paragraphs 1 through 5, maintained by Assignor (the "Records"), but excluding the following: (i) all of Assignor's internal appraisals and interpretive data related to the Leases, Lands and Wells, (ii) all information and data under contractual restrictions on assignment, (iii) all information subject to a privilege, (iv) Assignor's corporate, financial, employee and general tax records that do not relate to the Assets, and (v) all accounting files that do not relate exclusively to the Assets.

7. Assignor specifically excludes from the Assets and this Assignment all vehicles and other transportation equipment, furniture, office supplies and equipment, telephones and radio or other telecommunication systems, tools, store stock, spare parts, and equipment, and any other assets not specifically used in connection with the operation of the Leases (the "Excluded Property").

TO HAVE AND TO HOLD the Assets unto Assignee and its successors and assigns forever, and Assignor agrees to warrant and 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. 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) MERCHANTABILITY OR CONDITION, (ii) FITNESS FOR A PARTICULAR PURPOSE, (iii) 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.

B. To the extent permitted by law, Assignee shall be subrogated to Assignor's rights in and to representations, warranties and covenants given by others 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 such 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.

C. 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, relating to periods on and after the Effective Time, including, without limitation, environmental obligations and liabilities, the obligation to plug and abandon all Wells and reclaim all Well sites, and all obligations arising under all agreements covering or relating to the Assets, subject to Assignee's rights and obligations, including without limitation, Assignee's indemnity obligations, under the Purchase and Sale Agreement dated June 9, 2003 between Assignor and Assignee (the "Purchase Agreement") and other documents executed in connection therewith.

D. The references herein to liens, encumbrances, burdens, defects and other matters shall not be deemed to ratify or create any rights in third parties or merge with, modify or limit the rights of Assignor or Assignee, as between themselves, as set forth in the Purchase Agreement or other documents executed in connection therewith.

E. 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.

F. 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, warranties, rights, titles, power and privileges set forth herein as fully as though they were set forth in each such assignment. The interests conveyed by such separate assignments are the same, and not in addition to, the interest in the Assets conveyed herein.

G. This Assignment binds and inures to the benefit of Assignor and Assignee and their respective successors and assigns.

H. This Assignment may be executed in any number of counterparts, each of which shall be deemed to be an original instrument, but all of which together shall constitute but one instrument.

I. This assignment is subject in all respects to the terms and conditions of the Purchase Agreement, including, but not limited to, the assumptions and indemnifications contained in the Purchase Agreement.

[redacted] [redacted] [redacted]

EXECUTED on the dates contained in the acknowledgment of this instrument, to be effective for all purposes as of the Effective Time.

ASSIGNOR

WILBANKS ACQUISITIONS I, LLC
By WILBANKS RESERVE CORPORATION,
Manager

By: _____
James O. Wilbanks
President

ASSIGNEE

THOMAS OPERATING CO., INC.

By: _____
Tom Vandenberg
President

Acknowledgments

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

The foregoing instrument was acknowledged before me this _4th__ day September, 2003 by James O. Wilbanks, as President of WILBANKS RESERVE CORPORATION, Manager of WILBANKS ACQUISITIONS I, L.L.C., a Colorado Limited Liability Company on behalf of said company.

Witness my hand and official seal.

My commission expires: November 16, 2005

VIKKI LEE GRAY NOTARY PUBLIC STATE OF COLORADO
My Commission Expires 11/16/2005

Vikki Lee Gray, Notary Public
1600 Stout Street, Suite 1710
Denver, CO 80202

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

The foregoing instrument was acknowledged before me this _4th__ day September, 2003 by Tom Vandenberg, as President of THOMAS OPERATING CO., INC., a Colorado Corporation on behalf of said corporation.

Witness my hand and official seal.

My commission expires: November 16, 2005

VIKKI LEE GRAY NOTARY PUBLIC STATE OF COLORADO
My Commission Expires 11/16/2005

Vikki Lee Gray, Notary Public
1600 Stout Street, Suite 1710
Denver, CO 80202

EXHIBIT A

Package 5 - Lease Schedule

SUBLETTE COUNTY, WYOMING

UNIT NAME	STATES, INC. LEASE NO.	LEASE NAME	LEASE DATE	LESSOR	LESSEE	LAND DESCRIPTION	RECORDED VOL/PAGE
FOGARTY CREEK UNIT	**21454**					T-28-N, R-114-W Secs. 3, 4, 5, 8, 9, 10, 15, 16, 17, 20, 21, 22, 27, 28, 29, 32 & 33 T-27-N, R-114-W Sec. 5 T-28-N, R-115-W Secs. 1, 12, 13, 24, 25 & 36 T-29-N, R-114-W Secs. 33, 34 & 35	
	21457	Wyo State 66-5165	03/02/66	State of Wyoming	Etta Mandel	T-28-N, R-114-W Sec. 16: NW/4, S/2 NE/4, NW/4 NE/4 & S/2 Surf. down to 100' below TD of Fogarty Creek #2-16	
	21469	Wyo 036055	12/01/65	USA	Humble Oil & Refining Co.	T-28-N, R-115-W Sec. 12: SW/4 Surf. down to 8010' sub.	
	21468	Wyo 0322083	02/01/66	USA	Etta Mandel	T-28-N, R-115-W Sec. 1: Lots 5-8 and S/2 Sec. 12: E/2 Sec. 13: E/2 Surf. down to 8010' sub.	
	21467	Wyo 51104	04/01/66	USA	Humble Oil & Refining Co.	T-28-N, R-114-W Sec. 17: Lot 4 T-28-N, R-115-W Sec. 12: NW/4 Surf. down to 8010' sub.	
	21466	Wyo 0320213	11/01/65	USA	George C. Reeves	T-28-N, R-114-W Sec. 20: Lots 1-20 Surf. down to 8010' sub.	
	21465	Wyo 6317	07/01/67	USA	Humble Oil & Refining Co.	T-29-N, R-114-W Sec. 5: Lot 11 Surf. down to 8010' sub.	
	21458	Wyo 42791	01/01/74	USA	Thomas Halagan	T-28-N, R-114-W Sec. 5: Lots 7, 8 & 12 Sec. 21: N/2 NW/4, SE/4 NW/4 & NE/4 SW/4 Surf. down to 9630' sub.	
	21461	Wyo 0320214	11/01/65	USA	John A. Yates	T-29-N, R-114-W Sec. 34: All Sec. 35: All Surf. down to 9630' sub.	

UNIT NAME	STATES, INC. LEASE NO.	LEASE NAME	LEASE DATE	LESSOR	LESSEE	LAND DESCRIPTION	RECORDED VOL/PAGE
FOGARTY CREEK UNIT continued . . .	**21454**						
	21460	Wyo 11603	04/01/68	USA	J. E. Joujon-Roche	T-28-N, R-114-W Sec. 21: NE/4 Surf. down to 100' below TD of Fogarty Creek #2-16	
	21462	Wyo 9578	12/01/67	USA	John P. Ellbogen	T-28-N, R-114-W Sec. 3: Lots 7-10, 15-18 Sec. 4: Lots 5-14, 19 & 20 Sec. 5: Lots 5 & 6, S/2 NE/4 Sec. 9: N/2 NE/4 Sec. 10: NW/4 Surf. down to 8838' sub.	
	21463	Wyo 52811	12/01/75	USA	Zarepha Dobbins	T-28-N, R-114-W Sec. 22: NW/4 Surf. down to 9630' sub.	
	21459	Wyo 2120	11/01/66	USA	Philadelphia Oil Co. of CA	T-28-N, R-114-W Sec. 15: W/2 Surf. down to 100' below TD of Fogarty Creek #2-16	
	21464	Wyo 0311662	10/01/64	USA	Donald B. Anderson	T-28-N, R-114-W Sec. 5: Lots 9, 10 & 16 Sec. 8: Lots 11-14, 16-20 Sec. 21: W/2 SW/4 & SE/4 SW/4 Surf. down to 8010' sub.	38 / 373
	21542	WYW-51103	11/01/65	USA	George C. Reeves	T-28-N, R-114-W Sec. 17: Lots 1, 2, 3, 5-20 Surf. down to 8010' sub.	

Exhibit B
Package 5-Well List

County	State	Field	API	Lease	Operator	Location
Fogarty Creek Unit						
Sublette	WY	Fogarty Creek	49-035-221960000	Fogarty Creek Unit 2632	Exxon-Mobil	32-28N-114W-NWSW
Sublette	WY	Fogarty Creek	49-035-208700000	Unit W0322083 2201	Exxon-Mobil	1-28N-115W-SESW
Sublette	WY	Fogarty Creek	49-035-208940000	Fogarty Creek Unit 2103	Exxon-Mobil	3-28N-114W-SWNW
Sublette	WY	Fogarty Creek	49-035-208900000	Fogarty Creek Unit 2312	Exxon-Mobil	12-28N-115W-NESE
Sublette	WY	Fogarty Creek	49-035-208730000	Unit W0322083 2013	Exxon-Mobil	13-28N-115W-SESW
Sublette	WY	Fogarty Creek	49-035-208620000	Fogarty Creek Unit 1935	Exxon-Mobil	35-29N-114W-NENW
Sublette	WY	Fogarty Creek	49-035-208150000	Unit W0317228 1632	Exxon-Mobil	32-28N-114W-NWSW
Sublette	WY	Fogarty Creek	49-035-208460000	Fogarty Creek Unit 1817	Exxon-Mobil	17-28N-114W-SESW
Sublette	WY	Fogarty Creek	49-035-208170000	Fogarty Creek Unit 1405	Exxon-Mobil	5-28N-114W-NESW
Sublette	WY	Fogarty Creek	49-035-208490000	Unit 66-5165 1716	Exxon-Mobil	16-28N-114W-SESW
Sublette	WY	Fogarty Creek	49-035-208180000	Unit W0317228 1528	Exxon-Mobil	28-28N-114W-NENW
Sublette	WY	Fogarty Creek	49-035-207500000	Fogarty Creek Unit 13-10	Exxon-Mobil	10-28N-114W-SWNW
Sublette	WY	Fogarty Creek	49-035-206090000	Federal W0322610 11-24	Exxon-Mobil	24-28N-115W-SWSE
Sublette	WY	Fogarty Creek	49-035-204890000	Unit W42791 9-21	Exxon-Mobil	21-28N-114W-NESW
Sublette	WY	Fogarty Creek	49-035-204160000	Unit 66-5165 616	Exxon-Mobil	16-28N-114W-SWSE
Sublette	WY	Fogarty Creek	49-035-203960000	Unit W51103 4-17	Exxon-Mobil	17-28N-114W-SWSE
Sublette	WY	Fogarty Creek	49-035-203490000	Unit 66-5165 2-16	Exxon-Mobil	16-28N-114W-SWNW
Sublette	WY	Fogarty Creek	49-035-203260000	Unit W17208 1-32	Exxon-Mobil	32-28N-114W-SWSE
Sublette	WY	Fogarty Creek	49-035-202730000	Fogarty Creek Unit 1	Exxon-Mobil	8-28N-114W-SESW
Sublette	WY	Fogarty Creek	49-035-204140000	Fogarty Creek 820	Exxon-Mobil	20-28N-114W-NESE

430

Form 3000-3a
(November 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WY1358
FORM APPROVED
OMB NO. 1004-0034
Expires: July 31, 1992

Lease Serial No.

WYW-153279

ASSIGNMENT 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 **LANCE OIL & GAS COMPANY**, Inc.
City, State, ZIP Code **1099 18TH ST**
DENVER, CO 80201

*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 ☐ Geothermal Lease

Interest conveyed: *(Check one or both, as appropriate)* **X X** 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 111 West **Sec 33: W2** **Containing 320.00 acres more or less** **Sublette County, WY** **This assignment covers and is effective only as to those depths and zones below 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 7,262 feet on the logs of the Ultra drilled Cottonwood #32-33 Well, located in the SWNE of Section 33, T32NR111W, Sublette County, Wyoming.**	**100%**	**15%**	**85%**	**0%**	**OF RECORD**

299693

RECORDED Sept 17 2003 9:10 A
IN BOOK 125 Pg 6 PAGE 430
FEES $ 11.00
SUBLETTE COUNTY, 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]

[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.

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 Shama Zoe in writing thereof at least seventy-five (75) days in advance of the surrender, termination or expiration date, and Shama Zoe 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 fifteen (15) days after receipt by Assignor of such notice whereupon Assignee shall forthwith reassign to Assignor all of such interests. In the event Shama Zoe does not elect to reacquire said lease as to all or any part of the lands or formations affected by such surrender, termination or expiration, then Assignee is obligated to honor the reassignment rights of Shama Zoe as stated on the Assignment of Operating Rights Interest approved March 1,1999.

ACKNOWLEDGEMENT

STATE OF COLORADO)
) ss
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me on the 21st day of August 2003, by Mark R. Petry, Attorney-in-Fact for Lance Oil & Gas Company, Inc., a Delaware corporation, on behalf of the corporation.

My Commission Expires: 10-7-06

X Holly Hepp
Holly Hepp
Notary Public, State of Colorado

HOLLY HEPP NOTARY PUBLIC STATE OF COLORADO

My Commission Expires Oct. 7, 2006

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 August, 2003 Executed this 21st day of August, 2003

Name of Transferor: **ULTRA RESOURCES INC.**

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

304 Inverness Way South Englewood, CO 80112

LANCE OIL & GAS COMPANY, Inc.

Transferee
or
Attorney-in-fact (Signature)
(Signature)

STATE OF COLORADO)
) ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me by Robin Benko, as Attorney-in-Fact for Ultra Resources, Inc., this 12h day of August 2003.

Witness my hand and official seal.

My Commission Expires: 04-10-06

Notary Public
Address: 304 Inverness Way South
Englewood, CO 80112

ASSIGNMENT OF OIL AND GAS LEASE

STATE OF WYOMING

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF SUBLETTE

THAT THE UNDERSIGNED, HANSON & STRAHN, INC., whose address is P.O. Box 3020, Cheyenne, Wyoming 82003-3020, hereinafter called "Assignor", for and in consideration of One Dollar ($1.00), the receipt whereof is hereby acknowledged, does hereby sell, assign, transfer and set over to EOG RESOURCES, INC., P.O. Box 4362, Houston, Texas 77210-4362, hereinafter called "Assignee", all of Assignor's right, title and interest in and to the oil and gas lease dated January 29, 2002, from Melvin L. McLoughlin and Son Limited Partnership, lessor, to Hanson & Strahn, Inc., lessee, recorded in Book 121 046, Page 502 insofar as said lease covers the following described land in Sublette County, State of Wyoming:

Township 35 North, Range 111 West, 6th P.M.

Section 29: A tract of land located in the S1/2 of Section 29, being more particularly described as follows: Beginning at a point on the north line of the S1/2 of Section 29, south 89 degrees 45 minutes 43 seconds west 2,056.39 feet from the east one-quarter corner of Section 29; thence continuing south 89 degrees 45 minutes 43 seconds west, a distance of 1,432.52 feet to a point; thence south 89 degrees 57 minutes 44 seconds west, a distance of 119.84 feet; thence south 03 degrees 12 minutes 24 seconds east, a distance of 113.12 feet; thence south 13 degrees 46 minutes 44 seconds east, a distance of 199.87 feet to a point; thence south 28 degrees 29 minutes 27 seconds east, a distance of 340.25 feet; thence south 41 degrees 07 minutes 36 seconds east, a distance of 448.51 feet; thence south 71 degrees 34 minutes 01 second east, a distance of 1074.74 feet to a point; thence north 00 degrees 55 minutes 15 seconds east, a distance of 1290.02 feet to the point of beginning.

and containing 33.671 acres, more or less. This Assignment is made without warranty of title except by, through and under Assignor.

TO HAVE AND HOLD unto the said Assignee, its successors, legal representatives and assigns forever.

EXECUTED and effective this 26th day of April, 2002.

Hanson & Strahn, Inc.

Kathi Hanson

Vice-President

(NO ATTEST REQUIRED)

299710
299710

ACKNOWLEDGMENT

RECORDED Sept. 17 2003 2:10 PM
IN BOOK 125 046 PAGE 432
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

STATE OF WYOMING)
) SS.
COUNTY OF LARAMIE)

On this 26th day of April, A.D. 2002, before me personally appeared KATHI HANSON, Vice-President of Hanson & Strahn, Inc., to me personally known, who, being by me duly sworn, did say that she is the Vice-President of Hanson & Strahn, Inc. 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 Vice-President acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 26th day of April, A.D. 2002.

PEGGY J. LOPEZ - NOTARY PUBLIC
COUNTY OF LARAMIE STATE OF WYOMING
MY COMMISSION EXPIRES MAR. 19, 2003

Peggy J. Lopez

Notary Public

My Commission Expires: _____

Address: Cheyenne, Wyoming

When recorded send to:
Dolar Energy, LLC
935 E. South Union Ave., Suite D-202
Midvale, UT 84047-2393

299798

RECORDED Sept 22 2003 3:15 PM
IN BOOK 125 PAGE 433
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Tracy L Howell

Producers 88(DOP)2/00

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 26th day of August, 2003, by and between

Michael Don Bergen, individually and as heir to the Estate of Nettie Cantlin Bergen, deceased and Harry B. Cantlin, deceased; who are heirs to the Estate of Hattie Bair, deceased
P. O. Box 3762
Clear Lake, California 95422-3762

hereinafter called Lessor (whether one or more) and DOLAR ENERGY, L.L.C., whose address is 935 East South Union Avenue, Suite D-202, Midvale, Utah 84047-2393 hereinafter called Lessee:
WITNESSETH: that Lessor, for and in consideration of ten or more DOLLARS ($10.00+)in hand paid, receipt of which is hereby acknowledged, and of the agreements of lessee hereinafter set forth, hereby grants, demises, leases and lets exclusively unto said lessee the lands hereinafter described for the purpose of prospecting, exploring by geophysical and other methods drilling, mining operating for and producing oil or gas, or both, including, but not as a limitation, casinghead gas, casinghead gasoline, gas-condensate (distillate), gas producible from coal-bearing formations, and any substance, whether similar or dissimilar, produced in a gaseous state, all associated hydrocarbons produced in a liquid or gaseous form, all sulfur, and for injecting water and other fluids, gas, air, and other gaseous substances into subsurface strata, together with the right to construct and maintain pipe lines, telephone and electric lines, tanks, powers, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas, and the exclusive right to inject air, gas, water, brine and other fluids from any source into the subsurface strata and any and all other rights and privileges necessary, incident to, or convenient for the economical operation of said land, alone or co-jointly with neighboring land, for the production, saving and taking care of oil and gas and the injection of air, gas, water, brine, and other fluids into the subsurface strata, said being situated in the

County of Sublette, State of Wyoming, and being described as follows, to-wit:

Township 33 North, Range 109 West, 6th P.M.

Section 5: Lot 4, SW¼NW¼
Section 6: Lot 1, SE¼NE¼

together with all strips, parcels of land and riparian rights adjoining or contiguous to the above described tract of land, and owned or claimed by lessor and containing 159.49 acres, more or less.

1. It is agreed that lease shall remain in force for a term of Five (5) years from this date and as long hereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filling for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered. Consideration paid herein shall constitute a bonus consideration payment of one fifth the total amount paid, and four annual rental payments equal to the bonus consideration paid.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal of one-eighth (1/8th) of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable monthly, for the gas from each well where gas only is found, while the same is being used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8th), payable monthly at the prevailing market rate for gas.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8th) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to houses, barns, or other facilities, including Lessors water facilities now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease/such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions

and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties herein above named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

X _____
Michael Don Bergen

SS or Tax ID # 561-48-6474

X _____

SS or Tax ID # _____

STATE OF CALIFORNIA)
) ss INDIVIDUAL NOTARY
COUNTY OF Sacramento)

BEFORE ME, the undersigned authority, on this day personally appeared Michael Don Bergen known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 11 day of September, 2003.

My commission expires: August 14, 2007

_____
Notary Public

VALERIA P. BERGEN
Comm. # 1434900
NOTARY PUBLIC - CALIFORNIA
Sacramento County
My Comm. Expires August 14, 2007

[redacted] [redacted] [redacted]

ASSIGNMENT

STATE OF WYOMING :

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF SUBLETTE :

WHEREAS, Ultra Resources Inc., whose mailing address is 304 Inverness Way South, Englewood, CO 80112, is the present owner of an interest in those certain Oil, Gas and Mineral Leases, described in Exhibit "A" attached hereto and made a part hereof,

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Ultra Resources Inc., as Assignor, does hereby transfer, assign and convey, without warranty of title, express or implied, unto Burlington Resources Oil & Gas Company LP whose mailing address is 5051 Westheimer, Suite 1400, Houston, Texas 77056, its successors and assigns, as Assignee, an undivided 75% of Assignor's right, title and interest in and to the Oil, Gas and Mineral Leases, as described in Exhibit "A" hereof. Assignor shall deliver an eighty (80%) net revenue interest lease on all leases assigned hereunder with Assignor reserving from this Assignment an overriding royalty equal to the difference between existing burdens and 20%, proportionately reduced.

This assignment is executed and effective this 18th day of August, 2003.

ASSIGNOR:

By: Robin Benko

Title: Attorney-in-Fact

STATE OF COLORADO :

COUNTY OF DOUGLAS :

The foregoing instrument was executed before me this 18th day of August, 2003, by Robin Benko as Attorney-In-Fact of Ultra Resources, Inc, on behalf of said corporation.

Nicki M. Smaldone
Notary Public in and for the State of Colorado
Nicki M. Smaldone

My Commission Expires:
4-10-06

NICKI M. SMALDONE NOTARY PUBLIC STATE OF COLORADO

299807

RECORDED Sept 23 2003 920A M
IN BOOK 125 Misc PAGE 435
FEES $ 48.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Tracy L Hoover

EXHIBIT 'A'

Attached to and made a part of that certain assignment of from Ultra Resourses Inc. to Burlington Resources Oil Gas Company LP dated August 18, 2003

LEASE #	LESSOR	LEASE DATE	COUNTY	RECORDING	LEGAL DESCRIPTION
WY1269	WYW-144148	2/1/98	Sublette		T31N, R112W Sec 8: SE Sec 17: E2E2, SWNE
WY1295	WYW-131099	1/1/94	Sublette		T32N,R112W Sec 8: Lot 1, S2NE, SE Sec 9: Lot 1-4, S2N2, S2 Sec 10: S2N2, S2 Sec 11: SWNW, SW, SWSE Sec 17: SENW, E2SW T33N, R112W Sec 33: SWSW Sec 34: S2S2 Below 7,170'
WY1296	WYW-131412	2/1/94	Sublette		T32N,R112W Sec 10: Lot 4 Sec 20: ALL Sec 21: ALL Below 7,170'
WY1297	WYW-132412	6/1/94	Sublette	BK 98 PG 129 REF 247715	T32N,R112W Sec 17: E2, NENW, SWNW, W2SW Sec 19: E2 Below 7,170'
WY1299	WYW-131414	2/1/94	Sublette		T32N,R112W Sec 27: ALL Sec 28: ALL Sec 29: ALL Below 7,170'

436

EXHIBIT 'A'

Attached to and made a part of that certain assignment of from Ultra Resourses Inc. to Burlington Resources Oil Gas Company LP dated August 18, 2003

LEASE #	LESSOR	LEASE DATE	COUNTY	RECORDING	LEGAL DESCRIPTION
WY1300	WYW-131413	2/1/94	Sublette		T32N, R112W Sec 23: ALL Sec 24: ALL Sec 25: ALL Sec 26: ALL Below 7,170'
WY1301	WYW-132413	6/1/94	Sublette	BK 98 PG 140 REF 247716	T32N,R112W Sec 31: E2 Below 7,170'
WY1302	WYW-131415	2/1/94	Sublette		T32N,R112W Sec 32: ALL Sec 33: ALL Sec 34: ALL Sec 35: ALL Below 7,170'
WY1303	WYW-131408	2/1/94	Sublette		T31N,R112W Sec 4: Lots 1-2, S2NE, SE Sec 9: E2 Sec 10: ALL Sec 11: ALL Sec 12: ALL Below 7,170'
WY1305	WYW-131409	7/1/98	Sublette		T31N,R112W Sec 13: ALL Sec 14: ALL Sec 15: E2 Below 7,170'
WY1306	WYW-131410	2/1/94	Sublette		T31N,R112W Sec 23: ALL Sec 24: N2, SW, N2SE, SWSE Below 7,170'

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EXHIBIT 'A'

Attached to and made a part of that certain assignment of from Ultra Resourses Inc. to Burlington Resources Oil Gas Company LP dated August 18, 2003

LEASE #	LESSOR	LEASE DATE	COUNTY	RECORDING	LEGAL DESCRIPTION
WY1307	WYW-131411	2/1/94	Sublette		T31N,R112W Sec 25: ALL Below 7,170'
WY1349	WYW-146475	10/1/98	Sublette		T31N,R112W Sec 4: Lot 4, S2NW, SW Sec 5: Lot 1-3, S2N2, S2 Sec 8: NE Sec 9: W2
WY1350	WYW-146476	10/1/98	Sublette		T32N,R112W Sec 7: Lots 1-3 Sec 8: Lot 2
WY1357	WYW-153277 (SEG FRM WYW-101780)	11/1/86	Sublette	BK 98 PG 477 REF 248253	T32N,R111W Sec 31: Lots 1-4, E2,E2W2 Below 7,562'
WY1382	WYW-153283 (SEG FRM WYW-130736)	12/1/93	Sublette		T31N,R111W Sec 4: Lots 1-4, S2N2, S2 Below 7,562'
WY1356	WYW-153405 (SEG FRM WYW-130736)	12/1/93	Sublette	BK 98 PG 689 REF 248330	T31N,R111W Sec 5: Lots 1-4, S2N2, S2 Below 7,562'
WY1358	WYW-153279	1/1/89	Sublette	BK 98 PG 484 REF 248256	T32N,R111W Sec 33: W2 Below 7,562'
WY1382	WYW-153283	12/1/93	Sublette		T31N,R111W Sec 4: Lot 1-4, S2N2, S2 Below 7,562'

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ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

STATE OF WYOMING)
)ss.
COUNTY OF SUBLETTE)

THAT, PANNONIAN ENERGY, INC., hereinafter referred to as Assignor, for and in consideration of Ten Dollars ($10.00) and other valuable consideration, the receipt whereof is hereby acknowledged, does hereby transfer, sell, assign, convey, and set over unto PANNONIAN ENERGY, INC., whose address is 14 Inverness Drive East, H-236, Englewood, CO 80112, hereinafter referred to as Assignee an overriding royalty interest ("Assigned ORRI") in all the oil, gas, casinghead gas, and other related hydrocarbons which is produced, saved, and marketed from the Leases and lands described on Exhibit "A", attached hereto and by reference made a part hereof, covering lands in Sublette County, Wyoming.

This Assignment is subject to the terms and provisions of said Oil and Gas Leases.

The overriding royalty interest herein assigned and conveyed shall be free and clear of any costs and expense of the development and operations thereof, excepting taxes applicable to said overriding royalty interest and the production therefrom.

The overriding royalty interest herein assigned and conveyed shall be proportionately reduced by the working interest owned by Assignor as of the effective date herein.

The terms, covenants, and conditions hereof shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, successors and assigns.

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

EXECUTED this 10th day of July, 2003, but made effective December 31, 2002

299985

RECORDED Sept. 30 2003 4:25 PM
IN BOOK 125 Misc PAGE 439
FEES $ 381.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Tracy L Hamer

Pannonian Energy, Inc.

By: Darrel Linneman
Land Manager

STATE OF COLORADO)
) ss.
COUNTY OF ARAPAHOE)

Before me, the undersigned, a Notary Public, in and for said State, on this 10 day of July, 2003, personally appeared Darrel L Linneman, as Land Manager of Pannonian Energy, Inc.

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

Susan Wright
Notary Public

My Commission Expires:
1-18-2006

NOTARY PUBLIC - STATE OF COLORADO

EXHIBIT "A"
ATTACHED TO AND MADE A PART HEREOF ASSIGNMENT OF OVERRIDING ROYALTY INTEREST BY AND BETWEEN PANNONIAN ENERGY INC. (ASSIGNOR) AND PANNONIAN ENERGY INC. (ASSIGNEE)
EFFECTIVE 12-31-02

(The base of the Fort Union Formation is more particularly defined in various Assignments into Pannonian Energy Inc. recorded in Sublette County, Wyoming)

FEDERAL/STATE LEASE NUMBER LESSOR NAME	LAND DESCRIPTION	NUMBER OF ACRES	ASSIGNED ORRI
WYW-092715	**T31N-R111W** SECTION 9: NENE SECTION 19: LOT 4 **BELOW THE BASE OF THE FORT UNION FORMATION**	79.27	1.00%
WYW-097288	**T31N-R110W** SECTION 7: NESW SECTION 18: SESE, N2NWSE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	100.00	1.00%
WYW-101774	**T31N-R111W** SECTION 12: E2NENE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	20.00	1.00%
WYW-101779	**T32N-R111W** SECTION 22: N2NE, SENE SECTION 26: NWNW **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	160.00	1.00%
WYW-102772	**T31N-R111W** SECTION 6: SE SECTION 7: SE **ALL DEPTHS** **T31N-R111W** SECTION 6: LOTS 3-5, SENW SECTION 7: LOTS 1, 2, E2NW **BELOW THE BASE OF THE FORT UNION FORMATION** **T31N-R111W** SECTION 6: LOTS 1, 2, 6, 7, E2SW, S2NE SECTION 7: LOTS 3, 4, S2SW, NE **BELOW THE BASE OF THE FORT UNION FORMATION**	320.00 315.84 635.60	1.50% 1.50% 1.00%
WYW-102773	**T32N-R111W** SECTION 13: NE SECTION 14: NE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	320.00	1.00%
WYW-102774	**T32N-R111W** SECTION 23: NE SECTION 24: NE SECTION 25: N2NE, SENE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	440.00	1.00%
WYW-104824	**T32N-R111W** SECTION 15: NE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	160.00	1.00%

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WYW-113419	**T30N-R111W** SECTION 26: N2SE, SESE **ALL DEPTHS**	120.00	1.00%
	T30N-R111W SECTION 26: N2, N2SW **BELOW THE BASE OF THE FORT UNION FORMATION**	400.00	1.00%
WYW-114057	**T30N-R111W** SECTION 5: SE **ALL DEPTHS**	160.00	1.00%
	T30N-R111W SECTION 5: S2N2, SW **BELOW THE BASE OF THE FORT UNION FORMATION**	320.00	1.00%
WYW-114058	**T31N-R111W** SECTION 10: SW SECTION 14: E2, SW, SENW **BELOW THE BASE OF THE FORT UNION FORMATION**	680.00	1.00%
WYW-114059	**T32N-R111W** SECTION 28: SW **ALL DEPTHS**	160.00	1.00%
	T32N-R111W SECTION 21: NENE SECTION 28: S2NW, W2SE, SESE **BELOW THE BASE OF THE FORT UNION FORMATION**	240.00	1.00%
WYW-115621	**T31N-R111W** SECTION 23: NE, NENW, S2NW, S2 **BELOW THE BASE OF THE FORT UNION FORMATION**	600.00	1.00%
WYW-118172	**T32N-R110W** SECTION 35: NE SECTION 25: NE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	320.00	1.00%
WYW-118866	**T32N-R110W** SECTION 30: NE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	160.00	1.00%
WYW-119474	**T30N-R110W** SECTION 30: LOT 7 **BELOW THE BASE OF THE FORT UNION FORMATION**	28.67	1.00%
WYW-121407	**T32N-R110W** SECTION 7: LOTS 1-4, E2, E2W2 **BELOW THE BASE OF THE FORT UNION FORMATION**	595.92	1.00%

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FEDERAL/STATE LEASE NUMBER LESSOR NAME	LAND DESCRIPTION	NUMBER OF ACRES	ASSIGNED ORRI
	T32N-R110W SECTION 7: NE SECTION 18: NE SECTION 19: NE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	480.00	1.00%
WYW-121408	**T32N-R110W** SECTION 20: E2E2 **BELOW THE BASE OF THE FORT UNION FORMATION**	160.00	1.00%
	T32N-R110W SECTION 20: NE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	160.00	1.00%
WYW-121684	**T30N-R111W** SECTION 9: SE **ALL DEPTHS**	160.00	1.00%
	T30N-R111W SECTION 9: N2, SW SECTION 6: LOTS 1-4 **BELOW THE BASE OF THE FORT UNION FORMATION**	638.69	1.00%
WYW-124075	**T31N-R111W** SECTION 20: SE SECTION 21: SE **ALL DEPTHS**	320.00	1.00%
	T31N-R111W SECTION 18: SE SECTION 17: SE **ALL DEPTHS**	320.00	1.50%
	T31N-R111W SECTION 17: NE,SW SECTION 18: LOTS 3, 4, NE, E2SW SECTION 20: N2, SW SECTION 21: N2, SW **BELOW THE BASE OF THE FORT UNION FORMATION**	1,318.28	1.00%
	T31N-R111W SECTION 17: NW SECTION 18: LOTS 1, 2, E2NW **BELOW THE BASE OF THE FORT UNION FORMATION**	317.88	1.50%
WYW-124628	**T30N-R110W** SECTION 24: SW **ALL DEPTHS**	160.00	0.50%
	T30N-R110W SECTION 24: N2, SE **BELOW THE BASE OF THE FORT UNION FORMATION**	480.00	0.50%

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WYW-124630	**T31N-R111W** SECTION 24: ALL **BELOW THE BASE OF THE FORT UNION FORMATION**	640.00	1.00%
WYW-124634	**T30N-R111W** SECTION 1: SE SECTION 2: SE SECTION 12: SE **ALL DEPTHS**	480.00	1.00%
	T30N-R111W SECTION 1: LOTS 1-4, S2N2, SW SECTION 2: LOTS 1-4, S2N2, SW SECTION 12: W2, NE SECTION 13: NWNW **BELOW THE BASE OF THE FORT UNION FORMATION**	1,477.98	1.00%
WYW-124636	**T33N-R111W** SECTION 35: SW **ALL DEPTHS**	160.00	1.00%
	T33N-R111W SECTION 35: NW **BELOW THE BASE OF THE FORT UNION FORMATION**	160.00	1.00%
WYW-125139	**T31N-110W** SECTION 25: SW **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	160.00	1.00%
	T31N-R110W SECTION 24: E2 **BELOW THE BASE OF THE FORT UNION FORMATION**	800.00	1.00%
WYW-125140	**T31N-R110W** SECTION 30: LOT 3, 4, E2SW SECTION 32: SW SECTION 31: LOTS 3, 4, E2SW **ALL DEPTHS**	445.02	1.00%
	T30N-R110W SECTION 6: LOTS 6, 7, E2SW **ALL DEPTHS**	146.49	1.50%
	T30N-R110W SECTION 6: LOTS 3-5, SENW, SE **T31N-R110W** SECTION 30: LOTS 1, 2, E2NW, E2 SECTION 31: LOTS 1, 2, E2NW, E2 SECTION 32: N2, SE **BELOW THE BASE OF THE FORT UNION FORMATION**	1,868.23	1.00%
	T30N-R110W SECTION 6: LOTS 1, 2, S2NE **BELOW THE BASE OF THE FORT UNION FORMATION**	159.70	1.50%

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WYW-125141	**T31N-R110W** SECTION 13: SW SECTION 14: SW SECTION 23: SW SECTION 24: SW **ALL DEPTHS**	640.00	1.00%
	T31N-R110W SECTION 13: N2, SE SECTION 14: N2, SE SECTION 23: N2, SE SECTION 24: NW **BELOW THE BASE OF THE FORT UNION FORMATION**	1,600.00	1.00%
WYW-125144	**T31N-R111W** SECTION 19: SE SECTION 28: SE SECTION 29: SE SECTION 30: SE **ALL DEPTHS**	640.00	1.00%
	T31N-R111W SECTION 19: LOTS 1-3, E2W2, NE SECTION 28: N2, SW SECTION 29: N2, SW SECTION 30: LOTS 1-4, E2W2, NE **BELOW THE BASE OF THE FORT UNION FORMATION**	1,875.52	1.00%
WYW-125145	**T31N-R111W** SECTION 31: SE SECTION 32: N2SE, SWSE SECTION 33: SE **ALL DEPTHS**	440.00	1.00%
	T31N-R111W SECTION 31: LOTS 1-4, NE, E2W2 SECTION 32: N2, SW SECTION 33: N2, N2SW, SESW **BELOW THE BASE OF THE FORT UNION FORMATION**	1,398.74	1.00%
WYW-128309	**T31N-R110W** SECTION 4: E2SW SECTION 15: E2SW **ALL DEPTHS**	160.00	1.00%
	T31N-R110W SECTION 4: LOTS 1-3, S2NE, SENW, SE SECTION 9: NE, E2NW, N2SE, SESE SECTION 15: W2NW, S2SE SECTION 22: E2, E2NW SECTION 27: E2 SECTION 34: NE, E2SE **BELOW THE BASE OF THE FORT UNION FORMATION**	1,877.36	1.00%

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WYW-128799	**T30N-R110W** SECTION 20: N2NE SECTION 21: LOTS 2, 3, 5, N2NW **BELOW THE BASE OF THE FORT UNION FORMATION**	227.07	1.00%
WYW-128801	**T30N-R111W** SECTION 27: SE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	160.00	1.00%
WYW-128818	**T32N-R111W** SECTION 12: ALL **BELOW THE BASE OF THE FORT UNION FORMATION**	640.00	1.00%
WYW-128819	**T32N-R110W** SECTION 24: W2W2 **BELOW THE BASE OF THE FORT UNION FORMATION**	160.00	1.00%
WYW-129373	**T30N-R111W** SECTION 26: SWSE **ALL DEPTHS** **T30N-R111W** SECTION 26: S2SW **BELOW THE BASE OF THE FORT UNION FORMATION**	40.00 80.00	1.00% 1.00%
WYW-129428	**T32N-R110W** SECTION 5: SWSW **BELOW THE BASE OF THE FORT UNION FORMATION**	40.00	1.00%
WYW-129429	**T30N-R110W** SECTION 11: NESW **ALL DEPTHS** **T30N-R110W** SECTION 11: NWSE SECTION 14: SENE **BELOW THE BASE OF THE FORT UNION FORMATION**	40.00 80.00	1.00% 1.00%
WYW-129430	**T33N-R112W** SECTION 26: SW **ALL DEPTHS** **T33N-R112W** SECTION 26: N2, SE **BELOW THE BASE OF THE FORT UNION FORMATION**	160.00 480.00	1.00% 1.00%
WYW-129702	**T31N-R111W** SECTION 2: N2SWNW SECTION 11: E2SENW SECTION 13: S2NE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	120.00	1.00%

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FEDERAL/STATE LEASE NUMBER LESSOR NAME	LAND DESCRIPTION	NUMBER OF ACRES	ASSIGNED ORRI
WYW-129703	**T33N-R111W** SECTION 13: SW **ALL DEPTHS**	160.00	1.00%
	T33N-R111W SECTION 11: E2 SECTION 13: E2, NW SECTION 14: E2 **BELOW THE BASE OF THE FORT UNION FORMATION**	1,120.00	1.00%
WYW-130319	**T31N-R111W** SECTION 3: NESE **BELOW THE BASE OF THE FORT UNION FORMATION**	40.00	1.00%
WYW-130732	**T30N-R110W** SECTION 19: LOT 1, E2NW, N2NE SECTION 30: LOTS 3, 4, 10, 11, NENW **BELOW THE BASE OF THE FORT UNION FORMATION**	379.04	1.00%
WYW-130735	**T30N-R111W** SECTION 6: SE SECTION 8: SE **ALL DEPTHS**	320.00	1.00%
	T30N-R111W SECTION 6: SENW, S2NE, LOTS 5-7, E2SW SECTION 7: LOTS 1, 2, E2NW, NE SECTION 8: N2, SW **BELOW THE BASE OF THE FORT UNION FORMATION**	1,119.00	1.00%
WYW-130736	**T31N-R111W** SECTION 3: LOTS 1-4, S2N2, SW, NWSE, S2SE **BELOW THE BASE OF THE FORT UNION FORMATION**	600.13	1.00%
WYW-130737	**T31N-R111W** SECTION 10: N2, SE **BELOW THE BASE OF THE FORT UNION FORMATION**	480.00	1.00%
WYW-130738	**T31N-R111W** SECTION 34: SE SECTION 35: SE **ALL DEPTHS**	320.00	1.50%
	T31N-R111W SECTION 34: NE, SW SECTION 35: NE, SW **BELOW THE BASE OF THE FORT UNION FORMATION**	640.00	1.00%
	T31N-R111W SECTION 34: NW SECTION 35: NW **BELOW THE BASE OF THE FORT UNION FORMATION**	320.00	1.50%

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FEDERAL/STATE LEASE NUMBER LESSOR NAME	LAND DESCRIPTION	NUMBER OF ACRES	ASSIGNED ORRI
WYW-130841	**T33N-R111W** SECTION 1: LOTS 1, 2 **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	79.88	1.00%
WYW-131099	**T32N-R112W** SECTION 8: LOT 1, SENE SECTION 9: LOTS 1, 2, S2NE SECTION 10: S2NE SECTION 11: SWSE **T33N-112W** SECTION 34: E2SESE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	326.33	1.00%
WYW-131100	**T29N-R111W** SECTION 3: LOTS 17, 18 SECTION 4: LOT 10 SECTION 9: SESE SECTION 15: W2 SECTION 23: NE SECTION 25: NWNW SECTION 26: ALL SECTION 27: NE, NENW SECTION 34: SE, E2NE SECTION 35: ALL **BELOW THE BASE OF THE FORT UNION FORMATION**	2,404.91	1.00%
WYW-131388	**T32N-R110W** SECTION 22: N2SW, SESW SECTION 23: SW SECTION 26: SW **ALL DEPTHS** **T32N-R110W** SECTION 22: N2, SE SECTION 23: N2, SE SECTION 26: N2, SE **BELOW THE BASE OF THE FORT UNION FORMATION**	320.00 1,440.00	0.50% 0.50%
WYW-131389	**T32N-R110W** SECTION 29: SE, E2NE **BELOW THE BASE OF THE FORT UNION FORMATION**	240.00	0.50%
WYW-131390	**T32N-R110W** SECTION 31: NE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	160.00	0.50%
WYW-131399	**T33N-R111W** SECTION 11: N2SW, SESW SECTION 14: E2SW **ALL DEPTHS**	200.00	0.50%

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	T33N-R111W SECTION 11: S2NW SECTION 14: E2NW **BELOW THE BASE OF THE FORT UNION FORMATION**	160.00	0.50%
WYW-131400	**T33N-R111W** SECTION 25: SW SECTION 26: SW **ALL DEPTHS**	320.00	0.50%
	T33N-R111W SECTION 25: N2, SE SECTION 26: N2, SE **BELOW THE BASE OF THE FORT UNION FORMATION**	960.00	0.50%
	T33N-R111W SECTION 24: SW **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	160.00	0.50%
WYW-131407	**T31N-R112W** SECTION 1: LOTS 1-4, S2N2, S2 SECTION 2: LOTS 1-4, S2N2, S2 SECTION 3: LOTS 1-4, S2N2, S2 **BELOW THE BASE OF THE FORT UNION FORMATION**	1,915.16	1.00%
WYW-131408	**T31N-R112W** SECTION 4: LOTS 1, 2 SECTION 9: N2NE SECTION 10: NE SECTION 11: NE SECTION 12: NE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	638.70	1.00%
WYW-131409	**T31N-R112W** SECTION 13: NE SECTION 14: NE SECTION 15: N2NE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	400.00	1.00%
WYW-131410	**T31N-R112W** SECTION 23: NE SECTION 24: NE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	320.00	1.00%
WYW-131411	**T31N-R112W** SECTION 25: NE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	160.00	1.00%

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WYW-131412	**T32N-R112W** SECTION 10: LOT 4 SECTION 20: NE SECTION 21: NE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	342.25	1.00%
WYW-131413	**T32N-R112W** SECTION 23: NE SECTION 24: NE SECTION 25: NE SECTION 26: NE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	640.00	1.00%
WYW-131414	**T32N-R112W** SECTION 27: NE SECTION 28: NE SECTION 29: NE FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION	480.00	1.00%
WYW-131415	**T32N-R112W** SECTION 32: NE SECTION 33: NE SECTION 34: NE SECTION 35: NE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	640.00	1.00%
WYW-131910	**T30N-R110W** SECTION 12: LOT 5 **ALL DEPTHS**	31.23	1.00%
	T30N-R110W SECTION 9: LOT 5 **BELOW THE BASE OF THE FORT UNION FORMATION**	8.19	1.00%
WYW-131912	**T31N-R110W** SECTION 3: SW SECTION 10: SW SECTION 11: SW **ALL DEPTHS**	480.00	1.00%
	T31N-R110W SECTION 3: SE SECTION 10: N2, SE SECTION 11: N2, SE **BELOW THE BASE OF THE FORT UNION FORMATION**	1,120.00	1.00%
WYW-131913	**T31N-R110W** SECTION 21: NESW **ALL DEPTHS**	40.00	1.00%

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	T31N-R110W SECTION 21: LOT 3-6, 8, NWNW, S2NW, W2SE SECTION 28: NWNE **BELOW THE BASE OF THE FORT UNION FORMATION**	343.92	1.00%
WYW-131914	**T33N-R110W** SECTION 20: NE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	160.00	1.00%
WYW-131915	**T33N-R110W** SECTION 30: LOTS 3, 4, E2SW **ALL DEPTHS**	159.20	1.00%
	T33N-R110W SECTION 30: LOTS 1, 2, E2NW, E2 **BELOW THE BASE OF THE FORT UNION FORMATION**	478.88	1.00%
WYW-131920	**T30N-R111W** SECTION 22: SE SECTION 23: SE SECTION 25: NWSE **ALL DEPTHS**	360.00	1.00%
	T30N-R111W SECTION 22: N2, SW SECTION 23: N2, SW SECTION 25: W2, W2NE **BELOW THE BASE OF THE FORT UNION FORMATION**	1,360.00	1.00%
WYW-131921	**T32N-R111W** SECTION 9: SW **ALL DEPTHS**	160.00	1.00%
	T32N-R111W SECTION 9: SE **BELOW THE BASE OF THE FORT UNION FORMATION**	160.00	1.00%
	T32N-R111W SECTION 10: S2SW **FROM THE SURFACE TO THE BASE OF THE FORT UNION**	80.00	1.00%
WYW-131927	**T33N-R112W** SECTION 4: LOTS 1, 2, S2NE SECTION 9: NE SECTION 17: N2NE, SENE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	439.83	0.50%
	T33N-R112W SECTION 4: LOTS 1-4, S2N2, S2 SECTION 9: ALL SECTION 17: N2, N2SW, SE SECTION 18: N2SE **BELOW THE BASE OF THE FORT UNION FORMATION**	1,919.80	0.50%

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WYW-132401	**T29N-R110W** SECTION 1: LOTS 1-4, S2N2, S2 SECTION 12: ALL **BELOW THE BASE OF THE FORT UNION FORMATION**	1,278.44	1.00%
WYW-132402	**T29N-R110W** SECTION 13: ALL SECTION 14: ALL **BELOW THE BASE OF THE FORT UNION FORMATION**	1,280.00	1.00%
WYW-132403	**T29N-R110W** SECTION 33: NE **BELOW THE BASE OF THE FORT UNION FORMATION**	160.00	1.00%
WYW-132412	**T32N-R112W** SECTION17: NE SECTION 19: N2NE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	240.00	1.00%
WYW-132413	**T32N-R112W** SECTION 31: N2NE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	80.00	1.00%
WYW-132414	**T33N-R112W** SECTION 3: LOTS 1, 2, S2NE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	159.64	0.50%
	T33N-R112W SECTION 3: LOTS 1-4, S2N2, S2 **BELOW THE BASE OF THE FORT UNION FORMATION**	639.36	0.50%
WYW-133084	**T33N-R110W** SECTION 21: NWNW SECTION 28: W2NW SECTION 33: NENW, SWNE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	200.00	1.00%
WYW-133090	**T34N-R111W** SECTION 1: LOT 2, SWNE SECTION 2: LOTS 1, 2 **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	160.16	0.50%
	T34N-R111W SECTION 6: E2SE	640.19	0.50%
	T34N-R112W SECTION 1: LOTS 2-4, SWNE, S2NW, E2SW, W2SE SECTION 2: LOTS 1, 2, SWSE SECTION 11: SESW **BELOW THE BASE OF THE FORT UNION FORMATION**		

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WYW-133098	**T33N-112W** SECTION 5: LOTS 1, 2, S2NE SECTION 6: LOTS 1, 2, S2NE SECTION 7: NE SECTION 8: N2NW SECTION 18: N2NE, SENE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	679.91	0.50%
	T33N-R112W SECTION 5: LOTS 1-4, S2N2, S2 SECTION 6: LOTS 1-7, S2NE, SENW, E2SW, SE SECTION 7: LOTS 1-4, E2, E2W2 SECTION 8: W2 SECTION 18: LOTS 1, 2, NE, E2NW **BELOW THE BASE OF THE FORT UNION FORMATION**	2,554.27	0.50%
WYW-133099	**T34N-R112W** SECTION 10: NESW SECTION 14: SENE SECTION 15: S2NE SECTION 22: NE SECTION 23: W2NE SECTION 26: NWNE, S2NE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	520.00	0.50%
	T34N-R112W SECTION 10: SW SECTION 14: S2N2 SECTION 15: S2N2, NWNW, SW SECTION 22: ALL SECTION 23: W2E2, W2 SECTION 26: W2NE, SENE, W2, SE **BELOW THE BASE OF THE FORT UNION FORMATION**	2,400.00	0.50%
WYW-133100	**T34N-R112W** SECTION 17: NE SECTION 20: NE SECTION 21: NE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	480.00	0.5%*
	T34N-R112W SECTION 17: ALL SECTION 20: ALL SECTION 21: ALL **BELOW THE BASE OF THE FORT UNION FORMATION**	1,920.00	0.50%
WYW-133101	**T34N-R112W** SECTION 27: NE SECTION 28: NE SECTION 33: NE SECTION 34: NE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	640.00	0.50%

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	T34N-R112W SECTION 27: ALL SECTION 28: ALL SECTION 33: ALL SECTION 34: ALL **BELOW THE BASE OF THE FORT UNION FORMATION**	2,560.00	0.50%
WYW-133778	**T29N-R111W** SECTION 12: NENW SECTION 13: NWNW SECTION 23: SENW, SESW SECTION 25: NENE **BELOW THE BASE OF THE FORT UNION FORMATION**	200.00	1.00%
WYW-135139	**T29N-R111W** SECTION 12: SWNW SECTION 23: NESW **BELOW THE BASE OF THE FORT UNION FORMATION**	80.00	1.00%
WYW-135140	**T31N-R111W** SECTION 2: SWSW SECTION 11: NWNW SECTION 13: SWSW SECTION 23: NWNW **BELOW THE BASE OF THE FORT UNION FORMATION**	160.00	1.00%
WYW-135147	**T33N-R112W** SECTION 1: LOTS 2-4, S2N2, S2 SECTION 2: LOTS 1-4, S2, S2N2 **BELOW THE BASE OF THE FORT UNION FORMATION**	1,239.06	1.00%
WYW-135433	**T31N-R110W** SECTION 6: LOTS 1, 2, SWNE SECTION 7: W2NE SECTION 18: NENE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	238.71	1.00%
WYW-135437	**T31N-R110W** SECTION 19: LOTS 3, 4, E2SW **ALL DEPTHS**	141.56	0.50%
	T31N-R110W SECTION 19: E2, LOTS 1, 2, E2NW **BELOW THE BASE OF THE FORT UNION FORMATION**	461.48	0.50%
WYW-135438	**T30N-R110W** SECTION 7: SE **ALL DEPTHS**	160.00	1.00%

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WYW-136332	**T29N-R111W** SECTION 10: LOT 1, W2NE, SENE, W2, SE SECTION 11: LOT 1, E2, NENW, S2NW, SW SECTION 14: ALL SECTION 15: E2 SECTION 22: E2 **BELOW THE BASE OF THE FORT UNION FORMATION**	2,559.44	1.00%
WYW-136335	**T30N-R111W** SECTION 7: SESW **BELOW THE BASE OF THE FORT UNION FORMATION**	40.00	1.00%
WYW-136830	**T30N-R111W** SECTION 4: SE **ALL DEPTHS**	160.00	2.50%
	T30N-R111W SECTION 4: LOTS 1, 2, S2NE, SW SECTION 5: LOT 2 **BELOW THE BASE OF THE FORT UNION FORMATION**	359.46	1.00%
	T30N-R111W SECTION 4: LOT 3, S2NW SECTION 5: LOTS 3, 4 **BELOW THE BASE OF THE FORT UNION FORMATION**	199.18	2.50%
WYW-137242	**T29N-R110W** SECTION 30: LOTS 1-4, E2W2 SECTION 31: LOTS 1-4, E2W2 **T29N-R111W** SECTION 12: NWNW, NESW, W2SE SECTION 13: W2SW, W2SE SECTION 23: NWSE SECTION 24: W2, SE SECTION 25: S2N2, NENW, N2SW, SE **BELOW THE BASE OF THE FORT UNION FORMATION**	1,915.76	1.00%
WYW-138172	**T31N-R110W** SECTION 27: LOT 4 **BELOW THE BASE OF THE FORT UNION FORMATION**	8.45	1.00%
WYW-138660	**T29N-R111W** SECTION 12: SWNE SECTION 13: E2SE SECTION 24: NE **BELOW THE BASE OF THE FORT UNION FORMATION**	280.00	1.00%
WYW-139294	**T30N-R110W** SECTION 14: LOT 5 LYING IN THE NWSW **ALL DEPTHS**	2.00	2.50%
	T30N-R110W SECTION 14: LOT 4, LOT 5 NOT LYING IN THE NWSW **BELOW THE BASE OF THE FORT UNION FORMATION**	48.43	1.00%

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WYW-139401	**T29N-R111W** SECTION 1: LOTS 1-3, 12 SECTION 2: LOTS 5, 17 SECTION 3: LOT 5 SECTION 4: LOT 5 SECTION 12: E2E2, NWNE, SENW, W2SW, SESW SECTION 13: NE, E2NW **BELOW THE BASE OF THE FORT UNION FORMATION**	723.20	1.00%
WYW-139793	**T30N-R110W** SECTION 19: LOT 2 **BELOW THE BASE OF THE FORT UNION FORMATION**	35.27	0.50%
WYW-139794	**T30N-R111W** SECTION 24: NESE **ALL DEPTHS**	40.00	0.50%
	T30N-R111W SECTION 24: SENE **BELOW THE BASE OF THE FORT UNION FORMATION**	40.00	0.50%
WYW-141371	**T33N-R111W** SECTION 15: ALL SECTION 17: NENE, S/2NE, SE SECTION 20: NE, NENW, S/2NW, S/2 SECTION 21: ALL SECTION 28: E/2 **ALL DEPTHS**	2,480.00	2.00%
WYW-142272	**T33N-R111W** SECTION 22: E/2SE SECTION 27: NENE SECTION 30: SE/4 SECTION 31: NE/4 SECTION 32: E/2, NENW, S/2NW, N/2SW SECTION 33: ALL (EXCLUDING 50.00 ACRES IN RSVR ROW WY-03827) SECTION 34: ALL (EXCLUDING 26.00 ACRES IN RSVR ROW WY-03827) **ALL DEPTHS**	2,164.00	2.00%
WYW-144304	**T33N-R112W** SECTION 27: NENE SECTION 35: N2NE, SENE **BELOW THE BASE OF THE FORT UNION FORMATION**	160.00	1.00%
WYW-153276	**T32N-R111W** SECTION 10: N2SW SECTION 19: LOTS 3, 4, E2SW SECTION 20: SW **ALL DEPTHS**	394.99	1.00%

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	T32N-R111W SECTION 5: LOTS 1, 2 SECTION 9: E2NE SECTION 10: NW, W2NE SECTION 17: NENE SECTION 19: LOTS 1,2, E2, E2NW SECTION 20: SWNW, SWSE **BELOW THE BASE OF THE FORT UNION FORMATION**	969.35	1.00%
	T32N-R111W SECTION 5: LOTS 1, 2 SECTION 8: NESW **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	54.51	1.00%
WYW-153277	**T32N-R111W** SECTION 31: SE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	160.00	1.00%
WYW-153278	**T32N-R111W** SECTION 11: SW **ALL DEPTHS**	160.00	1.00%
	T32N-R111W SECTION 11: N2, SE **BELOW THE BASE OF THE FORT UNION FORMATION**	480.00	1.00%
WYW-153279	**T32N-R111W** SECTION 33: SW **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	160.00	1.00%
WYW-153280	**T32N-R111W** SECTION 1: LOTS 1-4, S2SE SECTION 2: LOTS 1-4 SECTION 3: LOTS 1-4 SECTION 4: LOTS 1-4 SECTION 9: W2NE, NW **BELOW THE BASE OF THE FORT UNION FORMATION**	805.52	1.00%
WYW-153281	**T32N-R111W** SECTION 34: W2SE, SESE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	120.00	1.00%
WYW-153283	**T31N-R111W** SECTION 4: SW **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	160.00	1.50%

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WYW-153399	**T31N-R110W** SECTION 20: SW SECTION 28: SWSW SECTION 29: SW SECTION 33: SW **ALL DEPTHS**	520.00	0.50%
	T31N-R110W SECTION 17: E2SE SECTION 20: NWNW, S2NW, W2SE SECTION 28: SWNW SECTION 29: N2, SE SECTION 33: NW **BELOW THE BASE OF THE FORT UNION FORMATION**	960.00	0.50%
WYW-153400	**T31N-R111W** SECTION 15: N2SE, SWSE **ALL DEPTHS**	120.00	1.00%
	T31N-R111W SECTION 15: N2NE, SW, SWNE **BELOW THE BASE OF THE FORT UNION FORMATION**	280.00	1.00%
WYW-153401	**T31N-R111W** SECTION 22: SE SECTION 26: SE **ALL DEPTHS**	320.00	1.50%
	T31N-R111W SECTION 22: NWNE, SW, S2NE SECTION 26: SW, NE **BELOW THE BASE OF THE FORT UNION FORMATION**	600.00	1.00%
	T31N-R111W SECTION 22: NW SECTION 26: NW **BELOW THE BASE OF THE FORT UNION FORMATION**	320.00	1.50%
WYW-153402	**T32N-R110W** SECTION 6: LOTS 2-5, SESW, SWSE **BELOW THE BASE OF THE FORT UNION FORMATION**	151.01	1.00%
WYW-153403	**T32N-R110W** SECTION 21: W2SW SECTION 28: NWSW **ALL DEPTHS**	120.00	1.00%
	T32N-R110W SECTION 21: W2NW SECTION 28: W2NW **BELOW THE BASE OF THE FORT UNION FORMATION**	160.00	1.00%
WYW-153404	**T 31N-R111W** SECTION 25: N2SE, SESE **ALL DEPTHS**	120.00	1.50%

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	T31N-R111W SECTION 25: NE, NWSW	200.00	1.00%
	BELOW THE BASE OF THE FORT UNION FORMATION **T31N-R111W** SECTION 25: NW	160.00	1.50%
	BELOW THE BASE OF THE FORT UNION FORMATION		
WYW-153405	**T31N-R111W** SECTION 8: SE	160.00	1.50%
	ALL DEPTHS		
	T31N-R111W SECTION 8: NE, SW	320.00	1.00%
	BELOW THE BASE OF THE FORT UNION FORMATION **T31N-R111W** SECTION 8: NW	160.00	1.50%
	BELOW THE BASE OF THE FORT UNION FORMATION **T31N-R111W** SECTION 5: SE	160.00	1.50%
	FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION		
WYW-153406	**T31N-R111W** SECTION 9: SE SECTION 27: SE	320.00	1.50%
	ALL DEPTHS		
	T31N-R111W SECTION 9: SW, SENE, W2NE SECTION 27: NE, SW	600.00	1.00%
	BELOW THE BASE OF THE FORT UNION FORMATION **T31N-R111W** SECTION 9: NW SECTION 27: NW	320.00	1.50%
	BELOW THE BASE OF THE FORT UNION FORMATION		
WYW-153407	**T32N-R110W** SECTION 27: SWSW, E2SW SECTION 33: SESW SECTION 34: SW	320.00	0.50%
	ALL DEPTHS		
	T32N-R110W SECTION 27: E2, E2NW SECTION 33: NESE, S2SE, SENE SECTION 34: NW, E2	1,040.00	0.50%
	BELOW THE BASE OF THE FORT UNION FORMATION		
WYW-153408	**T32N-R110W** SECTION 32: NENE, W2NE	120.00	0.50%
	BELOW THE BASE OF THE FORT UNION FORMATION		

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	T32N-R110W SECTION 32: N2SW, SWSW **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	120.00	0.50%
WYW-153409	**T31N-R111W** SECTION 15: SESE SECTION 32: SESE **ALL DEPTHS**	80.00	2.50%
	T30N-R111W SECTION 4: LOT 4 **BELOW THE BASE OF THE FORT UNION FORMATION**	40.03	2.50%
	T30N-R111W SECTION 5: LOT 1	80.00	1.00%
	T31N-R111W SECTION 22: NENE SECTION 33: SWSW **BELOW THE BASE OF THE FORT UNION FORMATION**		
WYW-153751	**T30N-R11OW** SECTION 30: LOT 7 RIPARIAN TO THOSE PORTIONS OF THE BED OF THE GREEN RIVER AND NEW FORK RIVER **BELOW THE BASE OF THE FORT UNION FORMATION**	14.32	1.00%
WYW-153752	**T30N-R110W** SECTION 34: SWNE, S2NW, S2 **BELOW THE BASE OF THE FORT UNION FORMATION**	440.00	1.00%
WYW-153754	**T32N-R110W** SECTION 17: SESE **BELOW THE BASE OF THE FORT UNION FORMATION**	40.00	1.00%
	T32N-R110W SECTION 17: E2NW **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	80.00	1.00%
WYW-153755	**T30N-R110W** SECTION 7: LOTS 3, 4, NE, E2SW SECTION 18: LOTS 3, 4, E2SW, NE **BELOW THE BASE OF THE FORT UNION FORMATION**	617.92	1.00%
	T30N-R110W SECTION 7: LOTS 1, 2, E2NW SECTION 18: LOTS 1, 2, E2NW, SE **BELOW THE BASE OF THE FORT UNION FORMATION**	456.56	1.50%
WYW-153758	**T30N-R110W** SECTION 28: LOTS 6-9, S2S2 **BELOW THE BASE OF THE FORT UNION FORMATION**	310.61	1.00%

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WYW-153759	**T31N-R110W** SECTION 3: LOTS 1-4, S2N2 **BELOW THE BASE OF THE FORT UNION FORMATION**	316.72	1.00%
WYW-153761	**T30N-R110W** SECTION 11: LOT 3, W2SW SECTION 13: SW SECTION 14: SESW SECTION 15: LOT 3 LYING IN SW **ALL DEPTHS**	318.86	1.00%
	T30N-R110W SECTION 23: SW **ALL DEPTHS**	160.00	1.50%
	T30N-R110W SECTION 11: N2, LOT 2, 4 SECTION 12: N2N2 SECTION 13: LOT 1, S2NW, NE, NENW, SE SECTION 14: LOTS 1, 7, SE SECTION 15: LOT 2, AND 3 NOT IN SW SECTION 22: SESE SECTION 23: E2, E2NW **BELOW THE BASE OF THE FORT UNION FORMATION**	1,642.73	1.00%
WYW-153762	**T30N-R110W** SECTION 14: M&B BED OF NEW FORK RIVER RIPARIAN TO LOTS 4, 5 **BELOW THE BASE OF THE FORT UNION FORMATION**	22.43	1.00%
WYW-153944	**T29N-R110W** THAT PORTION OF THE BED OF THE GREEN RIVER RIPARIAN TO: SECTION 6: LOTS 2, 7 **T30N-R110W** THOSE PORTIONS OF THE BED OF THE GREEN RIVER AND THE NEW FORK RIVER RIPARIAN TO: SECTION 27: LOT 3 SECTION 28: LOTS 5-9 SECTION 29: LOTS 1-7 THAT PORTION OF THE BED OF THE GREEN RIVER RIPARIAN TO: SECTION 31: LOTS 2, 5, 7, 8, 12 **BELOW THE BASE OF THE FORT UNION FORMATION**	269.19	1.00%
WYW-153946	**T30N-R111W** SECTION 34: N2 SECTION 35: N2, SE, NESW **BELOW THE BASE OF THE FORT UNION FORMATION**	840.00	1.00%
WYW-153947	**T30N-R110W** SECTION 28: LOT 5 SECTION 29: LOTS 1-6, E2SW, SE **BELOW THE BASE OF THE FORT UNION FORMATION**	400.48	1.00%
WYW-153948	**T30N-R110W** SECTION 27: LOT 3, SENW, NENE, S2NE, S2 SECTION 34: N2N2, SENE **BELOW THE BASE OF THE FORT UNION FORMATION**	713.02	1.00%

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EFFECTIVE 12-31-02

(The base of the Fort Union Formation is more particularly defined in various Assignments into Pannonian Energy Inc. recorded in Sublette County, Wyoming)

FEDERAL/STATE LEASE NUMBER LESSOR NAME	LAND DESCRIPTION	NUMBER OF ACRES	ASSIGNED ORRI
WYW-153949	**T30N-R111W** SECTION 19: N2NE SECTION 20: NWNW **BELOW THE BASE OF THE FORT UNION FORMATION**	120.00	1.00%
WYW-155825	**T30N-R110W** SECTION 3: LOTS 11 (37.04), 12 (37.88), 13 (39.98), 14 (39.89) SECTION 4: LOTS 3 (39.02), 4 (39.30), S2NW, SW, W2SE SECTION 5: LOTS 1 (39.48), 2 (39.58), 3 (39.68), 4 (39.76), S2N2, S2 SECTION 9: LOTS 2 (36.61), 3 (31.74), W2 **BELOW THE BASE OF THE FORT UNION FORMATION**	1,579.96	2.50%
	T30N-R110W SECTION 3: LOT 11 (37.04) SECTION 4: W2SE SECTION 5: LOTS 1 (39.48), 2 (39.58), S2NE SECTION 9: LOTS 2 (36.61), 3 (31.74) **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	344.45	2.50%
WYW-155826	**T30N-R110W** SECTION 8: ALL SECTION 17: ALL **BELOW THE BASE OF THE FORT UNION FORMATION**	1,280.00	2.50%
	T30N-R110W SECTION 8: NE SECTION 17: NE **FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION**	320.00	2.50%
WYW-155435	**T29N-R110W** SECTION 5: LOTS 1-4, S2N2, SW SECTION 6: LOTS 1, 2, 7, 9, SENE, SESW, SE SECTION 7: LOTS 1-4, E2, E2W2 SECTION 8: ALL **ALL DEPTHS**	2,283.27	2.50%
WYW-155437	**T29N-R110W** SECTION 17: ALL SECTION 18: LOTS 1-4, E2, E2W2 SECTION 19: LOTS 1-4, E2, E2W2 SECTION 20: ALL **ALL DEPTHS**	2,548.76	2.50%
WYW-155450	**T29N-R111W** SECTION 02: LOTS 14, 15 SECTION 9: NENE SECTION 13: SWNW, E2SW SECTION 23: W2W2 SECTION 25: NWNE, S2SW SECTION 27: SE SECTION 34: W2NE, E2W2 **ALL DEPTHS**	868.61	2.50%

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EFFECTIVE 12-31-02

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FEDERAL/STATE LEASE NUMBER LESSOR NAME	LAND DESCRIPTION	NUMBER OF ACRES	ASSIGNED ORRI
01-00402	T30N-R110W SECTION 16: LOTS 1, 2, W2, NE, W2SE, NESE ALL DEPTHS	636.61	2.500%
01-00410	T29N-R111W SECTION 1: S/2SW, SWSE ALL DEPTHS	120.00	2.500%
01-00414	T32N-R112W SECTION 16: ALL ALL DEPTHS	640.00	2.500%
01-00415	T32N-R112W SECTION 36: ALL ALL DEPTHS	640.00	2.500%
01-00567	T30N-R111W SECTION 36: ALL BELOW THE BASE OF THE FORT UNION FORMATION	640.00	2.500%
	T30N-R111W SECTION 36: NE FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION	160.00	2.500%
01-00568	T32N-R111W SECTION 34: NESE ALL DEPTHS	40.00	2.500%
01-00569	T32N-R111W SECTION 36: ALL BELOW THE BASE OF THE FORT UNION FORMATION	640.00	2.500%
	T32N-R111W SECTION 36: NE FROM THE SURFACE TO THE BASE OF THE FORT UNION FORMATION	160.00	2.500%
89-00645	T30N-R111W SECTION 16: SE ALL DEPTHS	160.00	1.000%
	T30N-R111W SECTION 16: N2, SW BELOW THE BASE OF THE FORT UNION FORMATION	320.00	1.000%
89-00646	T31N-R111W SECTION 11: NENW SECTION 16: NE BELOW THE BASE OF THE FORT UNION FORMATION	360.00	1.000%
	T31N-R111W SECTION 16: E2SE, N2SE ALL DEPTHS		

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FEDERAL/STATE LEASE NUMBER LESSOR NAME	LAND DESCRIPTION	NUMBER OF ACRES	ASSIGNED ORRI
93-00130	**T32N-R111W** SECTION 16: SW	160.00	1.000%
	ALL DEPTHS **T32N-R111W** SECTION 16: N2, SE	320.00	1.000%
	BELOW THE BASE OF THE FORT UNION FORMATION		
93-00133	**T33N-R111W** SECTION 16: SW, NE	320.00	1.000%
	ALL DEPTHS **T33N-R111W** SECTION 16: NW, SE	320.00	1.000%
	BELOW THE BASE OF THE FORT UNION FORMATION		
93-00134	**T33N-R111W** SECTION 36: SW	160.00	1.000%
	ALL DEPTHS **T33N-R111W** SECTION 36: E2, NW	320.00	1.000%
	BELOW THE BASE OF THE FORT UNION FORMATION		
93-00416	**T33N-R112W** SECTION 36: SW	160.00	1.000%
	ALL DEPTHS **T33N-R112W** SECTION 36: NW, E2	320.00	1.000%
	BELOW THE BASE OF THE FORT UNION FORMATION		
98-00595	**T29N-R110W** SECTION 16: ALL	640.00	1.000%
	BELOW THE BASE OF THE FORT UNION FORMATION		
98-00784	**T29N-R110W** SECTION 6: LOTS 3, 4	46.60	1.000%
	BELOW THE BASE OF THE FORT UNION FORMATION		
98-00785	**T29 N-R110W** SECTION 6: NESW	40.00	1.000%
	BELOW THE BASE OF THE FORT UNION FORMATION		
MURDOCK LAND & LIVESTOCK CO., A WYOMING CORPORATION AND JOSEPH W. MURDOCK AND JEANE F. MURDOCK, INDIVIDUALLY, AND AS HUSBAND AND WIFE	**T30N-R110W** SECTION 21: LOTS 6 (19.46), 7 (31.74), SE SECTION 28: LOTS 1 (38.91), 2 (25.86), 3 (41.47), 4 (20.48), NENW	558.72	0.500%
	BELOW THE BASE OF THE FORT UNION FORMATION		
	T30N-R110W SECTION 21: LOTS 8, 10, SESW SECTION 28: N2NE		
	ALL DEPTHS		

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FEDERAL/STATE LEASE NUMBER LESSOR NAME	LAND DESCRIPTION	NUMBER OF ACRES	ASSIGNED ORRI
MURDOCK LAND & LIVESTOCK CO., A WYOMING CORPORATION AND JOSEPH W. MURDOCK AND JEANE F. MURDOCK, INDIVIDUALLY, AND AS HUSBAND AND WIFE	**T30N-R110W** SECTION 20: LOT 1 (34.30), S2NE, N2NE SECTION 21: LOTS 4 (30.98), SWNW **BELOW THE BASE OF THE FORT UNION** SECTION 21: LOT 9 (43.01) **ALL DEPTHS** LESS A TRACT OF LAND CONTAINING 1.66 ACRES DESCRIBED AT BOOK 22, PAGE 388 OF THE OFFICIAL RECORDS OF SUBLETTE CO., WY TOGETHER WITH ALL ACCRETIONS AND RIPARIAN RIGHTS APPURTENANT THERETO AND ALSO THE RIGHT, TITLE AND INTEREST TO THE BED OF THE NEW FORK AND GREEN RIVER.	306.63	0.500%
CARYN BING	**T30N-R110W** SECTION 20: LOT 1 (34.30), S/2NE, N/2SE SECTION 21: LOT 4 (30.98), SWNW **BELOW THE BASE OF THE FORT UNION** SECTION 21: LOT 9 (43.01) **ALL DEPTHS**	306.63	0.500%
STANETTA TWIFORD	**T30N-R110W** SECTION 20: LOT 1 (34.30), S/2NE, N/2SE SECTION 21: LOT 4 (30.98), SWNW **BELOW THE BASE OF THE FORT UNION** SECTION 21: LOT 9 (43.01) **ALL DEPTHS**	306.63	0.500%
CORNELIA BAUM BURKE FAMILY TRUST OF FIRST NATIONAL OF OMAHA TRUST DEPARTMENT	**T31N-R110W** SECTION 17: NWSW, SESW **ALL DEPTHS** SECTION 17: NENE, NWSE **BELOW THE BASE OF THE FORT UNION FORMATION**	160.00	0.500%

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EFFECTIVE 12-31-02

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FEDERAL/STATE LEASE NUMBER LESSOR NAME	LAND DESCRIPTION	NUMBER OF ACRES	ASSIGNED ORRI
DORIS B. LUMAN, A WIDOW	**T31N-R110W** SECTION 4: LOT 4 (39.23), SWNW SECTION 5: LOT 1 (39.24, 2 (39.22), 3 (39.18), 4 (39.16), SENE **T32N-R110W** SECTION 21: E/2NE, NESE, W/2SE SECTION 27: W/2NW SECTION 28: E/2 SECTION 32: SENE, S/2SE SECTION 33: N2NE, SWNE, E2NW, SWNW, NWSE **BELOW THE BASE OF THE FORT UNION FORMATION** **T32N-R110W** SECTION 22: SWSW SECTION 27: NWSW SECTION 28: SESW SECTION 32: SESW SECTION 33: N2SW, SWSW **ALL DEPTHS** SUBLETTE COUNTY, WY	1,516.03	0.500%
GORDON M. MICKELSON & MARGARET G. MICKELSON, HUSBAND AND WIFE	**T31N-R110W** SECTION 20: E/2NE, SWNE, E/2SE SECTION 27: LOTS 2 (7.68), 3 (34.83) SECTION 21: LOT 9 (13.57), W/2SW, SESW SECTION 28: LOT 1 (39.75), SWNE, N/2NW, E/2SW, W/2SE, SENW SECTION 33: NE SECTION 34: LOT 3 **BELOW THE BASE OF THE FORT UNION FORMATION**	748.12	0.500%
	T31N-R110W SECTION 21: W/2SW, SESW SECTION 28: E/2SW **ALL DEPTHS**	200.00	0.500%
PATRICIA CHAPEL	**T31N-R110W** SECTION 20: E/2NE, SWNE, E/2SE SECTION 27: LOTS 2 (7.68), 3 (34.83) SECTION 21: LOT 9 (13.57), W/2SW, SESW SECTION 28: LOT 1 (39.75), SWNE, N/2NW, E/2SW, W/2SE, SENW SECTION 33: NE SECTION 34: LOT 3 (42.24) **BELOW THE BASE OF THE FORT UNION FORMATION**	748.12	0.500%
	T31N-R110W SECTION 21: W/2SW, SESW SECTION 28: E/2SW **ALL DEPTHS**	200.00	0.500%

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FEDERAL/STATE LEASE NUMBER LESSOR NAME	LAND DESCRIPTION	NUMBER OF ACRES	ASSIGNED ORRI
J. MARLON HIGGINS AND MARY K. HIGGINS. HUSBAND AND WIFE	T31N-R110W SECTION 5: SWNE, SE SECTION 8: E/2 SECTION 9: W/2NW, SWSE SECTION 16: LOTS 1 (39.78), 2 (21.76), 3 (35.07), NE, NENW **BELOW THE BASE OF THE FORT UNION FORMATION** **T31N-R110W** SECTION 4: W2SW SECTION 9: SW **ALL DEPTHS**	1,616.61	0.500%
THE TED LANCE HIGGINS 1989 TRUST AND J. MARLON HIGGINS	T31N-R110W SECTION 5: SWNE, SE SECTION 8: E/2 SECTION 9: W/2NW, SWSE SECTION 16: LOTS 1 (39.78), 2 (21.76), 3 (35.07), NE, NENW **BELOW THE BASE OF THE FORT UNION FORMATION** **T31N-R110W** SECTION 4: W2SW SECTION 9: SW **ALL DEPTHS**	1,616.61	0.500%
WILMA BLOOM DAVIS, ET VIR	T31N-R110W SECTION 5: SWNE, SE SECTION 8: E/2 SECTION 9: W/2NW, SWSE SECTION 16: LOTS 1 (39.78), 2 (21.76), 3 (35.07), NE, NENW **BELOW THE BASE OF THE FORT UNION FORMATION** **T31N-R110W** SECTION 4: W2SW SECTION 9: SW **ALL DEPTHS**	1,616.61	0.500%
LESLIE F. WILCOX AND SHARON L. WILCOX, HUSBAND AND WIFE	T31N-R110W SECTION 5: SWNE, SE SECTION 8: E/2 SECTION 9: W/2NW, SWSE SECTION 16: LOTS 1 (39.78), 2 (21.76), 3 (35.07), NE, NENW **BELOW THE BASE OF THE FORT UNION FORMATION** **T31N-R110W** SECTION 4: W2SW SECTION 9: SW **ALL DEPTHS**	1,616.61	0.500%

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FEDERAL/STATE LEASE NUMBER LESSOR NAME	LAND DESCRIPTION	NUMBER OF ACRES	ASSIGNED ORRI
BONNIE BLOOM ALEXANDER, ET VIR	**T31N-R110W** SECTION 5: SWNE,SE SECTION 8: E/2 SECTION 9: W/2NW, SWSE SECTION 16: LOTS 1 (39.78), 2 (21.76), 3 (35.07), NE, NENW **BELOW THE BASE OF THE FORT UNION FORMATION** **T31N-R110W** SECTION 4: W2SW SECTION 9: SW **ALL DEPTHS**	1,616.61	0.500%

ASSIGNMENT OF PROCEEDS FROM OIL & GAS WELLS

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, W.N. McMurry Trustee of the W.N. McMurry Revocable Trust, P.O. Box 50790, Casper, WY 82604 (hereinafter referred as Assignor), the owner of certain overriding royalty interests in producing oil and gas leases, for and in consideration of the sum of Ten Dollars and other good and valuable consideration, receipt of which is hereby acknowledged, does hereby assign, transfer and set over unto Mary L. McGregor, P.O. Box 1087, Glenrock, WY 82637 (hereinafter referred to as Assignee), all of his right, title and interest in and to the proceeds from the oil, gas and other hydrocarbons of whatever nature which are produced, saved and marketed from the following described oil and/or gas well in Sublette County, Wyoming, to-wit:

MESA 1-33
T32N, R109W, 6TH P.M.
SECTION 33: NE/4NE/4

MESA 10-33
T32N, R109W, 6TH P.M.
SECTION 33: NW/4SE/4

299987

RECORDED Sept. 30 2003 4:30 PM
IN BOOK 125 O&G PAGE 468
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

This assignment is limited to Assignor's interest in the existing producing wells listed above. It is not intended to include an interest in any subsequent offsetting wells or wells which may be drilled to deeper formations than those now producing in the existing wells. The interest conveyed is a well-bore interest, to the depth drilled, in the wells specifically described.

This assignment is made without warranty, expressed or implied.

TO HAVE AND TO HOLD the interest herein transferred and assigned unto Assignee, her successors and assigns forever.

IN WITNESS WHEREOF, Assignor has executed and delivered this assignment as of this 24th day of September, 2003, to be effective as of the first day of September, 2003.

W.N. McMurry, Trustee
W.N. McMurry Revocable Trust

STATE OF Wyoming)
) **SS**
COUNTY OF Natrona)

The foregoing instrument was acknowledged before me this 24th day of September, 2003, by W.N. McMurry, Trustee of the W.N. McMurry Revocable Trust.

Witness my hand and official seal.

NOTARY PUBLIC
DOROTHY REIMANN
STATE OF WYOMING
COUNTY OF NATRONA
My Commission Expires Sept. 19, 2005

Notary Public

My Commission Expires: Sept. 19, 2005

[redacted] [redacted] [redacted]

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 27th day of June 2003, by and between Rock Springs National Bank, Successor Trustee of the Fear Family Trust and as having executory rights heretofore created

of 333 Broadway, Rock Springs, Wyoming 82901, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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

299989

RECORDED Oct 1 2003 835A M
IN BOOK 125 O+G PAGE 469
FEES $ 15.00 Mary L Lyda COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Tracy L Hooper

and containing 2,264.23 acres, more or less.

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.

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 noncombustible, 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 Four (4) 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 Direct to Lessor, at Address listed above (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.

Rock Springs National Bank, Successor Trustee of the Fear Family Trust and as having executory rights heretofore created

Attest: John W. Hay III

Trust Officer

STATE of Wyoming

COUNTY of Sweetwater

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 7th day of July, 200 3.

Personally appeared Beni Hansen and John W Hay III

identical person s, described in and who executed the within and foregoing instrument of writing and acknowledged to me that they free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

PAULA STARKEY - NOTARY PUBLIC
COUNTY OF SWEETWATER STATE OF WYOMING
MY COMMISSION EXPIRES JANUARY 15, 2005

My Commission Expires: 1/15/05

Notary Public: Paula Starkey

Address: 1218 Thorpe St
Rock Springs, WY 82901

STATE of

COUNTY of

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 200 1.

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.

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: _____

[redacted] [redacted] [redacted]

EXHIBIT "A"

Exhibit "A" attached to and made a part of that certain Paid Up Oil and Gas Lease dated June 27, 2003 by and between Rock Springs National Bank, Successor Trustee of the Fear Family Trust and as having executory rights heretofore created, as Lessor and Contex Energy Company, as Lessee, to wit:

TOWNSHIP 32 NORTH, RANGE 112 WEST, 6th P. M.
Section 7: Lots 4 (23.67), 5 (21.75), NESW, W/2SE, SESE
Section 8: SWSW

TOWNSHIP 32 NORTH, RANGE 113 WEST, 6th P. M.
Section 8: Lots 1 (13.05), 2 (13.55), S/2NE, N/2SW, SENW, NESE
Section 9: Lots 3 (12.13), 4 (12.47), S/2NW, NWSW
Section 10: S/2SE
Section 11: N/2S/2, SWSW
Section 12: Lots 1 (43.36), 2 (44.15), N/2S/2
Section 15: NWNE, NENW, S/2NW, NWSW
Section 20: NENE, S/2NE, N/2SE, SWSE
Section 21: NWNE, NW, NWSW

TOWNSHIP 33 NORTH, RANGE 113 WEST, 6th P. M.
Section 34: S/2NE, SE
Section 35: SW

Containing 2,264.23 acres more or less
Sublette County, Wyoming

Notwithstanding anything to the contrary herein contained, wherever the term one-eighth (1/8th) appears in the body of the lease, that term shall by this reference be amended to read one-sixth (1/6th).

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 27th day of June, 2007, 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, his heirs, successors or assigns at the last known address, the sum amount equal to the original per net mineral acre consideration paid for the execution of this lease for each net mineral acre Lessee elects to extend, on or before the expiration date of the initial primary term of this lease. Should this option be exercised as herein provided, it shall be considered for all purposes as thought the lease originally provided for a primary term of seven (7) years

This lease shall terminate at the end of the primary term as to all the leased land except those lands contained within a production or spacing unit prescribed by law or administrative authority on which is located a well producing or capable of producing oil and gas or on which Lessee is engaged in drilling or reworking operations. This lease shall not terminate so long as drilling or reworking operations are being continuously prosecuted if not more than one hundred eighty (180) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of another well.

Signed for Identification

Rock Springs National Bank, Successor Trustee of the Fear Family Trust
and as having executory rights as heretofore created

Trust Officer

Attest: John W. Hay II

ASSIGNMENT

STATE OF WYOMING §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF SUBLETTE §

WHEREAS, LANCE OIL & GAS COMPANY, INC. whose mailing address is 1099 18th Street, Suite 1200, Denver, CO, 80202 is the present owner of an interest in those certain Oil, Gas and Mineral Leases described in Exhibit "A" attached hereto and made a part hereof,

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, LANCE OIL & GAS COMPANY, INC., as Assignor, does hereby transfer, assign and convey, without warranty of title, express or implied unto BURLINGTON RESOURCES OIL & GAS COMPANY LP whose mailing address is P. O. Box 51810, Midland, Texas, 79710, its successors and assigns, as Assignee, an undivided 75% of Assignor's right, title and interest in and to the Oil, Gas and Mineral Leases, as described in Exhibit "A" hereof.

This Assignment is executed and effective this 27th day of August 2003.

LANCE OIL & GAS COMPANY, INC.

By: _____
Mark R. Petry
Attorney-In-Fact

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

The foregoing instrument was acknowledged before me on the 27th day of August, 2003, by Mark R. Petry as Attorney-In-Fact, for Lance Oil & Gas Company, Inc., a Delaware corporation, on behalf of the corporation.

My Commission Expires: _____ x _____
Notary Public, State of Colorado

PUBLIC STATE OF COLORADO

My Commission Expires Oct. 7, 2006

299990

RECORDED Oct. 1 2003 8:40 AM
IN BOOK 125 O+G PAGE 472
FEES $ 11.00 _____ COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sadler

EXHIBIT A

Sublette County, Wyoming

AGREEMENT NUM	AGREEMENT NAME	ORIGINAL LESSEE/GRANTEE	EFFECTIVE DATE	RECORDING DATA	EXHIBIT DESCRIPTION
34192000	USA WYW-153283	HIGH PLAINS ASSOCIATES	12/01/1993	WY / SUBLETTE - BK 98,PG 689, # 248330	T031N - R111W: SEC 004 NW/4SW/4, E/2SW/4, SE/4, S2 N2 (480. acres) LOT 1 (40.05 acres, NE4 NE4) LOT 2 (40.14 acres, NW4 NE4) LOT 3 (40.23 acres, NE4 NW4) LOT 4 (40.32 acres, NW4 NW4) as to those depths and zones below the base of the Fort Union Fm, which is defined as 100 ft. below the stratigraphic equivalent of 7262 ft.
34194000	USA WYW-153277	RUTTER ENTERPRISES	11/01/1986	WY / SUBLETTE - BK 98,PG 477, # 248253	T032N - R111W: SEC 031 E2, E2 W2 (480. acres) LOT 1 (37.63 acres, NW4 NW4) LOT 2 (37.69 acres, SW4 NW4) LOT 3 (37.75 acres, NW4 SW4) LOT 4 (37.81 acres, SW4 SW4) as to those depths and zones below the base of the Fort Union Fm, which is defined as 100 ft. below the stratigraphic equivalent of 7262 ft.
36464000	USA WYW-153405	HIGH PLAINS ASSOCIATES	12/01/1993	WY / SUBLETTE - BK 98,PG 689	T031N - R111W: SEC 005 S2, S2 N2 (480. acres) LOT 1 (40.38 acres, NE4 NE4) LOT 2 (40.42 acres, NW4 NE4) LOT 3 (40.46 acres, NE4 NW4) LOT 4 (40.51 acres, NW4 NW4) as to those depths and zones below the base of the Fort Union Fm, which is defined as 100 ft. below the stratigraphic equivalent of 7262 ft.

474

ASSIGNMENT

STATE OF WYOMING §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF SUBLETTE §

WHEREAS, LANCE OIL & GAS COMPANY, INC. whose mailing address is 1099 18th Street, Suite 1200, Denver, CO, 80202 is the present owner of an interest in those certain Oil, Gas and Mineral Leases described in Exhibit "A" attached hereto and made a part hereof,

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, LANCE OIL & GAS COMPANY, INC., as Assignor, does hereby transfer, assign and convey, without warranty of title, express or implied unto BURLINGTON RESOURCES OIL & GAS COMPANY LP whose mailing address is P. O. Box 51810, Midland, Texas, 79710, its successors and assigns, as Assignee, all of Assignor's right, title and interest in and to the Oil, Gas and Mineral Leases, as described in Exhibit "A" hereof. Assignor shall deliver an eighty percent (80%) net revenue interest lease on all leases assigned hereunder with Assignor reserving from this Assignment an overriding royalty equal to the difference between existing burdens and twenty percent (20%), proportionately reduced.

This Assignment is executed and effective this 27th day of August 2003.

LANCE OIL & GAS COMPANY, INC.

By: _____
Mark R. Petry
Attorney-In-Fact

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

The foregoing instrument was acknowledged before me on the 27th day of August, 2003, by Mark R. Petry as Attorney-In-Fact, for Lance Oil & Gas Company, Inc., a Delaware corporation, on behalf of the corporation.

My Commission Expires: _____

x _____
Notary Public, State of Colorado

HOLLY HEPP NOTARY PUBLIC STATE OF COLORADO
My Commission Expires Oct. 7, 2006

299991

RECORDED Oct. 1 2003 8:40 AM
IN BOOK 125 OR 6 PAGE 474
FEES $ 11.00 _____ COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By _____

EXHIBIT A

Sublette County, Wyoming

AGREEMENT NUM	AGREEMENT NAME	ORIGINAL LESSEE/GRANTEE	EFFECTIVE DATE	RECORDING DATA	EXHIBIT DESCRIPTION
34192000	USA WYW-153283	HIGH PLAINS ASSOCIATES	12/01/1993	WY / SUBLETTE - BK 98,PG 689, # 248330	T031N - R111W: SEC 004 SW/4SW/4 as to those depths and zones below the base of the Fort Union Fm, which is defined as 100 ft. below the stratigraphic equivalent of 7262 ft.

475

476

Form 3000-3
(January 1996)

WYOMING STATE LAND MANAGEMENT
02 MAR 20 AM 9:00
RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (42 U.S.C. 6508)

Merna
0076783-000

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

Lease Serial No.
WYW-131401
Lease Effective Date (Anniversary Date)
February 1, 1994
New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

RECORDED Oct 1 2003 9:00 AM
IN BOOK 125 Orig PAGE 476
FEE $ 11.00
SUBLETTE COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Tracy L. Horner

1. Assignee* Hanson & Strahn, Inc.
Street P.O. Box 3020
City, State, ZIP Code Cheyenne, WY 82003

299994

*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 111 West, 6th P.M. Section 07: W1/2NE1/4, SE1/4NW1/4, E1/2SW1/4 Section 17: S1/2 Section 20: All Containing 1,160.00 acres, more or less Sublette County, Wyoming ** It is the intent of this assignment that Starwood, Inc. will deliver unto Hanson & Strahn, Inc. an 83.75% net revenue interest in this lease, retaining an overriding royalty interest equal to the difference between 16.25% and all presently existing and outstanding lease burdens which shall include lessor's royalty and all overriding royalties or similar interests burdening the leasehold. Subject to the terms and conditions of that certain Letter Agreement dated February 27, 2002, by and between Hanson & Strahn, Inc. and Starwood, Inc.	100.00%	100.00%	None	**	Of Record

ORIGINAL

CERTIFIED
to be a true and correct copy
of the official records on file
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 effective APR 01 2002

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

By _____ (Authorized Officer)

Chief, Fluid Minerals Adjudication (Title)

OCT 24 2002 (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 Pitkin)

On this 11th day of March, A.D. 2002, before me personally appeared DON HOLLOWAY, President of Starwood, Inc., to me personally known, who, being by me duly sworn, did say that he is the President of Starwood, Inc. 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 President acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 11th day of March, A.D. 2002.

Rebecca S. McDaniel
Notary Public

My Commission Expires: 2/19/2003

Address: 425 Meadow Lane
Basalt, CO 81621

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 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 March ,20 02	Executed this 6th day of March ,20 02
Name of Assignor as shown on current lease Starwood, Inc. (Please type or print)	Hanson & Strahn, Inc.
Assignor or Attorney-in-fact Don R. Holloway, President	**Assignee** or Attorney-in-Fact Marc Rudel, President
P.O. Box 200 (Assignor's Address)	No Attest Required
Basalt, CO 81621 (City) (State) (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, 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: 1992-774-017 / 67022

ASSIGNMENT OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

That, the undersigned, **NPC Inc**, 550 North 31st Street, Suite 500, Billings, Montana 59101, hereinafter called Assignor, for and in consideration of Ten Dollars ($10.00), the receipt and sufficiency of which is hereby acknowledged, does hereby sell, assign, transfer and set over unto **ENCANA OIL & GAS (USA) INC.,** 950 17th Street, Suite 2600, Denver, Colorado 80202, hereinafter called Assignee, 100% of Assignor's right, title and interest in and to the Oil and Gas Lease described as follows:

Federal Lease No.:	WYW 133062
Lease Effective Date:	August 1, 1994
Description:	Township 27 North, Range 108 West, 6th P.M. Section 14: All Section 15: All Section 22: All Section 23: N/2, SE/4 Sublette County, Wyoming

TO HAVE AND TO HOLD said interest unto Assignee, its successors and assigns, in accordance with the terms and conditions contained in said Oil and Gas Lease, subject to the following conditions, covenants, reservations and exceptions, to-wit:

Assignor herein expressly excepts, reserves and retains unto itself, its successors and assigns, an overriding royalty interest equal to the difference between Twenty Percent (20%) and all presently existing and outstanding lease burdens which shall include lessor's royalty and all overriding royalties or similar interests burdening said Oil and Gas Lease, provided, however, that in no event shall Assignee receive less than an 80.0% net revenue interest under and by virtue of said Oil and Gas Lease. If Assignor's interest in the Oil and Gas Lease is less than the entire interest, or if said Oil and Gas Lease covers less than the entire fee title, then the above overriding royalty interest shall be proportionately reduced.

This assignment is made pursuant to Letter Agreement dated July 9, 2003 between Encana Oil & Gas (USA) Inc. and NPC Inc., without warranty of title, express or implied, but with full subrogation to all rights of warranty to which ASSIGNOR may be entitled.

299996

RECORDED Oct. 1 2003 9:10a M
IN BOOK 1250+6 PAGE 478
FEES $ 11.00 [illegible] COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

[redacted] [redacted] [redacted]

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.

EXECUTED and EFFECTIVE this 18th day of July, 2003.

ASSIGNOR
NPC INC.

By: _____
Ronald B. Santi, Vice President-Land,
Assistant Secretary

STATE OF MONTANA)
) ss.
COUNTY OF BILLINGS)

The foregoing instrument was acknowledged before me this 18th day of July, 2003, by Ronald B. Santi, as Vice President-Land, Assistant Secretary of NPC Inc., a Montana corporation, on behalf of the corporation.

Witness my hand and official seal.

CAROL J. ROBERTS NOTARIAL SEAL STATE OF MONTANA

_____
Notary Public Carol J Roberts

My commission expires:

11-26-2005

480

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

JUL 10 2003
Return To -
State Land & Farm Loan Office
122 West 25th Street
Herschler Building, 3 West
Cheyenne, WY 82002-0600
09-09-03P03:13 FILE

Wyoming Oil & Gas Lease Serial Number 02-00356 Assignment Approval Date -

ASSIGNOR, with name and address at, Prima Oil & Gas Company
1099 - 18th Street, Suite 400
Denver, CO 80202

being the owner of 100 percent Leasehold
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 34 North, Range 112 West, 6th P.M.
Section 4: S/2NW/4, N/2S/2
Sublette County, Wyoming

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

1) ASSIGNEE, with name and address at: John P. Lockridge
P.O. Box 1499
Pebble Beach, CA 93953-1499

50.00 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.

and reserving unto ASSIGNOR, ~~NONE~~ 50% (per-fee due)

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 constitutesa binding acceptance ofall 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
Prima Lease Number: 246-00053-000

of Lease # 02-00356 assignment dated July 8, 2003

300113

RECORDED Oct. 7 2003 2:55 PM
IN BOOK 125 Q&G PAGE 480
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Duckett

SIGNED AS TO TRANSFER AND ACCEPTANCE this 2nd day of July 2003

ASSIGNOR - Prima Oil & Gas Company	Assignee (1) - John P. Lockridge
By - G. Walter Lunsford	By - John P. Lockridge
Title - Attorney-in-Fact	Title -
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 and 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 Leases do not change the terms and conditions of the original lease,the lease anniversary date,nor the obligations and anniversary date of the lease created therefrom being considered as if it had been issued on the effective date of the original lease. (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. ACKNOWLEDGMENT
COUNTY OF DENVER)

On this 2nd day of July, 2003, 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:

December 24, 2006

DISA GARGALA NOTARY PUBLIC STATE OF COLORADO

NOTARY PUBLIC

Disa Gargala

Disa Gargala
1099 - 18th Street, Suite 400
Denver, CO 80202

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

On this 4th day of July, 2003, before me, the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared **JOHN P. LOCKRIDGE** to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument. Given under my hand and seal the day and year above written.

MY COMMISSION EXPIRES:

REBECCA L. MARTINEZ NOTARY PUBLIC STATE OF COLORADO

My Commission Expires 11/15/2004

NOTARY PUBLIC

Rebecca L Martinez

JUL 10 2003

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

99-99-03P03:04 FILE

Wyoming Oil & Gas Lease Serial Number 02-00357 **Assignment Approval Date -**

ASSIGNOR, with name and address at, Prima Oil & Gas Company
1099 - 18th Street, Suite 400
Denver, CO 80202

being the owner of 100 percent Leasehold
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 34 North, Range 112 West, 6th P.M.
Section 5: S/2N/2, Lot 4, NE/4SW/4, N/2SE/4
Sublette County, Wyoming

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

1) ASSIGNEE, with name and address at: John P. Lockridge
P.O. Box 1499
Pebble Beach, CA 93953-1499

50.00 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.

and reserving unto ASSIGNOR, ~~NONE~~ 5% Over Rates)

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 constitutesa binding acceptance ofall 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
Prima Lease Number: 246-00054-000

of Lease # 02-00357 *assignment dated July 2, 2003*

300114

RECORDED Oct. 7 2003 2:55 PM
IN BOOK 125 O&G PAGE 483
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sloan

SIGNED AS TO TRANSFER AND ACCEPTANCE this 2nd day of July 2003

ASSIGNOR - Prima Oil & Gas Company	Assignee (1) - John P. Lockridge
By - G. Walter Lunsford	By - John P. Lockridge
Title - Attorney-in-Fact	Title -
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 and 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 Leases do not change the terms and conditions of the original lease,the lease anniversary date,nor the obligations and anniversary date of the lease created therefrom being considered as if it had been issued on the effective date of the original lease. (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. ACKNOWLEDGMENT
COUNTY OF DENVER)

On this 2nd day of July, 2003, 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:

December 24, 2006

DISA GARGALA NOTARY PUBLIC STATE OF COLORADO

NOTARY PUBLIC

Disa Gargala

Disa Gargala
1099 - 18th Street, Suite 400
Denver, CO 80202

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

On this 7th day of July, 2003, before me, the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared **JOHN P. LOCKRIDGE** to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument. Given under my hand and seal the day and year above written.

MY COMMISSION EXPIRES:

REBECCA L. MARTINEZ NOTARY PUBLIC STATE OF COLORADO

My Commission Expires [illegible]004

NOTARY PUBLIC

Rebecca L Martinez

486

JUL 10 2003

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
09-09-03P03:00 FILED

Wyoming Oil & Gas Lease Serial Number 02-00358 Assignment Approval Date -

ASSIGNOR, with name and address at, Prima Oil & Gas Company
1099 - 18th Street, Suite 400
Denver, CO 80202

being the owner of 100 percent Leasehold
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 34 North, Range 112 West, 6th P.M.
Section 6: Lots 1, 2, 3, 4, S/2NE/4
Sublette County, Wyoming

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

1) ASSIGNEE, with name and address at: John P. Lockridge
P.O. Box 1499
Pebble Beach, CA 93953-1499

50.00 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.

and reserving unto ASSIGNOR, ~~NONE~~ 50% (per fax dtd)

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 constitutesa binding acceptance ofall 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 **300115**
Prima Lease Number: 246-00055-000

RECORDED Oct. 7 2003 2:55 PM
IN BOOK 125 O+G PAGE 486
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

of Lease # 02-00358 assignment dated July 2, 2003

By Cathy Seaton

[redacted] [redacted] [redacted]

SIGNED AS TO TRANSFER AND ACCEPTANCE this 2nd day of July 2003

ASSIGNOR - Prima Oil & Gas Company	Assignee (1) - John P. Lockridge
By - [signature]	By - [signature]
Title - G. Walter Lunsford Attorney-in-Fact	Title - John P. Lockridge
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 and 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 Leases do not change the terms and conditions of the original lease,the lease anniversary date,nor the obligations and anniversary date of the lease created therefrom being considered as if it had been issued on the effective date of the original lease. (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. ACKNOWLEDGMENT
COUNTY OF DENVER)

On this 2nd day of July, 2003, 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:

December 24, 2006

DISA GARGALA NOTARY PUBLIC STATE OF COLORADO

NOTARY PUBLIC

Disa Gargala

Disa Gargala
1099 - 18th Street, Suite 400
Denver, CO 80202

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

On this 7th day of July, 2003, before me, the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared **JOHN P. LOCKRIDGE** to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument. Given under my hand and seal the day and year above written.

MY COMMISSION EXPIRES:

REBECCA L. MARTINEZ NOTARY PUBLIC STATE OF COLORADO

My Commission Expires 11/15/2004

NOTARY PUBLIC

Rebecca L. Martinez

JUL 10 2003

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

09-09-03P02:56 PLE

Wyoming Oil & Gas Lease Serial Number 02-00359 Assignment Approval Date -

ASSIGNOR, with name and address at, Prima Oil & Gas Company
1099 - 18th Street, Suite 400
Denver, CO 80202

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

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

Township 34 North, Range 112 West, 6th P.M.
Section 16: All
Sublette County, Wyoming

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

1) ASSIGNEE, with name and address at: John P. Lockridge
P.O. Box 1499
Pebble Beach, CA 93953-1499

50.00 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.

and reserving unto ASSIGNOR, ~~NONE~~ 30% (per tax dec)

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 constitutesa binding acceptance ofall 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
Prima Lease Number: 246-00056-000

of Lease # 02-00359 assignment dated July 2, 2003

300116

RECORDED Oct. 7 2003 2:55 PM
IN BOOK 125 O+G PAGE 489
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Lufkin

SIGNED AS TO TRANSFER AND ACCEPTANCE this 2nd day of July 2003

ASSIGNOR - Prima Oil & Gas Company	Assignee (1) - John P. Lockridge
By - [signature]	By - [signature]
Title - G. Walter Lunsford, Attorney-in-Fact	John P. Lockridge Title -
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 and 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 Leases do not change the terms and conditions of the original lease,the lease anniversary date,nor the obligations and anniversary date of the lease created therefrom being considered as if it had been issued on the effective date of the original lease. (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)
) ss. ACKNOWLEDGMENT
COUNTY OF DENVER)

On this 2nd day of July, 2003, 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:

December 24, 2006

DISA GARGALA NOTARY PUBLIC STATE OF COLORADO

NOTARY PUBLIC

Disa Gargala

Disa Gargala
1099 - 18th Street, Suite 400
Denver, CO 80202

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

On this 7th day of July, 2003, before me, the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared **JOHN P. LOCKRIDGE** to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument. Given under my hand and seal the day and year above written.

MY COMMISSION EXPIRES:

REBECCA L. MARTINEZ NOTARY PUBLIC STATE OF COLORADO

My Commission Expires 11/15/2004

NOTARY PUBLIC

Rebecca L Martinez

ASSIGNMENT AND BILL OF SALE

THE STATE OF WYOMING §
§
COUNTY OF SUBLETTE §

300132
300132

RECORDED Oct. 8 2003 8:40a M
IN BOOK 625 Oto PAGE 492
FEES $20.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

THIS ASSIGNMENT AND BILL OF SALE ("Assignment") is made this 29th day of September, 2003, and is effective at 12:01 a.m. MT September 15, 2003 (the "Effective Time") by and between **JOHN P. ALBANESE and EVELYN G. ALBANESE, TRUSTEES OF THE 1997 JOHN PATRICK ALBANESE LIVING TRUST U/D/T July 31, 1997**, with an office at P.O. Box 1397, Casper, WY 82602 (herein called "Assignor"), and **STONE ENERGY CORPORATION**, a Delaware corporation, with an office at 1801 Broadway, Suite 700, Denver, Colorado 80202 (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 separate designation of each said lease (the "Leases") and all of Assignor's right, title and interest in and to overriding royalty interests, carried interests, net revenue interests, net profits interests, licenses, reversionary interests, production payments, permits and other interests and agreements (the "Interests"), subject to any restrictions, exceptions, reservations, conditions, limitations, burdens, contracts, agreements, assignments and other matters of record applicable to such Leases and lands;

B. All right, title and interest of Assignor in and to all wells, including but not limited to oil, gas, injection, disposal and water wells, located on the Leases or on lands pooled therewith and described on Exhibit "B", attached hereto and made a part hereof for all purposes (the "Wells") and in all lands and leases associated with said Wells whether or not specifically described on Exhibits "A" or "B";

C. All oil, gas and other hydrocarbons ("Hydrocarbons") produced therefrom or allocated thereto saved and sold after the Effective Time.

D. All right, title and interest of Assignor in, to and under, or derived from, all contractual rights, including but not limited to, presently existing and valid oil and gas sales agreements, processing contracts, casinghead gas contracts, gas balancing agreements, gathering agreements, operating agreements, joint venture agreements, farmout agreements, farmin agreements, bottom hole agreements, acreage contribution agreements, area of mutual interest agreements, partnership agreements, rights of way, easements, surface leases, permits, salt water disposal agreements, warranties, covenants, indemnities, representations from third parties and other contracts, agreements and instruments, insofar as the same are appurtenant to the Leases, Interests or Wells;

E. All of Assignor's right, title and interest in and to all surface and subsurface equipment, supplies, machinery, signage, gathering assets, distribution and disposal facilities and tanks and all other real or tangible personal property and fixtures located on the Leases or Wells or appurtenant thereto, excluding portable tools, vehicles and other items of personal property temporarily located on the Leases or Wells;

F. 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 and communitization agreements, declarations and orders

relating to the Leases, Interests and Wells, and in and to the properties covered and the units, pools or communitized areas created thereby, which are appurtenant to the Leases, Interests and Wells;

G. To the extent the same are assignable or transferable, all of Assignor's right, title and interest in, to and under, or derived from all: (i) orders, contracts, title opinions and documents, abstracts of title, leases, deeds, unitization agreements, pooling agreements, operating agreements, division of interest statements, participation agreements, and all other agreements and instruments, easements, rights-of-way, licenses, authorizations, permits and similar rights and interests, subject to the rights of third parties (the "Related Agreements") and (ii) except as expressly provided otherwise herein, all warranties, covenants and representations from third parties and all claims, rights and causes of action against third parties, asserted or unasserted, known or unknown; related to the Leases, Interests and Wells arising from the Related Agreements; and

H. All lease files, land files, well files, division order files, abstracts, title files, seismic and geological data and other information in the possession of Assignor (the "Records") that are related to the Leases, Interests and Wells, and all rights thereto, subject to any rights retained by third parties.

All of the foregoing properties, real, personal, or mixed (contractual or otherwise) described in paragraphs A through H, above (herein called the "Properties") are 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 provisions of the subject leases and 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.

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.

3. Limited Warranty: THIS ASSIGNMENT IS MADE WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF TITLE, THE WARRANTY OF MERCHANTABILITY OR THE WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE AND ASSIGNEE ACCEPTS THE PROPERTIES IN THEIR "AS IS, WHERE IS" CONDITION.

4. Further Assurance. From time to time, at the request of Assignee (whether on or after the execution date hereof) and without further consideration, Assignor shall execute and deliver, or cause to be delivered, all further instruments of conveyance, assignment, and transfer (including but not limited to transfer and division orders) and take any other action as Assignee may reasonably request in order to more effectively or completely convey and transfer the Properties to Assignee in accordance with the provisions hereof and Assignor shall assist in the transfer of the Properties to the possession of Assignee. Assignor shall execute such additional forms of assignment conveying Assignor's title in the Properties as may be required to conform to governmental regulation and such assignments shall not serve to enlarge or diminish the rights herein conveyed. If any Property is incorrectly described, the description shall be corrected upon proof of proper description.

5. Governing Law: THIS ASSIGNMENT SHALL BE GOVERNED BY AND CONSTRUED UNDER THE LAWS OF THE STATE OF WYOMING.

6. 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.

7. Substitution and Subrogation: This Assignment is made with full rights of substitution and subrogation by Assignee, to the extent of the interest hereby assigned, in and to all covenants and warranties by others heretofore given or made with respect to the Properties.

8. Headings: Titles and headings in this Assignment are included solely for ease of reference and are not to be considered in interpretation or construction of this Assignment.

IN WITNESS WHEREOF the Assignor has executed this Assignment this 29 day of September, 2003 to be effective in all respects as of the Effective Time.

ASSIGNOR:

The 1997 JOHN PATRICK ALBANESE LIVING TRUST U/D/T July 31, 1997

By: _____
Name: John P. Albanese a/k/a John Patrick Albanese
Title: Trustee

By: _____
Name: Evelyn G. Albanese
Title: Trustee

STATE OF Wyoming §
§
COUNTY OF Natrona §

This instrument was acknowledged before me this 29 day of September, 2003, by JOHN P. ALBANESE AND EVELYN G. ALBANESE, AS TRUSTEES OF THE 1997 JOHN PATRICK ALBANESE LIVING TRUST U/D/T July 31, 1997.

My Commission Expires:
October 3, 2005

_____
Notary Public

NOTARY PUBLIC
BILLYE CARLENE SLOCUM
STATE OF WYOMING
COUNTY OF NATRONA
My Commission Expires Oct. 3, 2005

[redacted] [redacted] [redacted]

EXHIBIT "A"
Sublette County, Wyoming

LESSOR:	USA WYW-3776
LESSEE:	Josephine E. Frye
EFFECTIVE DATE:	February 1, 1967
RECORDING DATA:	Book 48, Page 598
LEGAL DESCRIPTION:	Township 27 North, Range 112 West, 6th P.M. Section 13: Lots 11, 12 (formerly W/2SW/4)
DEPTHS/FORMATIONS:	All rights owned by seller in and to any and all depths and formations underlying the lands above described, along with any contractual rights or other rights falling under Lots 10, 11, 12, 13 (formerly described as SW/4) Section 13-T27N-R112W, 6th P.M.

EXHIBIT "B"
Sublette County, Wyoming

WELL:	Bird Canyon Federal 13-13
OPERATOR:	Stone Energy Corporation
SPACING UNIT:	Township 27 North, Range 112 West, 6th P.M. Section 13: Lots 10, 11, 12, 13 (formerly SW/4)
WORKING/NET REVENUE INTEREST:	All rights Seller may have pursuant to any joint operating agreement governing this well.

300203

RECORDED Oct 9 2003 4399
IN BOOK 125 OPR PAGE 497
FEES $ 5.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Tracy L Hooper

ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS, THAT:

ANSCHUTZ EXPLORATION CORPORATION, Successor to Anschutz Western Corporation (by merger effective 8/31/01), with offices at 555 Seventeenth Street, Suite 2400, Denver, Colorado 80202-3987, hereinafter referred to as "Assignor" for and in consideration of Ten Dollars ($10) and other good and valuable consideration does hereby sell, assign, transfer, and convey unto **ANSCHUTZ PINEDALE CORPORATION**, 555 Seventeenth Street, Suite 2400, Denver, Colorado 80202-3987, hereinafter referred to as "Assignee," all of Assignor's right, title, and interest in and to the lands and leases specifically shown and set forth on Exhibit "A," together with all corresponding right, title, and interest of Assignor in and to all the property and rights incident thereto, including, to the extent transferable, all operating agreements, unit agreements, unit operating agreements, product purchase and sale agreements, leases, permits, rights-of-way, easements, licenses, and all other agreements, options and orders relating thereto.

This Assignment is subject to all royalty, overriding interest and all other leasehold burdens which, as of the date of this Assignment, are applicable to the interest assigned and to the specific Joint Operating Agreements which are listed on the attached Exhibit "A".

This Assignment is made without covenants of warranty, either expressed or implied, but shall be binding upon and inure to the benefit of the representatives, successors and assigns of the parties hereto.

This instrument executed this 3rd day of June, 2003.

ATTEST: ANSCHUTZ PINEDALE CORPORATION

Judith A. Paisley, Assistant Secretary — Pamela S. Kalstrom, Assistant Vice President

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

On this 3rd day of June, 2003, personally appeared before me **Pamela S. Kalstrom**, who, being by me duly sworn did say that she is the **Assistant Vice President** of **Anschutz Pinedale Corporation** and that said instrument was signed on behalf of said Corporation by authority of its by-laws, and said **Pamela S. Kalstrom** acknowledged to me that said Corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

SEAL

Denise Papoi
Notary Public

My commission expires: 4/29/04

298494
298494

RECORDED July 18 2003 8:00AM
IN BOOK 125 OPR PAGE 133
FEES $ 5.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

H:\dpapoi\Assignments\AEC-PINEDALE.DOC

This instrument executed this 3rd day of June, 2003.

ATTEST:

ANSCHUTZ EXPLORATION CORPORATION

Judith A. Paisley, Assistant Secretary

Pamela S. Kalstrom, Assistant Vice President

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

On this 3rd day of June, 2003, personally appeared before me **Pamela S. Kalstrom**, who, being by me duly sworn did say that she is the **Assistant Vice President** of **Anschutz Exploration Corporation** and that said instrument was signed on behalf of said Corporation by authority of its by-laws, and said **Pamela S. Kalstrom** acknowledged to me that said Corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

SEAL

cav ~~Cecily Voruz~~ Cecily Ann Voruz
Notary Public

My commission expires: January 27, 2006

NOTARY PUBLIC
CECILY ANN
VORUZ
STATE OF COLORADO

Lease Number	Lessor / Lessee	Eff. Date	Term	Description	Gross Acres	Net Acres	Recording Information County
WY-2767-00001 (JOA 1)	USA-WYW-143664 ULTRA RESOURCES INC	12/01/97	10 Years	33N-109W Section 1: lot 4 Section 2: lot 1 Section 7: lot 1 Section 12: SENE, SESW, SE Section 13: NE, NENW	556.05	556.05	BK/PG: SUBLETTE
WY-2767-00007 (JOA 2)	ST-WY-94-00293 CENEX, INC.	06/02/94		33N-109W Section 16: ALL	640.00	640.00	BK/PG: 110 326 SUBLETTE
WY-2767-00018 (JOA 1)	USA-WYW-129610 DOUBLE EAGLE PETROLEUM	07/01/93		32N-109W Section 10: E/2NE Section 11: ALL Section 12: ALL Section 13: ALL Section 14: NE, NENW, NESE, Section 24: NE, NENW	2,440.00	2,440.00	BK/PG: 108 470 SUBLETTE
WY-2767-00019 (JOA 1)	USA-WYW-135123 CENEX, INC.	02/01/95	10 Years	32N-109W, Section 4: Lots 5-7, 11-14 Section 5: Lot 1 Section 10: W/2NE, W/2, SE Section 14: W/2NW, SENW, SW, W/2SE SESE Section 15: E/2 Section 18: Lots 1-12 Section 19: Lots 1-12	2,419.17	2,419.17	BK/PG: SUBLETTE
WY-2767-00020 (JOA 4)	USA-WYW-06286 DONALD B. ANDERSON	06/01/51		**Insofar and only insofar:** 32N-109W Section 27: NW Section 28: NE Section 35 : N/2, SE	2,400.00	2,400.00	BK/PG: 119 316 SUBLETTE

Lease Number	Lessor / Lessee	Eff. Date	Term	Description	Gross Acres	Net Acres	Recording Information County
WY-2767-00021 (JOA 3)	USA-WYW-135124 MERIDIAN OIL INC.	02/01/95		32N-109W Section 21: SE Section 22: S/2 Section 23: ALL Section 24: W/2NW, SENW, S/2	1,560.00	1,560.00	BK/PG: 100 552 SUBLETTE
WY-2767-00022 (JOA 1)	USA-WYW-143663 ULTRA RESOURCES INC	12/01/97	10 Years	32N-109W, Section 1: Lot 4, S/2 NW, SW, W/2SE, SESE Section 2: Lots 1-4, S/2N/2, S/2 Section 3: Lots 1-3, S/2NE, SENW, NESW, SE	1,335.95	1,335.95	BK/PG: SUBLETTE
WY-2767-00030-AE (JOA 1)	MARJORIE BUCK HIGH PLAINS ASSOCIATES, INC.	11/11/97	10 Years	32N-108W Section 20: E/2SE, SENE Section 21: E/2W/2, SWNW, NWSW Section 28: E/2NW, NWNW, SW Section 29: Lots 4(40.30), 5(40.49), 6(40.60), 7(40.60), 8(40.49), E/2NE, SWNE, SE Section 32: N/2 Section 33: NW	1,602.48	200.31	BK/PG:107 367 SUBLETTE

500

Lease Number	Lessor / Lessee	Eff. Date	Term	Description	Gross Acres	Net Acres	Recording Information County
WY-2767-00038 (JOA 1)	USA-WYW-139396 RICHARD L. NORTON	07/01/96	10 Years	32N-108W Section 30: E/2 Section 31: NE, N/2SE	560.00	560.00	BK/PG: 105 411 SUBLETTE
WY-2767-00041 (JOA 1)	USA-WYW-143661 ULTRA RESOURCES INC	12/01/97	10 Years	32N-108W Section 19: Lots 1-4, E/2, E/2W/2 Section 20: W/2E/2, W/2 Section 21: SWSW Section 28: SWNW Section 29: Lots 1-3, NWNE Section 32: N/2SW	1,346.81	1,346.81	BK/PG: SUBLETTE
WY-2767-00045 JOA 1)	USA-WYW-142265 ULTRA PETROLEUM (USA), INC.	08/01/97	10 Years	Insofar and only insofar: 32N-108W Section 30: Lots 1, 2, 3, and 4, E/2W/2 Section 31: Lots 1, 2, E/2NW	756.16	756.16	BK/PG: SUBLETTE
WY-2767-00047 JOA 1)	USA-WYW-143660 ULTRA RESOURCES INC	12/01/97	10 Years	32N-108W Section 4: Lot 4, SWNW, W/2SW Section 5: Lot 1, SENE Section 7: Lots 1-7, SWNE, E/2NW, SESW, S/2SE Section 8: SWSW Section 17: Lots 1-3, SW Section 18: Lots 2-7, S/2NE, SENW, E/2SW, SE	1,487.91	1,487.91	BK/PG: SUBLETTE

EXHIBIT "A"

Joint Operating Agreements that are effective as of the date of Assignment into Anschutz Pinedale Corporation. The Joint Operating Agreements are described as follows and each lease being assigned is subject to the specific Joint Operating Agreement listed as follows:

(JOA 1) Joint Operating Agreement dated November 14, 1997, by and between Ultra Resources, Inc., as Operator, and Lance Oil & Gas Company, Inc., as Non-Operator, attached as Exhibit "B" to the Hoback Basin Letter Agreement dated November 14, 1997.

(JOA 2) Joint Operating Agreement dated September 13, 1999, but effective as of July 1, 1999, by and between Anschutz Wyoming Corporation, as Operator, and Ultra Resources, Inc. and Lance Oil & Gas Company, Inc., as Non-Operators.

(JOA 3) Joint Operating Agreement dated July 21, 2000, as amended, by and between Anschutz Exploration Corporation, as Operator, and Ultra Resources, Inc., Lance Oil & Gas Company, Inc., and Arrowhead Resources (USA) Ltd., as Non-Operators.

(JOA 4) Joint Operating Agreement dated January 25, 2001, as amended, by and between Anschutz Exploration Corporation, as Operator, and Ultra Resources, Inc. and Lance Oil & Gas Company, Inc., as Non-Operators.

[redacted] [redacted] [redacted]

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 24th day of June 2003, by and between June Gfeller and Kenneth S. Gfeller, wife and husband

Of 2950 Flag Road, Abilene, KS 67410, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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 and signed by lessor for identification

Notwithstanding anything to the contrary herein contained, all reference to royalty in paragraph two shall be changed to read 15% rather than 1/8th

300234
300234

RECORDED Oct. 13 2003 1:05 PM
IN BOOK 1250+6 PAGE 503
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

And containing 2672.22 acres, more or less.

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.

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 noncombustible, 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 Direct to Lessor, at Address listed above (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.

June Gfeller
June Gfeller

Kenneth S. Gfeller
Kenneth S. Gfeller

SS# 519-32-0146

STATE of Kansas
COUNTY of Dickinson

ACKNOWLEDGEMENT-INDIVIDUAL

3005-38

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 14th day of July, 200 3.

Personally appeared June Gfeller and Kenneth S. Gfeller, wife and husband

Identical person s, described in and who executed the within and foregoing instrument of writing and acknowledged to me that t he y duly executed the same as their free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires:

Notary Public:
Address:

ROBERT H. ROYER JR.
Notary Public - State of Kansas
My Appt. Expires March 10, 2006

STATE of
COUNTY of

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 200 ____.

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 _____ Acknowledges said instrument to be the free act and deed 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:

Notary Public:

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

EXHIBIT "A"

Attached to and made a part of that certain oil and gas lease dated June 24th, 2003, between June Gfeller and Kenneth S. Gfeller, wife and husband 2950 Flag Road, Abilene, KS 67410 as Lessors and Contex Energy Company as Lessee and made a part thereof.

Tract One
50% mineral ownership

Township 34 North, Range 113 West, 6th P.M.
Section 11: S1/2SW1/4
Section 13: W1/2SW1/4, SE1/4SW1/4, SW1/4SE1/4
Section 14: SE1/4, NE1/4SW1/4, NW1/4
Section 15: E1/2NE1/4, NW1/4NE1/4, NE1/4NW1/4
Section 23: NE1/4, N1/2SE1/4
Section 24: NW1/4, NW1/4SW1/4, W1/2NE1/4, NE1/4NE1/4
Containing 1320.00 gross mineral acres
660 net mineral acres

Tract Two
25% mineral ownership
Township 34 North, Range 112 West 6th P.M.
Section 7: Lots 3, 4, N1/2SE1/4, SW1/4SE1/4, E1/2SW1/4
Section 8: NW1/4SW1/4
Section 18: Lots 1, 2, 3, 4, E1/2NW1/4, NE1/4SW1/4, W1/2NE1/4, NW1/4SE1/4
Section 19: Lot 1, NE1/4NW1/4
Township 34 North, Range 113 West 6th P.M.
Section 1: N1/2SE1/4, SE1/4SE1/4
Section 12: SE1/4
Section 13: NE1/4, N1/2SE1/4, SE1/4SE1/4
Containing 1352.22 acres m/l
338.055 net mineral acres

Total for all tracts: 2672.22 acres m/l

SIGNED FOR IDENTIFICATION:

June Gfeller

Kenneth S. Gfeller

506

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 21st day of August 2003, by and between Patrick Johnson, also known as David Patrick Johnson and as having executory rights heretofore created

of P. O. Box 1114, Pinedale, WY 82941, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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

300235
300235

RECORDED Oct. 13 2003 11:05 AM
IN BOOK 125 OR 6 PAGE 506
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

and containing 880.00 acres, more or less.

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.

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 noncombustible, 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 Four (4) 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. 1/6 SEE EXHIBIT "A"

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 Direct to Lessor, at Address listed above (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, adve rse 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.

Patrick Johnson A/K/A David Patrick Johnson

Patrick Johnson, also known as David Patrick Johnson, a widower

STATE of Wyoming
COUNTY of Sublette

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 29th day of August 200 3 .

Personally appeared Patrick Johnson, also known as David Patrick Johnosn

identical person s, described in and who executed the within and foregoing instrument of writing and acknowledged to me that He duly executed the same as his free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: 2-21-2007

Susan Gulbrandson NOTARY PUBLIC
County of Sublette
State of Wyoming
My Commission Expires February 21, 2007

Susan Gulbrandson
Notary Public: 207 N. Lake Ave, Pinedale WY
Address: Sublette Co. Wyoming 82941

STATE of
COUNTY of

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 200 1 .

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.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: _____

Notary Public:
Address:

EXHIBIT "A"

Exhibit "A" attached to and made a part of that certain Paid Up Oil and Gas Lease dated August 21, 2003 by and between Patrick Johnson, also known as David Patrick Johnson, a widower and as having executory rights heretofore created, as Lessor and Contex Energy Company, as Lessee, to wit:

TOWNSHIP 33 NORTH, RANGE 112 WEST
Section 28: SENE, E/2SE
Section 33: NENE, S/2NE, N/2SW, SESW, SE
Section 34: SWNE, NW, N/2S/2
Containing 880,0 acres more or less
Sublette County, Wyoming

Notwithstanding anything to the contrary herein contained, wherever the term one-eighth (1/8th) appears in the body of the lease, that term shall by this reference be amended to read one-sixth (1/6th).

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 21st day of August, 2007, 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, his heirs, successors or assigns at the last known address, the sum amount equal to the original per net mineral acre consideration paid for the execution of this lease for each net mineral acre Lessee elects to extend, on or before the expiration date of the initial primary term of this lease. Should this option be exercised as herein provided, it shall be considered for all purposes as thought the lease originally provided for a primary term of seven (7) years.

This lease shall terminate at the end of the primary term as to all the leased land except those lands contained within a production or spacing unit prescribed by law or administrative authority on which is located a well producing or capable of producing oil and gas or on which Lessee is engaged in drilling or reworking operations. This lease shall not terminate so long as drilling or reworking operations are being continuously prosecuted if not more than one hundred eighty (180) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of another well.

Signed for Identification

Patrick Johnson

Patrick Johnson, also known as David Patrick Johnson, a widower

[redacted] [redacted] [redacted]

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

«

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 6th day of August 2003, by and between John Perry Barlow Trustee of the Miriam Jenkins Bailey Granddaughter's Trust u/a/d/ March 12, 1997

Of P.O. Box 1009, Pinedale, WY 82941, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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:

Township 34 North, Range 113 West, 6th P.M.
Section 01: SW1/4
Section 11: E1/2, N1/2SW1/4
Section 12: W1/2
Section 13: NW1/4, NE1/4SW1/4
Section 14: NE1/4

See Exhibit "A" attached hereto and made a part hereof and signed by Lessor for Identification.

1240.0 acres, more or less.

300236

RECORDED Oct. 13 2003 11:05 AM
IN BOOK 125 OPG PAGE 509
FEES $ 14.00 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.

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 noncombustible, 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 Four (4) 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 Direct to Lessor, at Address listed above (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

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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.

John Perry Barlow, Trustee

for Barlow Granddaughter's Trust

TAX ID SS# 83-6046833

NOTARY PUBLIC
ELISABETH BROWN
1304 S Foothill Drive
Salt Lake City, UT 84108
My Commission Expires
June 3, 2007
STATE OF UTAH

STATE of UTAH
COUNTY of SALT LAKE

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 30th day of ~~August~~ September, 200 3,
Personally appeared John Perry Barlow Trustee of the Miriam Jenkins Bailey Granddaughter's Trust u/a/d March 12 1997

Identical person I, described in and who executed the within and foregoing instrument of writing and acknowledged to me that ____ he ____ duly executed the same as His free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: June 3, 2007

Notary Public: Elisabeth Brown
Address: 1304 S Foothill Dr
SLC UT 84102

STATE of ____

ACKNOWLEDGEMENT-CORPORATE

COUNTY of ____

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this ____ day of ____, 200 ____,
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.

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:

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

EXHIBIT "A"

This Exhibit is attached to and by reference made a part of that certain oil and gas lease dated August 6, 2003, by and between John Perry Barlow Trustee of the Miriam Jenkins Bailey Granddaughter's Trust u/a/d March 22, 1997, as Lessor, and Contex Energy Company, as Lessee:

Wherever the fraction one-eighth ($1/8^{th}$) appears herein as royalty it is hereby amended to read sixteen percent (16%).

If at the expiration of the primary term, or at any time thereafter, the leased premises are productive of oil, or oil and casinghead gas, or gas, Lessee, its successors or assigns shall conduct a continuous drilling program on the leased premises until the leased premises are fully developed or the Lessee, its successors or assigns, shall suffer the partial expiration and termination of this Lease as hereinafter provided. Within 180 days after the expiration of the primary term, or within 180 days after the completion of the first such well if completed after the expiration of the primary term, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of a second well on the leased premises. The Lessee, its successors or assigns, shall hereinafter drill such well with due diligence to such formation as a reasonable prudent operator might select. In like manner, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of an additional well on the leased premises within 180 days after the completion of the preceding well until the leased premises are fully developed. In the event the Lessee, its successors or assigns, should fail, neglect or refuse to commence or cause to be commenced the drilling of any well within 180 days after the completion of the preceding well and prior to the full and complete development of the leased premises, then and in that event this lease shall automatically terminate insofar and only insofar as to such lands that are not contained within the designated spacing unit in which such well is located.

It is agreed that this lease shall not be continued in force solely by reason of the shut-in well provisions for a period of more than three (3) years beyond the primary term of this lease.

Signed For Identification:

John Perry Barlow, Trustee

512

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 17th day of September 2003, by and between Mary Ruth Nelson, Trustee of the Mary Ruth Nelson Oil Royalty Trust dated June 21, 2000

Of 3922 Broadwater, Bozeman, Montana 59715, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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

300237

RECORDED Oct. 13 2003 1:05PM
IN BOOK 125 046 PAGE 512
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Smith

And containing 120.0 acres, more or less.

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.

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 noncombustible, 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 four (4) 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 Direct to Lessor, at Address listed above (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.

MARY RUTH NELSON OIL ROYALTY TRUST DATED JUNE 21, 2000

Mary Ruth Nelson

Mary Ruth Nelson, Trustee

SS #517-32-9771

STATE of Montana

COUNTY of Gallatin

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 24 day of September, 200 3,

Personally appeared Mary Ruth Nelson

Identical person ____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that S he ____ duly executed the same as her free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: July 31, 2005

Erica A. Renslow

Notary Public:

Address:

Erica Renslow
Notary Public for the State of Montana
Residing at Bozeman, Montana
My Commission Expires July 31, 2005

STATE of _____

COUNTY of _____

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 200 ____,

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.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: _____

_____

Notary Public:

Address:

EXHIBIT "A"

This Exhibit is attached to and by reference made a part of that certain oil and gas lease dated September 17 2003, by and between Mary Ruth Nelson, Trustee of the Mary Ruth Nelson Oil Royalty Trust dated June 21, 2000, Lessor, and Contex Energy Company, as Lessee:

TOWNSHIP 34 NORTH, RANGE 112 WEST, 6TH P.M.
Section 8: N/2SE, SESE
Containing 120.0 acres more or less
Sublette County, Wyoming

Wherever the fraction one-eighth (1/8th) appears herein as royalty it is hereby amended to read sixteen percent (16%).

If at the expiration of the primary term, or at any time thereafter, the leased premises are productive of oil, or oil and casinghead gas, or gas, Lessee, its successors or assigns shall conduct a continuous drilling program on the leased premises until the leased premises are fully developed or the Lessee, its successors or assigns, shall suffer the partial expiration and termination of this Lease as hereinafter provided. Within 180 days after the expiration of the primary term, or within 180 days after the completion of the first such well if completed after the expiration of the primary term, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of a second well on the leased premises. The Lessee, its successors or assigns, shall hereinafter drill such well with due diligence to such formation as a reasonable prudent operator might select. In like manner, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of an additional well on the leased premises within 180 days after the completion of the preceding well until the leased premises are fully developed. In the event the Lessee, its successors or assigns, should fail, neglect or refuse to commence or cause to be commenced the drilling of any well within 180 days after the completion of the preceding well and prior to the full and complete development of the leased premises, then and in that event this lease shall automatically terminate insofar and only insofar as to such lands that are not contained within the designated spacing unit in which such well is located.

It is agreed that this lease shall not be continued in force solely by reason of the shut-in well provisions for a period of more than three (3) years beyond the primary term of this lease.

Signed For Identification:

Mary Ruth Nelson Trustee of the Mary Ruth
Nelson Oil Royalty Trust dated June 21, 2000

[redacted] [redacted] [redacted]

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 18th day of August 2003, by and between Cornelia M. Robinson, individually and as Trustee of the Cornelia M. Robinson Trust and successor Trustees

Of 9025 North 109th Avenue, Sun City, AZ 85351, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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

300238

RECORDED Oct. 13 2003 1:05PM
IN BOOK 250 AS PAGE 515
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

And containing 1,196.39 acres, more or less.

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.

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 noncombustible, 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 Four (4) 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 Direct to Lessor, at Address listed above (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.

CORNELIA M. ROBINSON TRUST

Cornelia M. Robinson, Tte

Cornelia M. Robinson, Trustee

SS # _____

STATE of Utah

COUNTY of Salt Lake

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 19 day of Sept, 200 3.

Personally appeared Cornelia M. Robinson

identical person ____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that S he ____ duly executed the same as her free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: Aug. 10, 2005

Notary Public:

Address: 1255 E. Brickyard

STATE of _____

COUNTY of _____

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 200 ____.

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.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: _____

Notary Public:

Address:

[redacted] [redacted] [redacted]

EXHIBIT "A"

This Exhibit is attached to and by reference made a part of that certain oil and gas lease dated August 18, 2003, by and between Cornelia M. Robinson, individually and as Trustee of the Cornelia M. Robinson Trust, Lessor, and Contex Energy Company, as Lessee:

TOWNSHIP 33 NORTH, RANGE 112 WEST, 6TH P.M.
Section 27: W/2NE, S/2NW, S/2
Section 34: ~~W/2NE,SENW~~ N/2NE, SENE Cont
Section 35: W/2, SWNE, SE
TOWNSHIP 32 NORTH, RANGE 112 WEST, 6TH P.M.
Section 10: Lots 1 (27.07), 2 (25.47), 3 (23.85)
Containing 1,196.39 acres, more or less
Sublette County, Wyoming

Wherever the fraction one-eighth (1/8th) appears herein as royalty it is hereby amended to read sixteen percent (16%).

If at the expiration of the primary term, or at any time thereafter, the leased premises are productive of oil, or oil and casinghead gas, or gas, Lessee, its successors or assigns shall conduct a continuous drilling program on the leased premises until the leased premises are fully developed or the Lessee, its successors or assigns, shall suffer the partial expiration and termination of this Lease as hereinafter provided. Within 180 days after the expiration of the primary term, or within 180 days after the completion of the first such well if completed after the expiration of the primary term, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of a second well on the leased premises. The Lessee, its successors or assigns, shall hereinafter drill such well with due diligence to such formation as a reasonable prudent operator might select. In like manner, Lessee, its successors or assigns, shall commence or cause to be commenced the drilling of an additional well on the leased premises within 180 days after the completion of the preceding well until the leased premises are fully developed. In the event the Lessee, its successors or assigns, should fail, neglect or refuse to commence or cause to be commenced the drilling of any well within 180 days after the completion of the preceding well and prior to the full and complete development of the leased premises, then and in that event this lease shall automatically terminate insofar and only insofar as to such lands that are not contained within the designated spacing unit in which such well is located.

It is agreed that this lease shall not be continued in force solely by reason of the shut-in well provisions for a period of more than three (3) years beyond the primary term of this lease.

Signed For Identification:

CORNELIA M. ROBINSON TRUST

Cornelia M Robinson, Trustee
Cornelia M. Robinson, Trustee

518

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 16th day of June 2003, by and between CK Land and Livestock Co., Inc., A Wyoming Corporation.

Of P.O. Box 458, Big Piney, WY 83113, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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:

Township 33 North, Range 112 West, 6th P.M.
Section 20: S1/2S1/2
Section.21: SE1/4NW1/4, NE1/4SW1/4, S1/2SW1/4, SE1/4
Section 22: SW1/4, SW1/4SE1/4
Section 27: N1/2NW1/4
Section 28: N1/2N1/2
Section 29: N1/2N1/2

300239

RECORDED Oct. 13 2003 1:05PM
IN BOOK 1250+6 PAGE 518
FEES $ 17.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

And containing 1080.0 acres, more or less.

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.

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 noncombustible, 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,so long as the equipment is being actively utilized and not just sitting.

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 Direct to Lessor, at Address listed above (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 $10.00 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

[redacted] [redacted] [redacted]

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.

C.K. Land and livestock ~~Co.~~ Co., Inc

BY: Darrell Copeland
Darrell Copeland, President

Attested By: _____

_____ _____

Tax ID # _____

STATE of Wyoming

ACKNOWLEDGEMENT-INDIVIDUAL

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: NOV. 09, 2003

AMBER HAMMER - NOTARY PUBLIC
COUNTY OF SUBLETTE STATE OF WYOMING
MY COMMISSION EXPIRES NOV. 09, 2003

Notary Public: Amber Hammer
Address: [redacted] 339 Lakestraw
Marbleton WY 83113

STATE of Wyoming
COUNTY of Sublette

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 4th day of September, 2003.
Personally appeared Darrell Copeland

_____, to me personally known, who being by me duly sworn, did say that he is the President of C.K. Land and Livestock Co., Inc
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 Darrell Copeland acknowledged said instrument to be the free act and deed 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: NOV. 09 2003

Notary Public: Amber Hammer
Address: 339 Lakestraw
Marbleton WY 83113

After recording, return originals to:
Contex Energy Company
1645 Court Place, Suite 212
Denver, CO 80202

520

EXHIBIT "A"

June 16, 2003 DC

Attached to and made a part of that certain Oil and Gas Lease dated ~~July 14, 2003~~, by and between , CK Land and Livestock Co., Inc., A Wyoming Corporation, Lessors, and Contex Energy Company, Lessee.

Township 33 North, Range 112 West, 6ith P.M.
Section 20: S1/2S1/2
Section.21: SE1/4NW1/4, NE1/4SW1/4, S1/2SW1/4, SE1/4
Section 22: SW1/4, SW1/4SE1/4
Section 27: N1/2NW1/4
Section 28: N1/2N1/2
Section 29: N1/2N1/2
Containing 1080 acres, ;more of less

1. Wherever the term one eighth (1/8th) appears in the subject Oil and Gas Lease, it shall by this reference be amended tc read fifteen percent (15%).

2. Subject to the other provisions herein contained, at 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. Absent an order or ruling sanctioned by a governmental authority having jurisdiction to the otherwise, a drillsite spacing unit shall not exceed 640 acres, or one governmental section, whichever is greater, for a gas well and shall not exceed 320 acres, or one-half governmental section, whichever is greater, for an oil well. If at or within one hundred twenty 120 days prior to the 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. This provision shall supercede and take precedence over any language to the contrary contained in any federal exploratory unitization agreement in which part or all of the leased premises is committed.

With respect to unitization, Lessor agrees that Lessee is free to unitize this lease but the terms of this lease relating to any extension of this lease beyond the primary term of this lease by drilling operations, shut-in provisions, or otherwise shall prevail and any ratification and joinder shall include such a clause or Lessors can add said clause to any ratification or joinder. In addition, this lease shall control with respect to all royalty, damages, and shut-in provisions.

3. The parties hereto agree that, without further agreement between the surface owner of the lands leased hereby and Lessee, the rights granted hereunder by Lessor to Lessee for the purposes of exploring by geophysical methods shall not include the right to enter onto any improved hay pastures on the surface of said lands for the purposes of conducting shot hole seismic activity or vibroseis seismic activity..

4. Prior to commencing any drilling operations on the leased premises, Lessee shall notify the surface owner in advance and negotiate in good faith all remaining terms of any surface damage, water usage, or other terms in writing prior to the staking and building of location of any such well. Prior to the construction of any roads, bridges, culverts or other access routes over the leased premises for oil and gas operations, Lessee shall consult with surface owner as to the direction and placement of same. Lessee shall also consult with the surface owner as to the location of any pipelines, tank battery installations, or installation of other equipment on the leased premises before installing same. Without the express written consent of the surface owner, no well shall be located within 300 feet of the dwellings on the leased premises.

5. Lessee agrees to negotiate in good faith with the appropriate surface owner a surface damage agreement in advance of any laying pipe, building roads, setting up electrical lines, or causing any damages to the surface of the lessor's property (settlement of any damages caused) by Lessee's operations upon the leased premises, including but specifically not limited to land, water wells, growing crops, grass, buildings, livestock, surface, fences and other improvements and personal property. All drilling mud shall be removed and all of Lessee's slush pits shall be filled and leveled within a reasonable length of time after cessation of operations and the Lessee shall proceed with reasonable diligence to restore the surface of said lands to as near to its original condition found prior to Lessee's operation as is practicable. Upon request of the surface owner, Lessee shall fence all drillsites, including slush pits and areas containing chemicals or other substances which may be harmful to livestock.

6. Any irrigation ditches, head gates, or canals that are disturbed during the construction, drilling or completion operations of Lessee shall be immediately reconstructed so as not to interfere with any carrying capacity of the irrigation water.

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

7. Lessee agrees to maintain the area used for its operations in a neat, orderly manner and use its best efforts to keep the well and battery sites free of weeds and debris.

8. In the event there is a conflict between the provisions of this Exhibit "A" and the Oil and Gas Lease to which it is attached, then the provisions of this Exhibit "A" shall prevail.

9. Lessee agrees to notify Lessor of any assignment of its interest made pursuant to the terms provided in the Oil and Gas Lease within 30 days of such assignment or Lessee remains liable under the terms of this lease. Notification shall be by certified mail to Lessors' addresses.

10. The royalty paid to Lessor as provided herein shall be free to Lessor from all on lease costs incurred from 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 assessed against the production of oil, gas and related hydrocarbons.

11. Notwithstanding any provision herein to the contrary, this lease shall not be maintained by the payment of shut-in royalty under the provision of Paragraph 6 for any period of more than three (3) consecutive years from and after the end of the primary term hereof. The right to maintain this lease for such period of time shall be a recurring right and may be exercised whenever Lessee finds it necessary to shut-in such well or wells. However, the aggregate of years that any well may be shut-in shall not exceed five (5) years. In the event Lessee wishes to retain the lease being held by a shut-in would exceed said five (5) year total, Lessor and Lessee agree to negotiate in good faith, a new shut in royalty.

12. The rights of Lessee under Paragraph 8 shall not be relevant or effect the surface owners "Direct Flow Water" that it has permitted from the State. In the event Lessee desires to utilize any water that is a part of such, Lessee shall negotiate in good faith with the surface owner an acquisition fee of the water it wishes to utilize from said source.

13. Should any conflict result in a lawsuit by or between Lessor and Lessee with respect to this lease, Lessor and Lessee agree that such lawsuit will be filed in the District Court located in Sublette County, Wyoming. In the event a lawsuit is undertaken by either Lessor or Lessee, it is agreed that in the event the Lessor prevails, the Lessor shall be entitled to recovery of its reasonable attorneys fees and associated court costs.

14. The lessee must limit the area that will be utilized by them to 40 acres if they should be successful in their pursuit of production.

15. Lessor shall have the right, during the duration of this lease, to audit the books of Lessee. Such right shall not be exercised more than once per calendar year.

Signed for Identification:

CK LAND AND LIVESTOCK CO., INC.

by Darrel Copeland
Darrel Copeland, President

522

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 22nd day of August 2003, by and between John Robert Kvenild, a married man dealing in his sole and separate property

Of 237 Sunflower, Casper, WY 82604, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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:

TOWNSHIP 34 NORTH, RANGE 113 WEST, 6TH P.M.
Section 15: S/2SW, W/2SE
Section 21: SENE, NESW, NWSE
Section 22: N/2NW, SWNW

300240

RECORDED Oct. 13 2003 1:05 PM
IN BOOK 1250 G PAGE 522
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

And containing 400.0 acres, more or less.

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.

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 noncombustible, 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 Direct to Lessor, at Address listed above (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.

John Robert Kvenild, a married man dealing in his sole and separate property

SS # 520-44-8753

STATE of Wyoming

COUNTY of Natrona

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 22 day of September, 200 3.

Personally appeared John Robert Kvenild

Identical person ____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that ____ he ____ duly executed the same as his free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: March 26, 2004

GAYLE A. JOHNSON-NOTARY PUBLIC
County of Natrona State of Wyoming
My Commission Expires March 26, 2004

Notary Public:
Address: 2085 Clyde Casper, WY 82601

STATE of ____

COUNTY of ____

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this ____ day of ____, 200 ____.

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: ____

Notary Public:
Address:

EXHIBIT "A"

This Exhibit "A" attached to and made a part of that certain Oil and Gas Lease dated August 22, 2003 by and between John Robert Kvenild, a married man dealing in his sole and separate property, Lessor, and Contex Energy Company, Lessee, to-wit:

Notwithstanding anything to the contrary herein contained, wherever the term one-eighth ($1/8^{th}$) appears in the body of said lease, the term shall be changed to fifteen percent (15%).

Notwithstanding any provision to the contrary, this lease shall not be maintained by the payment of shut-in royalty under the provisions of paragraph 6 for a period of more than three (3) consecutive years from and after the end of the primary term hereof. The right to maintain this lease for such period of time shall be a recurring right and may be exercised whenever Lessee finds it necessary to shut-in such well or wells

This lease shall terminate at the end of the primary term as to all the leased land except those lands contained within a production or spacing unit prescribed by law or administrative authority on which is located a well producing or capable of producing oil and gas or on which Lessee is engaged in drilling or reworking operations. This lease shall not terminate so long as drilling or reworking operations are being continuously prosecuted if not more than one hundred eighty (180) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of another well.

SIGNED FOR IDENTIFICATION

John Robert Kvenild, a married man dealing in
his sole and separate property

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

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 22nd day of August 2003, by and between William J. Kvenild, a married man dealing in his sole and separate property

Of 1155 Frontera Drive, Laramie, WY 82072, hereinafter called lessor (whether one or more), and Contex Energy Company whose address is 1645 Court Place, Suite 212 Denver, CO 80202, 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, expioring (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:

TOWNSHIP 34 NORTH, RANGE 113 WEST, 6TH P.M.
Section 15: S/2SW, W/2SE
Section 21: SENE, NESW, NWSE
Section 22: N/2NW, SWNW

300241

RECORDED Oct. 13 2003 1:05 PM
IN BOOK 126 OF 6 PAGE 525
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
525

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

And containing 400.0 acres, more or less.

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.

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 noncombustible, 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 Direct to Lessor, at Address listed above (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 lessee'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.

William J. Kvenild, a married man dealing in his sole and separate property

SS # _____

STATE of Wyoming

COUNTY of Albany

ACKNOWLEDGEMENT-INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 9th day of September, 200 3,

Personally appeared William J. Kvenild

Identical person ____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that ____ he ____ duly executed the same as his free and voluntary act and deed, including the release and waiver of the right of homestead, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: 4-9-07

Notary Public: Marcy Sperling

Address:

STATE of _____

COUNTY of _____

ACKNOWLEDGEMENT-CORPORATE

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 200 ____,

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.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: _____

Notary Public:

Address:

EXHIBIT "A"

This Exhibit "A" attached to and made a part of that certain Oil and Gas Lease dated August 22, 2003 by and between William J. Kvenild, a married man dealing in his sole and separate property, Lessor, and Contex Energy Company, Lessee, to-wit:

Notwithstanding anything to the contrary herein contained, wherever the term one-eighth ($1/8^{th}$) appears in the body of said lease, the term shall be changed to fifteen percent (15%).

Notwithstanding any provision to the contrary, this lease shall not be maintained by the payment of shut-in royalty under the provisions of paragraph 6 for a period of more than three (3) consecutive years from and after the end of the primary term hereof. The right to maintain this lease for such period of time shall be a recurring right and may be exercised whenever Lessee finds it necessary to shut-in such well or wells

This lease shall terminate at the end of the primary term as to all the leased land except those lands contained within a production or spacing unit prescribed by law or administrative authority on which is located a well producing or capable of producing oil and gas or on which Lessee is engaged in drilling or reworking operations. This lease shall not terminate so long as drilling or reworking operations are being continuously prosecuted if not more than one hundred eighty (180) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of another well.

SIGNED FOR IDENTIFICATION

William J. Kvenild, a married man dealing in
his sole and separate property

528

RATIFICATION OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

That for a valuable consideration, receipt and sufficiency of which are hereby acknowledged, the undersigned hereby ratifies, adopts and confirms in all respects that certain Oil and Gas Lease dated the 18TH day of February, 2003 recorded in Book _____, Page _____, in the records of Sublette County, Wyoming, between George L. Barp, a widower, as Lessor, and Contex Energy Company, as Lessee, insofar as said Oil and Gas Lease covers the following described tract of land located in Sublette County, Wyoming, to-wit:

TOWNSHIP 33 NORTH, RANGE 113 WEST, 6th P.M.
Section 10: NESW, NWSE, S/2SE
Section 11: S/2NW, N/2SW

containing 320.0 acres, more or less
Sublette County, Wyoming

and does hereby grant, lease and let the above described land 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; 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 the undersigned may hereafter acquire by way of reversion or otherwise.

The undersigned hereby agrees and declares that said Oil and Gas Lease in all of its terms and provisions is binding upon 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.

IN WITNESS WHEREOF, the undersigned have executed this instrument this 19 day of March [redacted], 2003.

BARP TRUST DATED FEBRUARY 6, 1997

300242

George L Barp
George L. Barp, Individually and as Trustee

RECORDED Oct. 13 2003 1:25pM
IN BOOK 125 PR6 PAGE 528
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, WYOMING
By Cathy Easton

State of Wyo)

County of Sublett)

On this 19th day of March, 2003, before me personally appeared George Barp 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.

Given under my hand and seal this 19th day of March, 2000

My commission expires
4/19/05

DEBORAH J. WOOD - NOTARY PUBLIC
COUNTY OF SUBLETTE STATE OF WYOMING
MY COMMISSION EXPIRES 4/19/05

Deborah J Wood
Notary Public for the State of Wyoming

Address: 333 N. Bridger
Pinedale, WY 82941

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

CORRECTION OF DESCRIPTION OF LEASE

WHEREAS, we the undersigned, as the lessors, did under the date of July 15th 2003, make and execute unto Contex Energy Company as lessee, a certain oil and gas lease, covering lands owned by us, situated in Sublette County. State of Wyoming, and described in said lease as follows, to-wit:

TOWNSHIP 34 NORTH, RANGE 113 WEST
Section 1: SW1/4
Section 2: SE1/4
Section 34: S1/2S/2

WHEREAS the description is incomplete and indefinite, and the lands intended to be covered by said lease are more accurately described as follows, to-wit:

TOWNSHIP 34 NORTH, RANGE 113 WEST
Section 1: SW1/4
Section 2: SE1/4

TOWNSHIP 35 North, Range 113 West
Section 34: S1/2S1/2

Containing 480.0 acres m/l

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 22nd day of August, 2003

Floyd L. Briggs, Jr.

Kathryn J. Briggs

300243
300243

RECORDED Oct. 13 2003 1:05 PM
IN BOOK 125 D+G PAGE 529
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE, WYOMING
By Cathy Scott

ACKNOWLEDGEMENT

STATE OF
COUNTY OF

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this day of 22nd OF August, 2003, personally appeared Floyd L. Briggs, Jr. and Kathryn J. Briggs, 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 the y duly executed the same as their free and voluntary act and deed for the uses and purposes therein set forth and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: 5/17/06.

Notary Public
Address: PINEDALE, WYOMING

Riley Ridge Unit 14-33F
Riley Ridge Unit 14-33
Castle Creek (TE) Prospect

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

300276

RECORDED Oct 14 2003 3:25P M
IN BOOK 125 Misc PAGE 530
FEES $ 41.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Tracy L Hooker

STATE OF WYOMING §
§
COUNTY OF SUBLETTE §

This Agreement entered into this the 10TH day of SEPTEMBER, 2003, between Noble Energy, Inc., as successor by merger to Samedan Oil Corporation, whose address is 100 Glenborough Drive, Suite 100, Houston, Texas 77067 ("Assignor") and

HERBALY EXPLORATION LLC
1420 W CANAL CT # 150
LITTLETON, CO 80120

, whose address is ("Assignee").

WHEREAS, Assignor desires to bargain, sell, assign and convey unto Assignee and Assignee desires to purchase from Assignor all of Assignor's right, title and interest in and to the oil, gas and mineral lease(s) and well(s) described on Exhibit "A" attached hereto and made a part hereof unless restricted or limited as shown on Exhibit "A".

NOW THEREFORE, for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged by Assignor and further in consideration of the duties and obligations assumed by Assignee hereunder, Assignor does hereby bargain, sell, assign and convey unto Assignee all of Assignor's right, title and interest in and to the following, which is hereinafter collectively referred to as the "Property".

(A) All of Assignor's right, title and interest in and to the oil, gas and mineral leases described on Exhibit "A" attached hereto and made a part hereof ("Leases").

(B) All of Assignor's interests and claims for any gas imbalances which have accrued prior to the effective date hereof.

(C) All of Assignor's right, title and interest in and to all contracts, permits, licenses, easements and other agreements relating to the Leases including, without limitation, the following: surface leases, operating agreements, oil, gas and condensate purchase and sale agreements, processing, exchange, gathering, compression and transportation agreements; partnership, joint venture, farmout, farmin, dry hole, bottom hole, acreage contribution, purchase and acquisition agreements; area of mutual interest agreements; salt water disposal agreements; servicing contracts; easements, surface use and/or right-of-way agreements; and unitization, communitization or pooling agreements, declarations or government orders relating to pooling or unitization.

(D) All of Assignor's interest in all oil and gas wells, limited to such wells located on leases or portions thereof described on Exhibit "A" attached hereto and made a part hereof, injection wells, disposal wells, salt water disposal systems, fixtures, equipment, personal property, gas gathering or processing systems or pipelines, oil in tanks and all other fixtures and improvements appurtenant to the Leases as of the effective date hereof (the "Wells").

TO HAVE AND TO HOLD the interests assigned unto Assignee, its successors and assigns, subject to the following terms and conditions:

Sale No.: 186C
Lot No.: 118

[redacted] [redacted] [redacted]

I.

This Assignment, Bill of Sale and Conveyance is made effective the 1st day of August, 2003 ("Effective Date") and is made subject to, and Assignee assumes all duties, liabilities and obligations, express or implied, imposed upon Assignor under the terms and provisions contained in the Leases and all assignments, subleases, farmout agreements, assignments of override, joint operating agreements, easements, rights-of-way and other contracts, agreements, and documents pertaining to the Property which appear of record or, if not of record, of which Assignee has actual or constructive notice on the date hereof, and under all applicable laws, rules, regulations, orders and ordinances. Assignee agrees to defend, indemnify and hold harmless Assignor from and against any and all claims, obligations, liabilities, costs, expenses, losses and damages of any kind or character sustained by it as a result of any failure of Assignee to perform such obligations.

II.

This Assignment, Bill of Sale and Conveyance is made subject to all applicable taxes, including but not limited to, severance taxes, ad valorem taxes, excise taxes and windfall profit taxes. Assignee by signature hereto, agrees to pay all sales and transfer assessments, fees and taxes incident to this Agreement, if any, and shall indemnify and hold Assignor harmless from and against any and all losses occasioned by Assignor due to the failure of Assignee to pay either wholly or partially, any such taxes, and/or penalty and interest accruing in connection therewith. All ad valorem, personal and property taxes assessed to the Wells conveyed hereby shall be prorated as to the Effective Date of this Assignment.

III.

This Assignment, Bill of Sale and Conveyance is made subject to any consents to assign, until granted, or preferential rights to purchase, until waived, applicable to the Property. If the holder of an applicable preferential right to purchase elects to exercise its preferential right to purchase, Assignee shall assign the Property or the portion thereof affected by such preferential right to the holder and shall be entitled to receive all proceeds paid by the holder of the preferential right in connection therewith.

IV.

IT IS EXPRESSLY UNDERSTOOD BY THE PARTIES HERETO THAT ASSIGNOR DOES NOT MAKE ANY REPRESENTATIONS, GUARANTIES OR WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, REPRESENTATIONS, GUARANTIES OR WARRANTIES AS TO THE TITLE, EVEN FOR THE RETURN OF THE PURCHASE PRICE, OR THE CONDITION AND STATE OF REPAIR OF THE PROPERTY OR ITS VALUE, QUALITY, MERCHANTABILITY, SUITABILITY OR FITNESS FOR ANY USES OR PURPOSES OR FREEDOM FROM ANY DEFECTS, HAZARDS, OR DANGEROUS CONDITIONS, WHETHER HIDDEN OR APPARENT. ASSIGNEE CERTIFIES THAT THE LANDS, WELLS, PERSONAL PROPERTY AND EQUIPMENT HAS BEEN CAREFULLY INSPECTED BY ASSIGNEE, AND THAT ASSIGNEE IS FAMILIAR WITH ITS CONDITION AND VALUE. SAID INSPECTION COVERED BUT WAS NOT LIMITED TO THE PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE, OF THE PROPERTY. ASSIGNEE ACCEPTS THE PROPERTY "AS IS, WHERE IS", WITH ALL FAULTS, IN ITS PRESENT CONDITION AND STATE OF REPAIR, AND WITHOUT ANY REPRESENTATIONS, GUARANTIES, OR WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED.

V.

ASSIGNEE ACKNOWLEDGES THAT THE PROPERTIES HAVE BEEN USED FOR OIL AND GAS DRILLING AND PRODUCING OPERATIONS, TRANSPORTATION OPERATIONS, RELATED OILFIELD OPERATIONS AND POSSIBLY THE STORAGE AND DISPOSAL OF WASTE MATERIALS INCIDENTAL TO OR OCCURRING IN CONNECTION WITH SUCH OPERATIONS, AND THAT PHYSICAL CHANGES IN THE LAND MAY HAVE OCCURRED AS A RESULT OF SUCH USES AND THAT ASSIGNEE HAS ENTERED INTO THIS AGREEMENT ON THE BASIS OF ASSIGNEE'S OWN INVESTIGATION OF THE PHYSICAL CONDITION OF THE ASSETS, INCLUDING SUBSURFACE CONDITIONS. ASSIGNEE HEREBY AGREES TO ASSUME FULL RESPONSIBILITY FOR COMPLIANCE WITH ALL OBLIGATIONS, LIABILITIES AND REGULATIONS CONCERNING ALL OF SUCH CONDITIONS, KNOWN OR UNKNOWN, AND FURTHER AGREES TO DEFEND, INDEMNIFY AND HOLD ASSIGNOR HARMLESS (INCLUDING, BUT NOT LIMITED TO, INDEMNIFICATION FOR LIABILITY UNDER THE FEDERAL COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT, AS AMENDED, THE RESOURCE CONSERVATION AND RECOVERY ACT, THE CLEAN WATER ACTS, THE SAFE DRINKING WATER ACT, THE TOXIC SUBSTANCE CONTROL ACT, THE HAZARDOUS MATERIAL TRANSPORTATION ACT, THE CLEAN AIR ACT, AND THE CLEAN AIR ACT AMENDMENT OF 1990, AND ALL OTHER FEDERAL, STATE AND LOCAL ENVIRONMENTAL LAWS AND REGULATIONS, AS WELL AS ALL ACTS, LAWS AND REGULATIONS AMENDATORY OR SUPPLEMENTAL THERETO) AGAINST ANY AND ALL DAMAGE, LOSS, INJURY, LIABILITIES, OR EXPENSES (INCLUDING, BUT NOT LIMITED TO REASONABLE ATTORNEYS' FEES AND COSTS OF COURT, REASONABLE COSTS OF INVESTIGATING ANY CLAIM, SITE ASSESSMENTS, TESTING AND REMEDIAL ACTIONS) PERTAINING TO THE ENVIRONMENTAL CONDITION OF THE PROPERTIES.

As part of its environmental assessment, Assignee was required to test for the presence of Naturally Occurring Radioactive Materials (hereinafter referred to as "NORM"). The presence of NORM in or on the Assets shall be the sole responsibility of Assignee and ASSIGNEE AGREES TO DEFEND, INDEMNIFY AND HOLD ASSIGNOR HARMLESS FROM ANY AND ALL CLAIMS ARISING FROM AND/OR RELATED TO THE PRESENCE OF NORM.

VI.

Assignee shall have the duty and hereby agrees to plug and abandon, in a good and workmanlike manner, the Well(s) included in this Assignment as well as any other wells drilled hereafter by Assignee on the Leases in accordance with the rules and regulations of all regulatory bodies having or asserting jurisdiction therein. Such obligation of Assignee includes, in addition to the plugging and abandoning requirements, the duties to clean-up and restore the premises on which the Well(s) are located in accordance with the terms and conditions of the applicable lease and any state or federal laws and to settle at no cost to Assignor any and all damage claims which may be asserted by any party with respect thereto.

VII.

Assignee is entitled to all proceeds attributable to production from the Leases from and after the Effective Date and Assignor is entitled to all proceeds attributable to production from the Leases prior to the Effective Date. Similarly, all operating and capital expenditures incurred in connection with the Leases which are attributable to operations during the time prior to the Effective Date are the obligations of Assignor and all such operating and capital expenditures attributable to operations during the time after the Effective Date are the obligations of Assignee.

[redacted] [redacted] [redacted]

VIII.

EFFECTIVE AS OF THE EFFECTIVE DATE ASSIGNEE SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS ASSIGNOR, ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, PARENT, AFFILIATES, SUBSIDIARY CORPORATIONS AND LIMITED PARTNERS, FROM AND AGAINST ANY AND ALL CLAIMS, LIABILITIES, COSTS, EXPENSES (INCLUDING, WITHOUT LIMITATION, COURT COSTS AND REASONABLE ATTORNEY'S FEES), LOSSES AND DAMAGES THAT ARISE FROM AND/OR ARE RELATED TO THE PROPERTY WHETHER KNOWN OR UNKNOWN, AND WHETHER RELATING TO ACTIONS, EVENTS, OR CONDITIONS ARISING OR OCCURRING PRIOR TO OR AFTER THE EFFECTIVE DATE, AND REGARDLESS OF THE THEORY OF LIABILITY ASSERTED.

IX.

Assignor is prepared to transmit originals of all Division Order files to Assignee. Assignor at all times shall have access to all original Division Order files during Assignee's regular business hours upon three (3) days prior written notice. Assignor and Assignee agree that Assignee will take over disbursement effective with August 1, 2003, production. Within 90 days following said date, Assignor shall deliver to Assignee all funds representing the net accounts from which payments have been suspended ("Suspended Funds"). Assignee shall accept Suspended Funds and, thereafter, be solely responsible for the proper disbursement of the Suspended Funds, including any obligation to identify, locate and pay the persons entitled to the Suspended Funds and to report and to Escheat the Suspended Funds as required by any applicable law, and that Assignee shall indemnify, hold harmless and defend Assignor against any and all losses, claims, suits, causes of action, controversies, liability and expense arising directly or indirectly out of Assignee's improper or untimely disbursement, escheat or continued suspension of the Suspended Funds, subsequent to the Effective Date of the Assignment, Bill of Sale and Conveyance. Assignee shall take over, effective August 1, 2003, all nominations, negotiations of sales contracts, accounting issues, and balancing issues.

X.

Assignee agrees that it will not assign, sublease or transfer, in whole or part, any rights acquired herein without requiring its assignees, sublessees and transferees to expressly assume all obligations owed to Assignor under the terms of this assignment, and all such pertinent terms shall be incorporated into any and all future instruments translative of title. Any assignment, sublease or transfer executed in contravention of this provision shall be null and void.

XI.

Notwithstanding Assignee's right to assign all or part of the Property to third parties as conditioned by Article IX above, Assignee shall remain fully responsible and liable for fulfillment of all the obligations and liabilities imposed herein, and for compliance with all terms and conditions established herein, whether express or implied.

XII.

ASSIGNOR SHALL MAKE NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS THE ACCURACY OR COMPLETENESS OF ANY DATA, INFORMATION OR MATERIALS HERETOFORE OR HEREAFTER FURNISHED ASSIGNEE IN CONNECTION WITH THE PROPERTY, OR AS TO THE QUALITY OR QUANTITY OF HYDROCARBON RESERVES (IF ANY) ATTRIBUTABLE TO THE PROPERTY OR THE ABILITY OF THE PROPERTY TO PRODUCE HYDROCARBONS. ANY AND ALL SUCH DATA,

INFORMATION AND OTHER MATERIALS FURNISHED BY ASSIGNOR IS PROVIDED TO ASSIGNEE AS A CONVENIENCE AND ANY RELIANCE ON OR USE OF THE SAME SHALL BE AT ASSIGNEE'S SOLE RISK. ASSIGNEE WAIVES ITS RIGHTS UNDER THE DECEPTIVE TRADE PRACTICES-CONSUMER PROTECTION ACT OR ANY SIMILAR ACT UNDER ANY STATE OR FEDERAL LAW THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTIONS. AFTER CONSULTATION WITH ANY ATTORNEY OF ITS OWN SELECTION, ASSIGNEE ACKNOWLEDGES THAT THIS EXPRESS WAIVER SHALL BE CONSIDERED A MATERIAL AND INTEGRAL PART OF THIS ASSIGNMENT AND THE CONSIDERATION THEREOF; AND ACKNOWLEDGES THAT THIS WAIVER HAS BEEN BROUGHT TO THE ATTENTION OF ASSIGNEE AND EXPLAINED IN DETAIL AND THAT ASSIGNEE HAS VOLUNTARILY AND KNOWINGLY CONSENTED TO THIS WAIVER.

The terms and provisions of this Assignment, Bill of Sale and Conveyance shall be binding upon and inure to the benefit of the parties hereto, their respective successors and assigns.

IN WITNESS WHEREOF, this Agreement is executed as of the date hereinabove first written, but effective as of the Effective Date.

ASSIGNOR:

Noble Energy, Inc.

By: _____

Name: Ted A. Price

Title: Vice-President, General Manager
Onshore Division

1 CPC
2
3
4
5

[redacted] [redacted] [redacted]

ASSIGNEE:

HERBALY EXPLORATION LLC

By: David L Herbaly

Name: DAVID L HERBALY

Title: MEMBER

Sale No.: 186C
Lot No.: 118

535

ASSIGNOR:

STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on this 9th day of September, 2003, by Ted A. Price, as Vice President - General Mgr Onshore Division of Noble Energy, Inc.

TINA C. MCCOY
NOTARY PUBLIC STATE OF TEXAS
COMMISSION EXPIRES:
SEPTEMBER 15, 2006

Tina C. McCoy
Notary Public

ASSIGNEE:

Individual Acknowledgment

State of _____ §
§
County of _____ §

Before me, the undersigned authority, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed.

Given under my hand and seal this the ____ day of _____, 2003.

_____
Notary Public in and for
The State of _____

My Commission Expires:

Corporate Acknowledgment

State of _____ §
§
County of _____ §

Before me, the undersigned authority, on this day personally appeared _____, as _____ of _____, a _____ corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed same for the purposes and consideration therein expressed, and as the act and deed of said corporation.

Given under my hand and seal this the ____ day of _____, 2003.

_____
Notary Public in and for
The State of _____

My Commission Expires:

Sale No.: 186C
Lot No.: 118

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

Agent or Attorney-in-Fact Acknowledgment

State of _____ §
§
County of _____ §

Before me, the undersigned authority, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument as attorney-in-fact (agent) of _____, and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal this the ____ day of _____, 2003.

_____
Notary Public in and for
The State of _____

My Commission Expires:

Partnership Acknowledgment

State of _____ §
§
County of _____ §

Before me, the undersigned authority, on this day personally appeared _____, (and _____), individually and (as partners composing (a partner of) the firm of _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed, and in the capacity (capacities) therein stated.

Given under my hand and seal this the ____ day of _____, 2003.

_____
Notary Public in and for
The State of _____

My Commission Expires:

Sale No.: 186C
Lot No.: 118

537

538

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF HARRIS

Before me, the undersigned, a Notary Public in and for said County and State, on this day personally appeared DAVID L HERBALY, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and in the capacity therin stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 10th DAY OF SEPTEMBER, 2003

KRISTEN N. BURK
MY COMMISSION EXPIRES
July 26, 2006

Kristen N Burk

Notary Public in and for the state of Texas

[redacted] [redacted] [redacted]

Riley Ridge Federal 33-24
Riley Ridge Unit 14-33F
Riley Ridge Unit 14-33
Castle Creek (TE) Prospect
Sublette County Wyoming

EXHIBIT "A"

Attached to and made a part of that certain ASSIGNMENT, BILL OF SALE, and CONVEYANCE executed on the 10th day of September, 2003, but effective as of August 1, 2003, by and between NOBLE ENERGY, INC., as "ASSIGNOR" and

, "ASSIGNEE".

LEASE(S)

See attached Exhibit "A-1"

AGREEMENT(S)

Farmout Agreement dated September 25, 1981, by and between Skyline Oil Company and American Quasar Petroleum Company of New covering lands located in Sections 33, 34 and 35, T30N-R114W, 6th P.M., Sublette County, Wyoming.

Unit Agreement for the Development and Operation of Riley Ridge Unit Area dated December 23, 1981, Sublette County, Wyoming (WYW-109661X).

Unit Operating Agreement dated December 23, 1981, as amended, designating American Quasar Petroleum Co. of New Mexico as Unit Operator of Riley Ridge Unit Area, Sublette County, Wyoming.

Agreement and Stipulation dated September 1, 1989, recorded in Book 84 of Photos at page 461 and re-recorded in Book 85 at page 171 covering operating rights in formations from surface to base of Dakota Formation.

Participation Agreement dated August 31, 1999, by and between Wold Oil Properties, Inc., and Infinity Oil & Gas of Wyoming, Inc., as amended on June 29, 2000, and February 27, 2001.

Ratification of Participation Agreement dated August 31, 1999, which ratification was executed by Samedan Oil Corporation on December 17, 1999.

Unit Agreement for the Development and Operation of the Miami Ditch Unit, Sublette County, Wyoming, effective as of October 3, 2002, (WYW155916X).

Unit Operating Agreement dated _____ 2002, designating Williams Production RMT Company as Unit Operator of the Miami Ditch Unit Area, Sublette County, Wyoming.

WELL(S)

Well located in Madison Formation Participating Area "A":
Riley Ridge Federal #33-24 NESESW, Section 33, T30N-R114W

Wells located in Mesa Verde Formation Participating Area "A":

Riley Ridge Unit #14-33	SESWSW, Section 33, T30N-R114W
Riley Ridge #5-2	SWNE, Section 5, T29N-R114W
Riley Ridge #11-4	S2NWNW, Section 4, T29N-R114W
Riley Ridge #41-5	NE, Section 5, T29N-R114W
Riley Ridge #44-32	SWSESE, Section 32, T30N-R114W
Riley Ridge #5-1 (Injection Well)	SENWNE, Section 5, T29N-R114W

Sale No.: 186C
Lot No.: 118

539

Riley Ridge Federal 33-24
Riley Ridge Unit 14-33F
Riley Ridge Unit 14-33
Castle Creek (TE) Prospect
Sublette County Wyoming

Well located in the Initial Frontier Formation Participating Area "A":
Riley Ridge Unit #14-33F SWSESW, Section 33, T30N-R114W

EXCLUSION(S)

There is specifically excluded from this assignment any and all Mineral/Royalty interests owned now or hereafter by Noble Energy, Inc., in the subject lands

END OF EXHIBIT "A"

Sale No.: 186C
Lot No.: 118

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

Riley Ridge Unit 14-33F
Riley Ridge Unit 14-33
Castle Creek (TE) Prospect
Sublette County, Wyoming

EXHIBIT "A-1"

Attached and made a part of that certain ASSIGNMENT, BILL OF SALE AND CONVEYANCE executed on the 10th day of September, 2003, but effective as of August 1, 2003, by and between NOBLE ENERGY, INC., as "ASSIGNOR" and

, "ASSIGNEE".

LEASE(S)

SOC Lease:	16-18-002
Lessor:	USA WYW-36438
Lessee:	Devereaux Milburn, Jr.
Dated:	10-01-72
Recorded:	T30N-R114W Section 33: S/2N/2, S/2 Section 34: W/2SW/4
SOC Lease:	16-18-029
Lessor:	USA WYW-157630 (segregated)
Lessee:	Devereaux Milburn, Jr.
Dated:	10-01-72
Recorded:	T30N-R114W Section 33: N/2N/2 Section 34: SW/4NE/4, W/2NW/4, SE/4NW/4, E/2SW/4, W/2SE/4

END OF EXHIBIT "A-1"

Sale No.: 186C
Lot No.: 118

542

PRODUCERS 88-PAID UP
Rev. No. 1

OIL AND GAS LEASE

This Oil and Gas Lease ("Lease") is made this 5th day September, 2002, to be effective November 3, 2003 between Jessie Jean Robbins and David W. Robbins, husband whose address is 333 Old Mill Road #64, Santa Barbara, California 93110-4406 ("Lessor", whether one or more), and Williams Production Rocky Mountain Company whose address is P.O. Box 3102, Tulsa Oklahoma 74101, ("Lessee").

WITNESSETH, For and Consideration of TEN DOLLARS, the covenants and agreements contained herein, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, Lessor does hereby grant, demise, lease and let exclusively unto said Lessee, with the exclusive rights for the purposes of mining, exploring by geophysical and other methods and operating for and producing therefrom oil and all gas of whatsoever nature or kind, and laying pipelines, telephone and telegraph lines, building tanks, plants, power stations, roadways and structures thereon to produce, save and take care of said products, and the exclusive surface or subsurface rights and privileges related in any manner to any and all such operations, and any and all other rights and privileges necessary, incident to, or convenient for the operation alone or conjointly with neighboring land for such purposes, all that certain tract or tracts of land situated in County, of Sublette; State of Wyoming, described to wit:

Township 35 North, Range 111 West, 6th P.M.
Section 7: Lot 2, SE/4NW/4
Township 35 North, Range 112 West, 6th P.M.
Section 1: Lots 1,2,3,SW/4NE/4, E/2SW/4, W/2SE/4
Section 12: NE/4
Township 36 North, Range 112 West, 6th P.M.
Section 36: All

300354

RECORDED Oct. 20 2003 9:05 AM
IN BOOK 125 OF 6 PAGE 542
FEES $ 11.00 [illegible] COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By [illegible]

and containing 1,196.53 acres, more or less (the "Premises").

1. It is agreed that this Lease shall remain in full force for a term of Five (5) years from the effective date ("Primary Term") and as long thereafter as oil or gas of whatsoever nature or kind is produced from the Premises or on acreage pooled or unitized therewith, or operations are continued as hereinafter provided. If, at the expiration of the Primary Term, oil or gas is not being produced from the Premises or on acreage pooled or unitized therewith but Lessee is then engaged in drilling, reworking or dewatering operations thereon, then this Lease shall continue in force so long as such operations are being continuously prosecuted. Operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on the Premises or on acreage pooled or unitized therewith, the production thereof should cease from any cause after the primary term, this Lease shall not terminate if Lessee commences additional drilling, reworking or dewatering operations within ninety (90) days from date of cessation of production or from date of completion of a dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the Primary Term, this Lease shall continue in force so long as oil or gas is produced from the Premises or on acreage pooled or unitized therewith.

2. This is a PAID-UP LEASE. In consideration of the payment made herewith, 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 Premises and as to any strata or stratum, by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligations thereafter accruing as to the acreage surrendered.

3. The royalties to be paid by Lessee are: (a) on oil and other liquid hydrocarbons, Fifteen Percent (15.00%) of that produced and saved from said land, the same to be delivered at the wells, or to the credit of Lessor into the pipeline to which the wells may be connected; Lessee may from time to time purchase any royalty oil in its possession, paying the market price therefore prevailing for the field where produced on the date of purchase; (b) on gas and the constituents thereof produced from said land and sold or used off the premises or in the manufacture of products therefrom, the market value at the well of Fifteen Percent (15.00%) of the product sold or used. On products sold at the well, the royalty shall be Fifteen Percent (15.00%) of the net proceeds realized from such sale. All royalties paid on gas sold or used off the premises or in the manufacture of products therefrom will be paid after deducting from such royalty lessor's proportionate amount of all post-production costs, including but not limited to gross production and severance taxes, gathering and transportation costs from the wellhead to the point of sale, treating, compression, and processing. On product sold at the well, the royalty shall be Fifteen Percent (15.00%) of the net proceeds realized from such sale, after deducting from such royalty lessor's proportionate amount of all of the above post-production costs and expenses, if any.

4. Where Gas from a well capable of producing Gas (or from a well in which dewatering operations have commenced), is not sold or used after the expiration of the Primary Term, Lessee shall pay or tender as royalty to Lessor at the address set forth above One Dollar ($1.00) per year per net mineral acre, such payment or tender to be made on or before the anniversary date of this Lease next ensuing after the expiration of ninety (90) days from the date such well is shut in or dewatering operations are commenced and thereafter on or before the anniversary date of this Lease during the period such well is shut in or dewatering operations are being conducted

5. If Lessor owns a lesser interest in the Premises than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, Gas, oil and water produced on the Premises for Lessee's operations thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipeline below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on the Premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on the Premises.

10. Lessee shall have the right at any time to remove all machinery and fixtures (including casing) Lessee has placed on the Premises.

11. The rights of the Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of the Premises shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this Lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the Premises and as to any one or more of the formations thereunder, to pool or unitize the leasehold estate and the mineral estate covered by this Lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling, reworking or dewatering operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this Lease shall be treated as if it were production, drilling, reworking or dewatering operations or a well shut in for want of a market under this Lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive royalties on production from such unit only on the portion of such production allocated to this Lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this Lease and included in the Unit bears to the total number of surface acres in such Unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the Premises 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 Premises 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 royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

[redacted] [redacted] [redacted]

PRODUCERS 88-PAID UP
Rev. No. 1

13. All express or implied covenants of this Lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this Lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation. Any delay or interruption caused by storm, flood, act of God or other event of force majeure shall not be counted against Lessee. If, due to the above causes or any cause whatsoever beyond the control of Lessee, Lessee is prevented from conducting operations hereunder, such time shall not be counted against Lessee, and this Lease shall be extended for a period of time equal to the time Lessee was so prevented, anything in this Lease to the contrary notwithstanding.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the Premises, insofar as said right of dower and homestead may in any way affect the purposes for which this Lease is made, as recited herein.

15. Should any one or more the parties named as Lessor herein fail to execute this Lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor", as used in this Lease, shall mean any one or more or all of the parties who execute this Lease as Lessor. All the provisions of this Lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

16. If at any time within the primary term of this lease and while the same remains in force and effect, lessor receives any bona fide offer, acceptable to lessor, to grant an additional lease (top lease) covering all or part of the aforedescribed lands, lessee shall have the continuing option by meeting any such offer to acquire such top lease. Any offer must be in writing, and must set forth the proposed lessee's name, bonus consideration and royalty consideration to be paid for such lease, and include a copy of the lease form to be utilized which form should reflect all pertinent and relevant terms and conditions of the top lease. Lessee shall have fifteen (15) days after receipt, from lessor, of a complete copy of any such offer to advise lessor in writing of its election to enter into an oil and gas lease with lessor on equivalent terms and conditions. If lessee fails to notify lessor within the aforesaid fifteen (15) day period of its election to meet any such bona fide offer, lessor shall have the right to accept said offer.

17. This lease is subordinate to an existing oil and gas lease dated February 12, 1998, recorded in Book 108, Page 466, Sublette County, Wyoming; and Lessor covenants and agrees not to further extend, amend or modify said existing lease. After the termination of said existing lease, lessee shall be pay or tender to lessor at the address hereinabove the sum negotiated as additional bonus. The term of this lease shall begin immediately on the expiration of the aforementioned lease, herein called the "effective date", provided further that if the above described lease is extended beyond its primary term by production or drilling operations as provided herein, this lease shall be null and void and Lessor shall not pay said additional bonus.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Signatures	Taxpayer Identification or SS No.
Jessie Jean Robbins	563-32-0345
David W. Robbins	139-12-0084

STATE OF California)
) SS.
COUNTY OF Santa Barbara)

(INDIVIDUAL ACKNOWLEDGMENT)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State on the 14th day of September, 2002, personally appeared Jessie Jean Robbins and David W. 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 written above.

My Commission Expires: _____

ELAINE ABERCROMBIE
Commission # 1327747
Notary Public • California
Santa Barbara County
My Comm. Exp. NOV. 28, 2005

_____
Notary Public

STATE OF _____)
) SS.
COUNTY OF _____)

(CORPORATE ACKNOWLEDGMENT)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____, by _____ of _____, a _____ corporation, on behalf of the corporation.

My Commission Expires: _____

_____
Notary Public

ELAINE ABERCROMBIE
Commission # 1327747
Notary Public • California
Santa Barbara County
My Comm. Exp. NOV. 28, 2005

ELAINE ABERCROMBIE
Commission # 1327747
Notary Public • California
Santa Barbara County
My Comm. Exp. NOV. 28, 2005

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS IN LEASES FOR OIL AND GAS

PART A: ASSIGNMENT

WHEREAS, the John H. Morgan, Sr. Sheltered Trust is the owner of certain interests in the following United States of America Oil and Gas leases situated in Sublette County, Wyoming described in Exhibit "A" attached hereto and made a part hereof.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: the John H. Morgan, Sr. Sheltered Trust, hereinafter called Assignor, for and in consideration of the sum of TEN DOLLARS ($10.00) cash and other good and valuable considerations to it in hand paid by John H. Morgan, Jr., hereinafter called Assignee, receipt of which is hereby acknowledged, does hereby BARGAIN, SELL, TRANSFER, ASSIGN, SET OVER AND CONVEY unto the Assignee, its heirs, successors and assigns, forever, the overriding royalties described in Exhibit "A" on oil, gas and other hydrocarbons which may be produced, saved and sold from said premises under and by virtue of the leases described in Exhibit "A" or any renewal, ratification or extension thereof.

TO HAVE AND TO HOLD the same unto Assignee, successors and assigns forever, the overriding royalties described in Exhibit "A", but subject to the following items and conditions:

1. The overriding royalty interests herein conveyed shall be free of all development, production, marketing and operating expenses, however, said interests shall bear and pay currently their proportionate share of gross production and/or pipeline taxes.

2. In the event that said leases described in Exhibit "A" cover less than the entire and undivided mineral fee in the lands described therein, then the overriding royalty interests herein conveyed shall be payable to Assignee in the proportion which the interest covered thereby bears to the entire and undivided mineral fee thereof.

3. The overriding royalty interests herein conveyed are subject to all the terms and conditions of the oil and gas leases described in Exhibit "A".

4. This assignment is made without warranty of title either express or implied except through and under Assignor herein, and with full subrogation and substitution in and to all actions in warranty. The terms thereof shall extend to and be binding upon the parties hereto, their respective heirs, legal representatives, successors and assigns, and shall be deemed covenants running with the lands and leasehold estates described in Exhibit "A".

300416

RECORDED Oct. 22 2003 10:10 AM
IN BOOK 1250+6 PAGE 544
FEES $ 17.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

[redacted] [redacted] [redacted]

PART B: CERTIFICATION

Assignor certifies as owner of an interest in the leases that it hereby assigns to the Assignee the rights specified in Exhibit "A".

The Assignee certifies as follows: (a) Assignee is a corporation organized under the laws of the United States or any State or territory thereof; (b) Assignee is not considered a minor under the laws of the States 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); (d) All parties holding an interest in the assignment are otherwise in compliance with the regulations (43 CFR Group 3100) 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.

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

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, 2003

John H. Morgan, Jr. & Helen
Morgan Leech as Co-Trustees
John H. Morgan, Sr. Sheltered Trust
175 South Main Street, Suite 900
Salt Lake City, UT 84111

Assignor: [signature]

Title: Co-Trustee

Assignor: [signature]

Title: Co-Trustee

Executed this 31st day of October, 2003

John H. Morgan, Jr.
175 South Main Street, Suite 900
Salt Lake City, Utah 84111

Assignee: [signature]

THE STATE OF UTAH)
)ss.
COUNTY OF SALT LAKE)

BEFORE ME, the undersigned authority, on this day personally appeared John H. Morgan, Jr. and Helen Morgan Leech of the John H. Morgan, Sr. Sheltered Trust and John H. Morgan, Jr. known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that the same were the acts of the John H. Morgan, Sr. Sheltered Trust and John H. Morgan, Jr. respectively, and that they executed the same as the acts of such entities for the purposes and consideration therein expressed, and in the respective capacities therein stated.

GIVEN under my hand and seal of office this 3rd day of October, 2003.

Notary Public
J. MICHAEL BENNION
382 J Street
Salt Lake City, Utah 84103
My Commission Expires
December 10, 2006
State of Utah

Notary Public

My Commission Expires: 12/10/2005

Residing in Salt Lake City, Utah.

[redacted] [redacted] [redacted]

EXHIBIT "A"

The following leases are in Sublette County, Wyoming:

Lease #	Description	Current Interest	Interest Assigned	Interest Kept
E-024353	T28N, R113W, 6th PM Sec. 20: Lots 6, 7, 8, SW/4 SE/4, E/2, SW/4, NW/4 SW/4, TRACT 43B 290.27 Acres	0.0125000	0.0125000	0.0000000
W-27642	T30N, R112W, 6th PM Sec. 30: NE¼NE¼ Sec. 30: SE¼NE¼ 80.00 Acres	0.01875000	0.00624375	0.01250625

548

Form 3000-3a
(February, 2002)

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

03 AUG 20 AM 9:00

RECEIVED
CHEYENNE, WYOMING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (42 U.S.C. 6508)

FORM APPROVED
OMB NO. 1004-0034
Expires: October 31,2004

Lease Serial No.

WYW-128039

Type or print plainly in ink and sign in ink.

PART A: TRANSFER

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

McMurry Oil Company
950 17th Street, Suite 2600
Denver, Colorado 80202

33.33%

***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 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
NE/4 SW/4 SECTION 14-T28N-R109W Sublette County, Wyoming	100%	66.67%	33.33%	None	Of record

FOR BLM USE ONLY--DO NOT WRITE BELOW THIS LINE

THE UNITED STATES OF AMERICA

FOR ASSIGNEE

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

☑ Transfer approved effective SEP 0 1 2003

By /S/ Linda Gookin — LAND LAW EXAMINER — SEP 1 2 2003

(Authorized Officer) (Title) (Date)

300517

RECORDED Oct. 28 2003 10:40a M
IN BOOK 125 046 PAGE 548
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

[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.

Encana Oil & Gas (USA) Inc.
950 17th Street, Suite 2600
Denver, CO 80202

33.34%

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 are 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 of 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 State when this transfer s 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 26 day of June, 2003

Name of Transferor DEVON ENERGY PRODUCTION COMPANY, L.P.

BY: D. D. DeCarlo, Vice President

20 North Broadway, Suite 1500
(Transferor's Address)

Oklahoma City, Oklahoma 73102
(City) (State) (Zip Code)

Executed this _____ day of _____, 2003

Transferee MCMURRY OIL COMPANY

BY: _____

Executed this 13th day of June, 2003

Transferee ENCANA OIL & GAS (USA) INC.

BY: _____

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 (1004-0034), Bureau Clearance Officer, (WO-630), Mail Stop 401 LS, 1849 C Street, N.W., Washington, D.C. 20240.

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.

ASSIGNMENT OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, **High Plains Associates, Inc.,** 1557 Ogden Street, Suite 300, Denver, CO 80218, hereinafter called Assignor, for and in consideration of Ten Dollars ($10.00), the receipt of which is hereby acknowledged, does hereby sell, assign, transfer and set over unto the parties named below, hereinafter called Assignees, in the percentages set opposite their names, all of Assignor's right, title and interest in and to that certain Oil and Gas Lease described on Exhibit "A", attached hereto and made a part hereof, insofar as said lease covers the described lands in Sublette County, Wyoming, together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used or obtained in connection therewith.

Assignees	Interest Assigned
John P. Lockridge 1801 Broadway, Suite 1250 Denver, CO 80202	50%
Prima Oil & Gas Company 1099 18th Street, Suite 400 Denver, CO 80202	50%

This Assignment is made subject to all previously reserved or conveyed overriding royalties, reversionary interests, or other lease burdens effective or existing as of the effective date of this Assignment.

The terms, covenants and conditions hereof shall be binding upon and inure to the benefit of Assignor and Assignees and their respective heirs, successors and assigns, and such terms, covenants and conditions shall be covenants running with the land.

EXECUTED this 16th day of October,2003.

ATTEST

By: _____
Candace Taylor

HIGH PLAINS ASSOCIATES, INC.

By: _____
Louis A. Oswald, III, President

STATE OF COLORADO]
] ss.
COUNTY OF DENVER]

On this 16th day of October,2003 before me personally appeared Louis A. Oswald, III, to me personally known, who, being by me duly sworn, did say that he is the President of High Plains Associates, Inc., and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and said Louis A. Oswald, III, acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and official seal.

My Commission Expires: _____

NOTARY PUBLIC
LYNN A. McBRIDE
STATE OF COLORADO

My Commission Expires Feb. 11, 2005

_____
Notary Public

300557

RECORDED Oct. 29 2003 9:00AM
IN BOOK 125 046 PAGE 650
FEES $ 11.00 _____ COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Lease dated October 16, 2003, from High Plains Associates, Inc., as Assignor, to John P. Lockridge and Prima Oil & Gas Company, as Assignee.

HPAI Lease #	*Lessor*	*Lessee*	*Date*	*County*	*State*	*Legal Description*	*Gross Acres*	*Book or Document #*	*Page*
11520	Julie Ann Bain, aka Julie A. Bain, a single woman	High Plains Associates, Inc.	11/19/99	Sublette	Wyoming	Township 35 North, Range 112 West, 6th P.M. Section 7: SE4NE4 Section 8: SW4NE4, N2S2, SE4SE4 Section 9: W2SW4, SE4SW4 Township 35 North, Range 113 West, 6th P.M. Section 8: SE4SW4 Section 17: NE4, N2NW4, SW4NW4, E2SW4, NW4SE4, S2SE4 Section 20: N2NE4, NE4NW4	1,040.00	112	527

551

ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, **High Plains Associates, Inc.,** 1557 Ogden Street, Suite 300, Denver, CO 80218, hereinafter called Assignor, for and in consideration of Ten Dollars ($10.00), the receipt of which is hereby acknowledged, does hereby sell, assign, transfer and set over unto the parties named below, hereinafter called Assignees, in the percentages set opposite their names, all 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, insofar as said leases cover the described lands in Sublette County, Wyoming, together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used or obtained in connection therewith.

Assignees	Interest Assigned
John P. Lockridge 1801 Broadway, Suite 1250 Denver, CO 80202	75%
Prima Oil & Gas Company 1099 18th Street, Suite 400 Denver, CO 80202	25%

This Assignment is made subject to all previously reserved or conveyed overriding royalties, reversionary interests, or other lease burdens effective or existing as of the effective date of this Assignment.

The terms, covenants and conditions hereof shall be binding upon and inure to the benefit of Assignor and Assignees and their respective heirs, successors and assigns, and such terms, covenants and conditions shall be covenants running with the land.

EXECUTED this 16th day of October,2003.

ATTEST

By: _____
Candace Taylor

HIGH PLAINS ASSOCIATES, INC.

By: _____
Louis A. Oswald, III, President

STATE OF COLORADO]
] ss.
COUNTY OF DENVER]

On this 16th day of October,2003 before me personally appeared Louis A. Oswald, III. to me personally known, who, being by me duly sworn, did say that he is the President of High Plains Associates, Inc., and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and said Louis A. Oswald, III, acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and official seal.

My Commission Expires: _____

NOTARY PUBLIC
LYNN A. McBRIDE
STATE OF COLORADO

My Commission Expires Feb. 11, 2005

_____
Notary Public

300558

RECORDED Oct. 29 2003 9:00AM
IN BOOK 1250+6 PAGE 552
FEES $ 11.00 _____ COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Leases dated October 16, 2003, from High Plains Associates, Inc., as Assignor, to John P. Lockridge and Prima Oil & Gas Company, as Assignee.

HPAI Lease #	*Lessor*	*Lessee*	*Date*	*County*	*State*	*Legal Description*	*Gross Acres*	*Book or Document #*	*Page*
11521	Homey Dale Siems, aka Homey D. Siems, and Angela Siems, husband and wife	High Plains Associates, Inc.	11/20/99	Sublette	Wyoming	Township 35 North, Range 113 West, 6th P.M. Section 11: S2SE4 Section 12: SW4SW4 Section 13: W2NW4 Section 14: E2NE4, NW4NE4	320.00	112	525
11522	Eugene H. Siems and Shona L. Siems, husband and wife	High Plains Associates, Inc.	11/20/99	Sublette	Wyoming	Township 35 North, Range 113 West, 6th P.M. Section 13: NE4, NE4SW4, N2SE4, E2NW4	360.00	112	523

Signed for identification:_____

554

RATIFICATION AND JOINDER AGREEMENT

KNOW ALL MEN BY THESE PRESENTS, That:

WHEREAS, the undersigned (whether one or more) desires to join in, ratify and confirm the following described corrective oil and gas overriding royalty assignment (herein called "said assignment"), insofar as said assignment covers the following described lands (herein called "said lands") in the County of Sublette, State of Wyoming to-wit:

Assignor:	Gasconade Oil Co.	
Assignee:	W. Curtis Arbuckle, Rachel Arbuckle, Susan C. Arbuckle, Kay A. Floyd, Kathryn Camille Arbuckle and Walter K. Arbuckle	
Dated:	April 8, 2002, effective January 1, 2002	
Recorded:	Book 121, Page 463	
Lands:	T-30-N, R-108-W	
	Section 22: NE¼	WYW-015314
	Section 23: NW¼	WYW-015314
	Section 25: NW¼NW¼	WYW-016158

NOW, THEREFORE, in consideration of the sum of Five Dollars ($5.00) and other good and sufficient consideration , the receipt, adequacy and sufficiency of which are hereby expressly acknowledged by the undersigned, the undersigned hereby agree as follows:

1. The undersigned do hereby join in, ratify and confirm said assignment in all things with the same force and effect as if the undersigned had duly executed and delivered said assignment.

2. This instrument shall be binding upon the undersigned and their heirs, personal representatives, successors and assigns.

EXECUTED this 18th day of September, 2003.

W. Curtis Arbuckle

Rachel Arbuckle

Susan C. Arbuckle

Kathryn Camille Arbuckle

Walter K. Arbuckle

300565
300565

RECORDED Oct. 29 2003 9:50 AM
IN BOOK 125 O+G PAGE 554
FEES $ 14.00 M. L. COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

[redacted] [redacted] [redacted]

STATE OF COLORADO)
ss:
COUNTY OF DENVER)

The foregoing instrument was acknowleged before me this 18th day of Sept., 2003, by W. Curtis Arbuckle.

Witness my hand and seal.

JAXCENE L. HEINZE NOTARY PUBLIC STATE OF COLORADO

Notary Public

My Commission Expires: 1/4/04

STATE OF COLORADO)
ss:
COUNTY OF DENVER)

The foregoing instrument was acknowleged before me this 18th day of Sept., 2003, by Susan C. Arbuckle.

Witness my hand and seal.

JAXCENE L. HEINZE NOTARY PUBLIC STATE OF COLORADO

Notary Public

My Commission Expires: 1/4/04

STATE OF COLORADO)
ss:
COUNTY OF DENVER)

The foregoing instrument was acknowleged before me this 18th day of Sept., 2003, by Walter K. Arbuckle.

Witness my hand and seal.

JAXCENE L. HEINZE NOTARY PUBLIC STATE OF COLORADO

Notary Public

My Commission Expires: 1/4/04

STATE OF COLORADO)
ss:
COUNTY OF DENVER)

The foregoing instrument was acknowleged before me this 18th day of Sept., 2003, by Rachel Arbuckle.

Witness my hand and seal.

My Commission Expires: 1/4/04

Notary Public

STATE OF COLORADO)
ss:
COUNTY OF DENVER)

The foregoing instrument was acknowleged before me this 18th day of Sept., 2003, by Kathryn Camille Arbuckle.

Witness my hand and seal.

My Commission Expires: 1/4/04

Notary Public

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS:

THAT McMurry Limited Partnership, a Wyoming general partnership, with an address of P.O. Box 50790, Casper, Wyoming 82605 (hereinafter referred to as "Assignor"), for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby sell, convey, transfer, assign and deliver, without warranty of title, express or implied, all of Assignor's right, title and interest in and to any overriding royalty on all of the oil, gas and other hydrocarbon substances that may be produced and saved and marketed from or attributable to lands set out in and covered by the oil and gas lease, and any segregations, extensions or renewals thereto, described in Exhibit "A" attached hereto and made a part hereof, unto McMurry Limited Liability Company, a Wyoming limited liability company, with an address of P.O. Box 50790, Casper, Wyoming 82605 (hereinafter referred to as "Assignee").

To have and to hold the overriding royalty interests herein conveyed unto Assignee, its heirs, successors, and assigns, forever, subject to the terms and conditions of the oil and gas lease described in Exhibit "A", and all other matters of record including without limitation that certain Amendment of Assignment of Overriding Royalty Interest recorded August 16, 2001 in Book 115 Oil & Gas Page 682 of the records of Sublette County, Wyoming. Duplicate original copies of this Assignment may be executed for purposes of recording in the real property records of Sublette County, Wyoming, and filing with the Wyoming Office of the Bureau of Land Management. In no event, however, shall any such duplicate assignment be construed as creating interests which are in addition to those set forth above.

IN WITNESS WHEREOF, this assignment is executed this 30th day of September, 2003, to be effective as between the parties as of May 1, 2002.

W.N. McMurry, General Partner,
McMurry Limited Partnership

STATE OF WYOMING)
) ss.
COUNTY OF NATRONA)

The foregoing instrument was acknowledged before me this 30th day of September, 2003, by W.N. McMurry, General Partner, McMurry Limited Partnership.

My commission expires: Sept 19, 2005

Witness my hand and official seal.

NOTARY PUBLIC
DOROTHY REIMANN
STATE OF WYOMING
COUNTY OF NATRONA
My Commission Expires Sept. 19, 2005

Dorothy Reimann
Notary Public

300591

J:\ROSAS\McMurry\Assn to McMurry LLC\McMurry LP AssnBLM016162

RECORDED Oct. 29 2003 3:00 PM
IN BOOK 125 O+G PAGE 557
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By

Exhibit A

Attached to and made a part of that certain Assignment of Overriding Royalty Interest dated effective May 1, 2002, by and between McMurry Limited Partnership, as Assignor and McMurry Limited Liability Company, as Assignee.

Book-Page	Lessor	Lease Date	Exp. Date	Legal Description
12-36	USA WYW-016162	7/1/52	HBP	T30N R108W Sec 1: Lots 2,3,4, SW/4 NE/4, S/2 NW/4, S/2 Sec 2: All Sec 3: Lots 1,2,3,4, S/2 N/2, N/2 SE/4, SE/4 SE/4 Sec 11: W/2 E/2, NW/4 Sec 27: E/2, E/2 W/2, containing 2,352.17 acres, more or less. T30N R108W Sec 11: SW/4, containing 160 acres, more or less. Sublette County, Wyoming.

PRODUCERS 88-PAID UP
Rev. No. 1 (CBG)

OIL AND GAS LEASE

This Oil and Gas Lease ("Lease") is made this 1st day October, 2003 between John F. Arambel, Jr., as Trustee of the JPMM Mineral Trust dated December 9, 1999 whose address is 227 "H" Street; Rock Springs, WY 82901 ("Lessor", whether one or more), and Yates Petroleum Corporation whose address is 105 South 4th Street; Artesia, NM 88210, ("Lessee").

WITNESSETH, For and Consideration of TEN DOLLARS, the covenants and agreements contained herein, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, Lessor does hereby grant, demise, lease and let exclusively unto said Lessee, with the exclusive rights for the purposes of mining, exploring by geophysical and other methods and operating for and producing therefrom oil and all gas of whatsoever nature or kind (including coalbed gas), and laying pipelines, telephone and telegraph lines, building tanks, plants, power stations, roadways and structures thereon to produce, save and take care of said products (including dewatering of coalbed gas wells), and the exclusive surface or subsurface rights and privileges related in any manner to any and all such operations, and any and all other rights and privileges necessary, incident to, or convenient for the operation alone or conjointly with neighboring land for such purposes, all that certain tract or tracts of land situated in County, of Sublette, State of Wyoming, described to wit:

300620

RECORDED Nov. 3 2008 8:35AM
IN BOOK 125 OAG PAGE 559
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

Township 27 North, Range 106 West, 6th P.M.
Section 7: SESW
Section 17: SWNW
Section 18: NWNE, SENE

and containing 160.00 acres, more or less (the "Premises").

1. It is agreed that this Lease shall remain in full force for a term of Three (3) years from this date ("Primary Term") and as long thereafter as oil or gas of whatsoever nature or kind is produced from the Premises or on acreage pooled or unitized therewith, or operations are continued as hereinafter provided. If, at the expiration of the Primary Term, oil or gas is not being produced from the Premises or on acreage pooled or unitized therewith but Lessee is then engaged in drilling, reworking or dewatering operations thereon, then this Lease shall continue in force so long as such operations are being continuously prosecuted. Operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on the Premises or on acreage pooled or unitized therewith, the production thereof should cease from any cause after the primary term, this Lease shall not terminate if Lessee commences additional drilling, reworking or dewatering operations within ninety (90) days from date of cessation of production or from date of completion of a dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the Primary Term, this Lease shall continue in force so long as oil or gas is produced from the Premises or on acreage pooled or unitized therewith.

2. This is a PAID-UP LEASE. In consideration of the payment made herewith, 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 Premises and as to any strata or stratum, by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligations thereafter accruing as to the acreage surrendered.

3. The royalties to be paid by Lessee are: (a) on oil and other liquid hydrocarbons, Sixteen & two-thirds Percent (16.66%) of that produced and saved from said land, the same to be delivered at the wells, or to the credit of Lessor into the pipeline to which the wells may be connected; Lessee may from time to time purchase any royalty oil in its possession, paying the market price therefore prevailing for the field where produced on the date of purchase; (b) on gas and the constituents thereof produced from said land and sold or used off the premises or in the manufacture of products therefrom, the market value at the well of Sixteen & two-thirds Percent (16.66%) of the product sold or used. On products sold at the well, the royalty shall be Sixteen & two-thirds Percent (16.66%) of the net proceeds realized from such sale. All royalties paid on gas sold or used off the premises or in the manufacture of products therefrom will be paid after deducting from such royalty lessor's proportionate amount of all post-production costs, including but not limited to gross production and severance taxes, gathering and transportation costs from the wellhead to the point of sale, treating, compression, and processing. On product sold at the well, the royalty shall be Sixteen & two-thirds Percent (16.66%) of the net proceeds realized from such sale, after deducting from such royalty lessor's proportionate amount of all of the above post-production costs and expenses, if any.

4. Where Gas from a well capable of producing Gas (or from a well in which dewatering operations have commenced), is not sold or used after the expiration of the Primary Term, Lessee shall pay or tender as royalty to Lessor at the address set forth above One Dollar ($1.00) per year per net mineral acre, such payment or tender to be made on or before the anniversary date of this Lease next ensuing after the expiration of ninety (90) days from the date such well is shut in or dewatering operations are commenced and thereafter on or before the anniversary date of this Lease during the period such well is shut in or dewatering operations are being conducted

5. If Lessor owns a lesser interest in the Premises than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, Gas, oil and water produced on the Premises for Lessee's operations thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipeline below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on the Premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on the Premises.

10. Lessee shall have the right at any time to remove all machinery and fixtures (including casing) Leasee has placed on the Premises.

11. The rights of the Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Leasor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of the Premises shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this Lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the Premises and as to any one or more of the formations thereunder, to pool or unitize the leasehold estate and the mineral estate covered by this Lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling, reworking or dewatering operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this Lease shall be treated as if it were production, drilling, reworking or dewatering operations or a well shut in for want of a market under this Lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive royalties on production from such unit only on the portion of such production allocated to this Lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this Lease and included in the Unit bears to the total number of surface acres in such Unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the Premises 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 Premises 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 royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

PRODUCERS 88-PAID UP
Rev. No. 1 (CBG)

13. All express or implied covenants of this Lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this Lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation. Any delay or interruption caused by storm, flood, act of God or other event of force majeure shall not be counted against Lessee. If, due to the above causes or any cause whatsoever beyond the control of Lessee, Lessee is prevented from conducting operations hereunder, such time shall not be counted against Lessee, and this Lease shall be extended for a period of time equal to the time Lessee was so prevented, anything in this Lease to the contrary notwithstanding.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the Premises, insofar as said right of dower and homestead may in any way affect the purposes for which this Lease is made, as recited herein.

15. Should any one or more the parties named as Lessor herein fail to execute this Lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor", as used in this Lease, shall mean any one or more or all of the parties who execute this Lease as Lessor. All the provisions of this Lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

ADDITIONAL PROVISION:

16. Anything in this lease to the contrary notwithstanding, at expiration of the primary term of this lease, or if drilling operations are then in progress, then upon cessation of continuous drilling operations (no cessation of drilling operations for more than 180 consecutive days), each well then producing oil and/or gas in paying quantities shall perpetuate this lease only insofar as it covers the amount of acreage allocated to each well under the spacing regulations of the proper Federal or State Regulatory agency.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Signatures | Taxpayer Identification or SS No.

John F. Arambel, Jr., as Trustee of the
JPMM MINERAL TRUST dated December 9, 1999

By: John F. Arambel, Jr.

Title: Trustee

ACKNOWLEDGMENTS FOR USE IN ARIZONA, OREGON, NEBRASKA, KANSAS, COLO., WYOMING, N. DAKOTA, NEW MEXICO

(INDIVIDUAL ACKNOWLEDGMENT)

STATE OF Wyoming)
) SS.
COUNTY OF Sweetwater)

The foregoing instrument was acknowledged before me this 16 day of October, 2003, by John F. Arambel, Jr., as Trustee of the JPMM MINERAL TRUST dated December 9, 1999.

My Commission Expires: Mar. 5, 2007

Notary Public

County of Sweetwater State of Wyoming
My Commission Expires March 5, 2007

FORMS/O&G LEASE producers 88:cla
3/98

PRODUCERS 88-PAID UP
Rev. No. 1 (CBG)

OIL AND GAS LEASE

This Oil and Gas Lease ("Lease") is made this 1st day October, 2003 between John F. Arambel, Jr., as Trustee of the JPMM Mineral Trust dated December 9, 1999 whose address is 227 "H" Street; Rock Springs, WY 82901 ("Lessor", whether one or more), and Yates Petroleum Corporation whose address is 105 South 4th Street; Artesia, NM 88210, ("Lessee").

WITNESSETH, For and Consideration of TEN DOLLARS, the covenants and agreements contained herein, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, Lessor does hereby grant, demise, lease and let exclusively unto said Lessee, with the exclusive rights for the purposes of mining, exploring by geophysical and other methods and operating for and producing therefrom oil and all gas of whatsoever nature or kind (including coalbed gas), and laying pipelines, telephone and telegraph lines, building tanks, plants, power stations, roadways and structures thereon to produce, save and take care of said products (including dewatering of coalbed gas wells), and the exclusive surface or subsurface rights and privileges related in any manner to any and all such operations, and any and all other rights and privileges necessary, incident to, or convenient for the operation alone or conjointly with neighboring land for such purposes, all that certain tract or tracts of land situated in County, of Sublette, State of Wyoming, described to wit:

300621

RECORDED Nov. 3 2003 8:35 AM
IN BOOK 125 O+G PAGE 561
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

Township 27 North, Range 106 West, 6th P.M.
Section 20: W/2NE, SENE, E/2SE
Section 21: SWSW
Section 28: N/2NW

and containing 320.00 acres, more or less (the "Premises").

1. It is agreed that this Lease shall remain in full force for a term of Three (3) years from this date ("Primary Term") and as long thereafter as oil or gas of whatsoever nature or kind is produced from the Premises or on acreage pooled or unitized therewith, or operations are continued as hereinafter provided. If, at the expiration of the Primary Term, oil or gas is not being produced from the Premises or on acreage pooled or unitized therewith but Lessee is then engaged in drilling, reworking or dewatering operations thereon, then this Lease shall continue in force so long as such operations are being continuously prosecuted. Operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on the Premises or on acreage pooled or unitized therewith, the production thereof should cease from any cause after the primary term, this Lease shall not terminate if Lessee commences additional drilling, reworking or dewatering operations within ninety (90) days from date of cessation of production or from date of completion of a dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the Primary Term, this Lease shall continue in force so long as oil or gas is produced from the Premises or on acreage pooled or unitized therewith.

2. This is a PAID-UP LEASE. In consideration of the payment made herewith, 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 Premises and as to any strata or stratum, by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligations thereafter accruing as to the acreage surrendered.

3. The royalties to be paid by Lessee are: (a) on oil and other liquid hydrocarbons, Sixteen & two-thirds Percent (16.66%) of that produced and saved from said land, the same to be delivered at the wells, or to the credit of Lessor into the pipeline to which the wells may be connected; Lessee may from time to time purchase any royalty oil in its possession, paying the market price therefore prevailing for the field where produced on the date of purchase; (b) on gas and the constituents thereof produced from said land and sold or used off the premises or in the manufacture of products therefrom, the market value at the well of Sixteen & two-thirds Percent (16.66%) of the product sold or used. On products sold at the well, the royalty shall be Sixteen & two-thirds Percent (16.66%) of the net proceeds realized from such sale. All royalties paid on gas sold or used off the premises or in the manufacture of products therefrom will be paid after deducting from such royalty lessor's proportionate amount of all post-production costs, including but not limited to gross production and severance taxes, gathering and transportation costs from the wellhead to the point of sale, treating, compression, and processing. On product sold at the well, the royalty shall be Sixteen & two-thirds Percent (16.66%) of the net proceeds realized from such sale, after deducting from such royalty lessor's proportionate amount of all of the above post-production costs and expenses, if any.

4. Where Gas from a well capable of producing Gas (or from a well in which dewatering operations have commenced), is not sold or used after the expiration of the Primary Term, Lessee shall pay or tender as royalty to Lessor at the address set forth above One Dollar ($1.00) per year per net mineral acre, such payment or tender to be made on or before the anniversary date of this Lease next ensuing after the expiration of ninety (90) days from the date such well is shut in or dewatering operations are commenced and thereafter on or before the anniversary date of this Lease during the period such well is shut in or dewatering operations are being conducted

5. If Lessor owns a lesser interest in the Premises than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, Gas, oil and water produced on the Premises for Lessee's operations thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipeline below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on the Premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on the Premises.

10. Lessee shall have the right at any time to remove all machinery and fixtures (including casing) Lessee has placed on the Premises.

11. The rights of the Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of the Premises shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this Lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the Premises and as to any one or more of the formations thereunder, to pool or unitize the leasehold estate and the mineral estate covered by this Lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling, reworking or dewatering operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this Lease shall be treated as if it were production, drilling, reworking or dewatering operations or a well shut in for want of a market under this Lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive royalties on production from such unit only on the portion of such production allocated to this Lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this Lease and included in the Unit bears to the total number of surface acres in such Unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the Premises 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 Premises 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 royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

PRODUCERS 88-PAID UP
Rev. No. 1 (CBG)

13. All express or implied covenants of this Lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this Lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation. Any delay or interruption caused by storm, flood, act of God or other event of force majeure shall not be counted against Lessee. If, due to the above causes or any cause whatsoever beyond the control of Lessee, Lessee is prevented from conducting operations hereunder, such time shall not be counted against Lessee, and this Lease shall be extended for a period of time equal to the time Lessee was so prevented, anything in this Lease to the contrary notwithstanding.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the Premises, insofar as said right of dower and homestead may in any way affect the purposes for which this Lease is made, as recited herein.

15. Should any one or more the parties named as Lessor herein fail to execute this Lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor", as used in this Lease, shall mean any one or more or all of the parties who execute this Lease as Lessor. All the provisions of this Lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

ADDITIONAL PROVISION:

16. Anything in this lease to the contrary notwithstanding, at expiration of the primary term of this lease, or if drilling operations are then in progress, then upon cessation of continuous drilling operations (no cessation of drilling operations for more than 180 consecutive days), each well then producing oil and/or gas in paying quantities shall perpetuate this lease only insofar as it covers the amount of acreage allocated to each well under the spacing regulations of the proper Federal or State Regulatory agency.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Signatures — Taxpayer Identification or SS No.

John F. Arambel, Jr., as Trustee of the
JPMM MINERAL TRUST dated December 9, 1999

By: John F. Arambel, Jr.

Title: Trustee

ACKNOWLEDGMENTS FOR USE IN ARIZONA, OREGON, NEBRASKA, KANSAS, COLO., WYOMING, N. DAKOTA, NEW MEXICO

STATE OF Wyoming)
) SS.
COUNTY OF Sweetwater)

(INDIVIDUAL ACKNOWLEDGMENT)

The foregoing instrument was acknowledged before me this 16 day of October, 2003, by John F. Arambel, Jr., as Trustee of the JPMM MINERAL TRUST dated December 9, 1999.

My Commission Expires: March 5, 2007

Notary Public

County of Sweetwater State of Wyoming
My Commission Expires March 5, 2007

FORMS/O&G LEASE producers 88:cla
3/98

CORRECTION OF DESCRIPTION OF LEASE

WHEREAS, the undersigned, as the lessor, did under the date of July 3, 2003, make and execute unto Contex Energy Company as lessee, that certain oil and gas lease, covering the certain lands owned by me, situated in Sublette County. State of Wyoming, and described in said lease as follows, to-wit:

TOWNSHIP 34 NORTH, RANGE 113 WEST
Section 1: N/2SE, SESE, S/2NE
Section 12: SE, SENE
Section 13: NE, N/2SE, SESE
Section 21: SENE, NESW, NWSE

TOWNSHIP 34 NORTH, RANGE 112 WEST
Section 5: NWSW, S/2SW
Section 6: Lots 5 (38.51), 6 (38.55), 7 (38.60) SENW, E/2SW
Section 7: Lots 1 (38.65), 2 (38.72), 3 (38.78), 4 (38.85), NE, E/2NW, E/2SW, N/2SE, SWSE
Section 8: NWSW, NW
Section 18: Lots 1 (38.89), 2 (38.90), 3 (38.92), 4 (38.93), E/2NW, W/2NE, NWSE, NESW
and containing 2,506.30 acres, more or less
Sublette County, Wyoming

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 34 NORTH, RANGE 113 WEST
Section 1: N/2SE, SESE, S/2NE
Section 12: SE, SENE
Section 13: NE, N/2SE,SESE
Section 21: SENE, NESW, NWSE

TOWNSHIP 34 NORTH, RANGE 112 WEST
Section 5: NWSW, S/2SW
Section 6: Lots 5 (38.51), 6 (38.55), 7 (38.60) SENW, E/2SW
Section 7: Lots 1 (38.65), 2 (38.72), 3 (38.78), 4 (38.85), NE, E/2NW, E/2SW, N/2SE, SWSE
Section 8: NWSW, NW
Section 18: Lots 1 (38.89), 2 (38.90), 3 (38.92), 4 (38.93), E/2NW, W/2NE, NWSE, NESW
and containing 2,346.30 acres, more or less
Sublette County, Wyoming

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, I do hereby declare that it was and is my intention to lease for oil and gas purposes the identical tract of land last above described; and I 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 this 29 day of October, 2003

Mary Ruth Nelson
Mary Ruth Nelson

300628

RECORDED Nov. 3 2003 10:35a M
IN BOOK 125 046 PAGE 563
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

564

ACKNOWLEDGEMENT

STATE OF

COUNTY OF

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 29th day of October, 2003, personally appeared Mary Ruth Nelson, 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 and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: Aug. 25, 2007

Bonnie Doyle
Notary Public

Address: 11 Pioneer Blvd
Mesquite, NV 89027

NOTARY PUBLIC
STATE OF NEVADA
County of Clark
BONNIE DOYLE
No: 03-83978-1
My Appointment Expires Aug. 25, 2007

CORRECTION OF DESCRIPTION OF LEASE

WHEREAS, the undersigned, as the lessor, did under the date of July 3, 2003, make and execute unto Contex Energy Company as lessee, that certain oil and gas lease, covering the certain lands owned by me, situated in Sublette County. State of Wyoming, and described in said lease as follows, to-wit:

TOWNSHIP 34 NORTH, RANGE 113 WEST
Section 1: N/2SE, SESE, S/2NE
Section 12: SE, SENE
Section 13: NE, N/2SE, SESE
Section 21: SENE, NESW, NWSE

TOWNSHIP 34 NORTH, RANGE 112 WEST
Section 5: NWSW, S/2SW
Section 6: Lots 5 (38.51), 6 (38.55), 7 (38.60) SENW, E/2SW
Section 7: Lots 1 (38.65), 2 (38.72), 3 (38.78), 4 (38.85), NE, E/2NW, E/2SW, N/2SE, SWSE
Section 8: NWSW, NW
Section 18: Lots 1 (38.89), 2 (38.90), 3 (38.92), 4 (38.93), E/2NW, W/2NE, NWSE, NESW
and containing 2,506.30 acres, more or less
Sublette County, Wyoming

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 34 NORTH, RANGE 113 WEST
Section 1: N/2SE, SESE, S/2NE
Section 12: SE, SENE
Section 13: NE, N/2SE,SESE
Section 21: SENE, NESW, NWSE

TOWNSHIP 34 NORTH, RANGE 112 WEST
Section 5: NWSW, S/2SW
Section 6: Lots 5 (38.51), 6 (38.55), 7 (38.60) SENW, E/2SW
Section 7: Lots 1 (38.65), 2 (38.72), 3 (38.78), 4 (38.85), NE, E/2NW, E/2SW, N/2SE, SWSE
Section 8: NWSW, NW
Section 18: Lots 1 (38.89), 2 (38.90), 3 (38.92), 4 (38.93), E/2NW, W/2NE, NWSE, NESW
and containing 2,346.30 acres, more or less
Sublette County, Wyoming

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, I do hereby declare that it was and is my intention to lease for oil and gas purposes the identical tract of land last above described; and I 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 this 22 day of October, 2003

Mary A. Bridger
Mary A. Bridger

300629

RECORDED Nov. 3 2003 10:35 AM
IN BOOK 1250+6 PAGE 565
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

ACKNOWLEDGEMENT

STATE OF Montana
COUNTY OF Gallatin

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 22nd day of October, 2003, personally appeared Mary A. Bridger, 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 and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: 8/30/2007

Shelley Beal
Notary Public Shelley Beal
Address: 2023 Burke St.
Bozeman, Mt. 59718

SEAL

[redacted] [redacted] [redacted]

CORRECTION OF DESCRIPTION OF LEASE

WHEREAS, the undersigned, as the lessor, did under the date of July 3, 2003, make and execute unto Contex Energy Company as lessee, that certain oil and gas lease, covering the certain lands owned by me, situated in Sublette County. State of Wyoming, and described in said lease as follows, to-wit:

TOWNSHIP 34 NORTH, RANGE 113 WEST
Section 1: N/2SE, SESE, S/2NE
Section 12: SE, SENE
Section 13: NE, N/2SE, SESE
Section 21: SENE, NESW, NWSE

TOWNSHIP 34 NORTH, RANGE 112 WEST
Section 5: NWSW, S/2SW
Section 6: Lots 5 (38.51), 6 (38.55), 7 (38.60) SENW, E/2SW
Section 7: Lots 1 (38.65), 2 (38.72), 3 (38.78), 4 (38.85), NE, E/2NW, E/2SW, N/2SE, SWSE
Section 8: NWSW, NW
Section 18: Lots 1 (38.89), 2 (38.90), 3 (38.92), 4 (38.93), E/2NW, W/2NE, NWSE, NESW
and containing 2,506.30 acres, more or less
Sublette County, Wyoming

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 34 NORTH, RANGE 113 WEST
Section 1: N/2SE, SESE, S/2NE
Section 12: SE, SENE
Section 13: NE, N/2SE,SESE
Section 21: SENE, NESW, NWSE

TOWNSHIP 34 NORTH, RANGE 112 WEST
Section 5: NWSW, S/2SW
Section 6: Lots 5 (38.51), 6 (38.55), 7 (38.60) SENW, E/2SW
Section 7: Lots 1 (38.65), 2 (38.72), 3 (38.78), 4 (38.85), NE, E/2NW, E/2SW, N/2SE, SWSE
Section 8: NWSW, NW
Section 18: Lots 1 (38.89), 2 (38.90), 3 (38.92), 4 (38.93), E/2NW, W/2NE, NWSE, NESW
and containing 2,346.30 acres, more or less
Sublette County, Wyoming

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, I do hereby declare that it was and is my intention to lease for oil and gas purposes the identical tract of land last above described; and I 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 this 22 day of October, 2003

Barbara J. Tonn
Barbara J. Tonn

300630

RECORDED Nov. 3 2003 10:35AM
IN BOOK 125046 PAGE 567
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

ACKNOWLEDGEMENT

STATE OF Montana
COUNTY OF Gallatin

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 22nd day of October, 2003, personally appeared Barbara J. Tonn, 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 and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: 8/30/2007

Shelley Beal
Notary Public Shelley Beal
Address: 2023 Burke St.
Bozeman, Mt. 59718

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

STIPULATION OF INTERESTS

This instrument affects only the following described lease and lands located in Sublette County, Wyoming to wit:

U.S.A. Oil and Gas Lease WYW-133071 insofar only as it covers,
Township 28 North, Range 109 West, 6th P.M.
Section 4: Lot 1(43.03 acres), SW/4SE/4
Section 9: NW/4, SE/4

said lease and lands being hereinafter referred to as the "Subject Lease and Lands". This instrument is entered into as of May 1, 2003 but is effective as of April 19, 2000 among the following parties, hereinafter collectively referred to as:

Working Interest Owners

McMurry Oil Company a Wyoming Corporation 950 17th Street, Suite 2600 Denver, CO 80202 ("McMurry")	65.334%
EnCana Oil & Gas (USA) Inc. 950 17th Street, Suite 2600 Denver, CO 80202	34.666%

300793

RECORDED Nov. 10 2003 10:30 AM
IN BOOK 125 O&G PAGE 569
FEES $ 173.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

Overriding Royalty Interest Owners

Yvonneda M. Martin, Trustee of the Vonnie M. Martin Living Trust dated December 22, 2000 1790 Diamond Hitch Dr. Jackson, WY 83001	.170000%
John W. Martin, Trustee of the Falcon Trust U/A dated December 15, 2000 P. O. Box 50190 Casper, Wyoming 82605-0190	1.830000%
NERD Royalties, LLC 5410 E 22nd Street Casper, Wyoming 82609	1.183125%
Doris McMurry P.O. Box 50790 Casper, WY 82605 ("Doris")	.295000%
Victor L. McMurry P.O. Box 1519 Pinedale, WY 82941 ("Victor")	.250000%
Susan Anne Samuelson 1960 US Hwy 85 Cheyenne, WY 82009 ("Samuelson")	.250000%
Carol J. McMurry 1151 Eagle Drive, #463 Loveland, CO 80537 ("Carol")	.250000%
Gayle L. Kinnison P.O. Box 1433 Pinedale, WY 82941 ("Kinnison")	.250000%

April L. Wenzel and Gary R. Wenzel, Co-Trustees of the April L. Wenzel Family Trust U/A dated November 2, 2001 P.O. Box 67 36 Long Trail Douglas, WY 82633	.125000%
April L. Wenzel and Gary R. Wenzel, Co-Trustees of the Gary R. Wenzel Family Trust U/A dated November 2, 2001 P.O. Box 67 36 Long Trail Douglas, WY 82633	.125000%
Kelly Sue Mortimer 468 N Six Mile Road Casper, WY 82604 ("Mortimer")	.250000%
McMurry Limited Liability Company P.O. Box 50790 Casper, WY 82605	.250000%
Joseph J. Scott P.O. Box 928 Riverton, WY 82501 ("Scott")	.375000%
James W. Curry 1916 Rustic Drive Casper, WY 82609 ("Curry")	.375000%
Annita Ealum 3720 E 18th Street Casper, WY 82609 ("Ealum")	.062500%
Judy Lund formerly known as Judy Bannon 3935 Dorset Court Casper, WY 82609-2419 ("Lund")	.062500%
Casey Osborn P.O. Box 561 Sheridan, WY 82801 ("Osborn")	.062500%
Edward M. Warner P.O. Box 480046 Denver, CO 80248-0046	.070000%
Marshall C. Crouch, III 123 S. Indiana Way Golden, CO 80401	.166665%
Jane R. Crouch 123 S. Indiana Way Golden, CO 80401	.166665%

[redacted] [redacted] [redacted]

WRW Energy Company
3070 East 4th Avenue
Denver, CO 80206-4352 ("WRW") 1.806250%

Greene Family Oil & Gas Limited Partnership
5905 Green Meadow Dr.
Cheyenne, WY 82001 ("Greene") .184240%

Dianne's Oil & Gas LLC
3023 Intracoastal View Drive
Mt. Pleasant, SC 29466 .177010%

McMurry Oil Company
a Wyoming Corporation
950 17th Street, Suite 2600
Denver, CO 80202 ("McMurry") 0.421440%

RECITALS

1. USA Oil and Gas Lease WYW-133071 issued effective August 1, 1994 to McMurry Oil Company covering the following described lands located in Sublette County, Wyoming:

Township 28 North, Range 109 West, 6th P.M.
Section 4: Lots 1, 3, SW/4 SW/4, SW/4 SE/4
Section 9: All

containing 810.49 acres, more or less

said lease being recorded in the records of Sublette County, Wyoming, July 20, 1994 in Book 97 of Oil and Gas at page 459.

2. By Transfer of Operating Rights dated October 10, 1994 and recorded on December 27, 1994 in Book 100 O&G at page 174 of the records of Sublette County, Wyoming, McMurry Oil Company assigned unto Snyder Oil Corporation 100.0% of the operating rights in the subject oil and gas lease insofar as said lease covers the following described lands:

Township 28 North, Range 109 West, 6th P.M.
Section 4: Lot 3, SW/4 SW/4
Section 9: NE/4, SW/4

3. By Assignment of Record Title dated April 19, 1996 and recorded on May 1, 1996 in Book 103 O&G at page 342 of the records of Sublette County, Wyoming, McMurry Oil Company assigned a 50.5% record title interest in the subject oil and gas lease insofar as the same covers the following described lands:

Township 28 North, Range 109 West, 6th P.M.
Section 4: Lot 1, SW/4SE/4
Section 9: NW/4, SE/4

to the following assignees in the stated percentages:

Fort Collins Consolidated
Royalties, Inc. 36.125%

Nerd Enterprises, Inc. 12.375%

Edward M. Warner 2.000%

The assignor retained a 49.5% interest in the lease. In the assignment, the assignor reserved an overriding royalty of 4.0% with no provision for proportionate reduction.

4. By Assignment of Record Title dated April 25, 1996, approved August 26, 1996 to be effective June 1, 1996, McMurry Oil Company, Nerd Enterprises, Inc., Fort Collins Consolidated Royalties, Inc. and Edward M. Warner assigned unto CoEnergy Rockies, Inc. a 33.333% record title interest in the subject oil and gas lease insofar as the same covers the subject lands. It was stipulated that the assignors were assigning the following interests to the assignee:

McMurry Oil Company	16.500%
Fort Collins Consolidated Royalties, Inc.	12.041%
Nerd Enterprises, Inc.	4.125%
Edward M. Warner	.667%

In the assignment, the assignors reserved an overriding royalty of 7.5% inclusive of all preexisting lease burdens. A separate confirmatory document entitled Conveyance, Assignment and Bill of Sale was recorded. This instrument was dated April 25, 1996, to be effective April 1, 1996. It was recorded on April 30, 1996 in Book 103 O&G at page 309 of the records of Sublette County, Wyoming.

5. By Assignment of Overriding Royalty dated May 28, 1996 and recorded on July 1, 1996 in Book 103 O&G at page 476 of the records of Sublette County, Wyoming, CoEnergy Rockies, Inc. assigned a 1.0% overriding royalty, proportionately reduced, to the following assignees:

Marshall C. Crouch, III	.5%
Jane R. Crouch	.5%

6. CoEnergy Rockies, Inc. merged into MCNIC Oil & Gas Properties, Inc. effective July 1, 1997. By Assignment of Record Title dated April 15, 1999 and by a separate confirmatory document entitled Agreement and Contribution of Properties which was recorded on April 28, 1999 in Book 111 O&G at page 143 of the records of Sublette County, Wyoming, MCNIC Oil & Gas Properties, Inc. assigned unto Rockies Acquisition Properties, Inc. all of its 33.333% interest in the subject oil and gas lease insofar it covers the subject lands and other lands.

7. Rockies Acquisition Properties, Inc. changed its name to Williams Production Rocky Mountain Company as recognized by Bureau of Land Management Notice of July 8, 1999.

8. By Assignment of Overriding Royalty Interest dated effective April 19, 2000 and recorded on August 31, 2000 in Book 116 O&G at page 74 of the records of Sublette County, Wyoming, McMurry Oil Company assigned a 4.0% overriding royalty on the subject oil and gas lease insofar as it covers the subject lands to the following assignees in the stated percentages:

John W. Martin	.2675%
Doris McMurry	.2950%
Neil A. McMurry	.7500%
Victor L. McMurry	.2500%
Susan Anne Samuelson	.2500%

Carol J. McMurry	.2500%
Gayle L. Kinnison	.2500%
Gary R. Wenzel	.2500%
Kelly Sue Mortimer	.2500%
McMurry Limited Liability Company	.2500%
Joseph J. Scott	.3750%
James W. Curry	.3750%
Annita Ealum	.0625%
Judy Lund, formerly known as Judy Bannon	.0625%
Casey Osborn	.0625%

The assignment also covered other lands and leases. It contained proportionate reduction provisions which would reduce the overriding royalty in the event the assignor owned less than a full working interest. This was not the intent of the parties.

9. By Assignment of Overriding Royalty Interest dated effective April 26, 2000 and recorded on September 26, 2000 in Book 116 O&G at page 208 of the records of Sublette County, Wyoming, Nerd Enterprises, Inc. assigned unto Mick McMurry, also known as Neil A. McMurry, a 3.5% overriding royalty on Lease WYW-133071, among other leases. This instrument provided that in the event the assignor's leasehold interest is less than 100.0% in the lease, the assigned overriding royalty would be proportionately reduced. The assignment was effective to convey a 0.28875% overriding royalty (i.e. 3.5% x 8.25%). However, it was the intent of Nerd Enterprises, Inc to assign a 0.433125% overriding royalty or a 3.5% overriding royalty interest proportionately reduced by the 12.375% working interest it had owned prior to the assignment to CoEnergy Rockies, Inc.

10. By Assignment of Overriding Royalty Interest dated effective April 26, 2000 and recorded on September 28, 2000 in Book 116 O&G at page 251 of the records of Sublette County, Wyoming, McMurry Oil Company assigned unto John W. Martin a 3.5% overriding royalty on Lease WYW-133071, among other leases. This instrument provided that in the event the assignor's leasehold interest is less than 100.0% in the lease, the assigned overriding royalty would be proportionately reduced. At the time of this assignment, McMurry owned a 33.0% interest in the lease. It also owned an additional .5775% overriding royalty reserved in the assignment to CoEnergy Rockies, Inc. It was the intent of McMurry Oil Company to assign a 1.7325% overriding royalty (i.e. 3.5% overriding royalty interest proportionately reduced by the 49.5% working interest it had owned prior to the assignment to CoEnergy Rockies, Inc.). However, due to the wording of this assignment it may have been effective to convey only a 1.155% (i.e. 3.5% of 33%) overriding royalty.

11. By Assignment of Overriding Royalty Interest dated May 29, 2000 and recorded on October 24, 2000 in Book 116 O&G at page 421 of the records of Sublette County, Wyoming, Fort Collins Consolidated Royalties, Inc. assigned the following overriding royalties on the subject oil and gas lease insofar as it covers the subject lands:

WRW Energy Co.	1.80625%
Dianne E. Greene	.36125%

There is no provision for proportionate reduction in the assignment.

12. By Assignment of Overriding Royalty Interest dated December 21, 2000 and recorded on February 7, 2001 in Book 117 O&G at page 233 of the records of Sublette County, Wyoming, John W. Martin assigned a 2.0% overriding royalty interest on the subject oil and gas lease insofar as the same covers the lands under examination to the following assignees:

Yvonneda M. Martin	8.50%
John W. Martin, Trustee of the Falcon Trust U/A December 15, 2000	91.50%

The assignment also covered other lands and leases. At the time of this assignment, John W. Martin owned only a .2675% overriding royalty which was acquired by virtue of the instrument referred to in Paragraph No. 8 above together with the 1.155% overriding royalty acquired from McMurry Oil Company by virtue of the instrument referred to in Paragraph No.10 above. However, it was intended that the assignment described in Paragraph No. 10 convey to John W. Martin a 1.7325% overriding royalty instead of 1.155% override, and if such is the case, Mr. Martin would have owned a 2.0% overriding royalty at the time of the conveyance referred to in this Paragraph No. 12.

13. NERD Enterprises, Inc. merged into McMurry Oil Company effective December 29, 2000.

14. By Assignment and Bill of Sale Agreement dated effective December 29, 2000 and recorded on October 1, 2001 in Book 119 O&G at page 318 of the records of Sublette County, Wyoming, Fort Collins Consolidated Royalties, Inc. assigned unto McMurry Oil Company all of its right, title and interest in the subject oil and gas lease insofar it covers the subject lands and other lands and leases.

15. By Assignment of Record Title dated February 8, 2001 and a confirmatory assignment entitled Assignment and Assumption Agreement dated effective November 1, 2000 was recorded on February 6, 2001 in Book 117 O&G at page 214 of the records of Sublette County, Wyoming, Edward M. Warner assigned unto Williams Production Rocky Mountain Company all of his 1.333% record title interest in the subject oil and gas lease insofar as it covers the subject lands and other lands and leases. The assignor reserved an overriding royalty equal to the difference between existing burdens and 20.0%.

16. By Assignment and Conveyance dated effective December 14, 2001 and recorded on January 15, 2002 in Book 120 O&G at page 556 of the records of Sublette County, Wyoming, Gary R. Wenzel assigned all of his .25% overriding royalty interest on the subject oil and gas lease, among other leases, to the following assignees:

April L. Wenzel and Gary R. Wenzel, Co-Trustees of the April L. Wenzel Family Trust U/A November 2, 2001	50.0%

April L. Wenzel and Gary R. Wenzel, Co-Trustees of the Gary R. Wenzel Family Trust U/A November 2, 2001	50.0%

17. By Assignment of Overriding Royalty Interest dated December 18, 2001 and recorded on January 18, 2002 in Book 120 O&G at page 614 of the records of Sublette County, Wyoming, Dianne E. Greene assigned all of her .36125% overriding royalty interest on the subject oil and gas lease, among other leases, to the following assignees:

Greene Family Oil & Gas Limited Partnership	51.0%
Dianne's Oil & Gas LLC	49.0%

18. By Assignment of Overriding Royalty Interest dated April 30, 2002 and recorded on May 8, 2002 in Book 121 O&G at page 526 of the records of Sublette County, Wyoming, to be effective April 1, 2002, Neil A. McMurry, a/k/a Mick McMurry, assigned unto NERD Royalties, LLC all of his overriding royalty on the subject oil and gas lease insofar as it covers the subject lands and other lands and leases. At the time of this assignment, the assignor owned a .75% overriding royalty acquired by virtue of the instrument referred to in Paragraph No.8 above together with a 0.28875% overriding royalty acquired by virtue of the instrument referred to in Paragraph No. 9 above, being a total of a 1.03875% overriding royalty. However, it was the intent of the assignment to convey a 1.183125% overriding royalty (i.e. 0.75% plus 0.433125%).

19. By government short form Assignment of Record Title effective July 1, 2002, approved effective September 1, 2002 and recorded on July 30, 2002 in Book 122 O&G at page 130 of the records of Sublette County, Wyoming, Williams Production Rocky Mountain Company assigned to EnCana Oil & Gas (USA) Inc. all of its interest in the subject lease insofar as it covers the subject lands and other lands.

20. By Assignment of Overriding Royalty Interest dated December 30, 2002, effective November 1, 2002 and recorded on January 17, 2003 in Book 123 O&G at page 555 of the records of Sublette County, Wyoming, Yvonneda M. Martin assigned all of her overriding royalty interest in the subject oil and gas lease insofar as the same covers the lands under examination and other leases to Yvonneda M. Martin, Trustee of the Vonnie M. Martin Living Trust dated December 22, 2000.

WHEREAS, the parties desire to stipulate as to their respective interests in the Subject Leases and Lands and as to the manner in which the interests of the Working Interest Owners bear the interests of the Overriding Royalty Interest Owners therein.

NOW, THEREFORE, for and in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby confessed and acknowledged, it is hereby stipulated and agreed as follows:

1. The oil and gas leasehold working interest and operating rights from the surface to all depths in the Subject Leases and Lands are owned by the Working Interest Owners in the undivided percentages described on page one above, said percentage shares being hereby incorporated herein.

2. The overriding royalty interests of Marshall C. Crouch, III, Jane R. Crouch, Edward M Warner and McMurry Oil Company are borne solely by EnCana Oil & Gas (USA) Inc.

3. The overriding royalty of WRW Energy Co., the Greene Family Oil &Gas Limited Partnership, and Dianne's Oil & Gas LLC are borne solely by McMurry Oil Company, as successor in interest to Fort Collins Consolidated Royalties, Inc.

4. It was the intent of the Working Interest Owners that the Assignment of Overriding Royalty Interest dated effective April 19, 2000 and recorded on August 31, 2000 in Book 116 O&G at page 74 of the records of Sublette County, Wyoming, from McMurry Oil Company to John W. Martin et al. of a 4.0% overriding royalty was to burden all of the working interests owners proportionately and not be proportionately reduced to the working interest of McMurry Oil Company. Therefore, the burdens of the overriding royalty owners and their successors in paragraph No. 8 on pages 4 and 5 of this Stipulation are borne proportionally by the working interests of each of the Working Interest Owners.

5. It was the intent of McMurry Oil Company that the Assignment of Overriding Royalty Interest dated effective April 26, 2000 from McMurry Oil Company to John W. Martin of a 3.5% overriding royalty be proportionately reduced by the 49.5% working interest that McMurry Oil Company owned before it assigned a 16.5% record title interest to CoEnergy Rockies, Inc. Therefore, this 1.7325% overriding royalty (i.e. 49.5% x .035 now owned by Yvonneda M. Martin, Trustee of the Vonnie M. Martin Living Trust dated December 22, 2000, and John W. Martin, Trustee of the Falcon Trust U/A dated December 15, 2000) burdens McMurry Oil Company 2/3rds and EnCana Oil & Gas (USA) Inc., as successor to CoEnergy Rockies, Inc., 1/3rd.

6. It was the intent of NERD Enterprises, Inc. that the Assignment of Overriding Royalty Interest dated effective April 26, 2000 from NERD Enterprises, Inc. to Neil A. McMurry of a 3.5% overriding royalty be proportionately reduced by the 12.375% working interest that NERD Enterprises, Inc. owned before it assigned a 4.125% record title interest to CoEnergy Rockies, Inc. Therefore, this .433125% overriding royalty (i.e. 12.375% x .035 now owned by NERD Royalties LLC) burdens McMurry Oil Company, as the successor to NERD Enterprises, Inc. 2/3rds and EnCana Oil & Gas (USA) Inc., as successor to CoEnergy Rockies, Inc., 1/3rd.

7. Neil A. McMurry referred to above is one and the same person as Mick McMurry.

8. As a result of the conveyances described in the Recitals the net revenue interests attributable to the working interests of the Working Interest Owners in the Subject Leases and Lands are as follows:

Working Interest Owner	Working Interest	Net Revenue Interest
McMurry	65.334%	50.942640%
EnCana	34.666%	27.399465%

9. Each of the parties hereby grants and conveys to the other, without warranty of title, such interests in the Subject Leases and Lands as may be necessary to effect the ownership of the Subject Leases and Lands as set forth herein. To the extent that it may be reasonably determined by any party hereto that additional conveyances are required to effect the intent of the parties as evidenced by this instrument, each of the parties hereto for itself and its heirs, personal representatives, successors and assigns, hereby covenants and agrees to execute such conveyances as may be required to establish the ownership of the Subject Leases and Lands in a manner consistent with this stipulation. This covenant shall constitute a covenant running with the Subject Leases and Lands at law.

10. This instrument may be executed in multiple counterparts and shall be effective when each of the parties hereto executes this instrument or an identical counterpart hereof.

IN WITNESS WHEREOF this instrument is dated as of the day and year first above written.

[redacted] [redacted] [redacted]

WORKING INTEREST OWNERS

ATTEST:

Name: Mary A Viviano
Title: Secretary
Date: May 27, 2003

ENCANA OIL & GAS (USA) INC.

By: _____
Gary Gardiner, VP-North American Business Unit
Date: May 27, 2003

ATTEST:

Name: Mary A Viviano
Title: Secretary
Date: May 27, 2003

McMURRY OIL COMPANY

By: _____
Gary Gardiner, VP-North American Business Unit
Date: May 27, 2003

OVERRIDING ROYALTY INTEREST OWNERS

VONNIE M. MARTIN LIVING TRUST DATED DECEMBER 22, 2000

_____
By: YVONNEDA M. MARTIN, TRUSTEE

THE FALCON TRUST U/A DATED DECEMBER 15, 2000

_____
By: JOHN W. MARTIN, TRUSTEE

NERD ROYALTIES LLC

By: _____
_____, its Manager

_____
DORIS McMURRY

_____
VICTOR L. McMURRY

_____
SUSAN ANNE SAMUELSON

_____
CAROL J. McMURRY

WORKING INTEREST OWNERS

ATTEST:

ENCANA OIL & GAS (USA) INC.

_____
Name:_____
Title:_____
Date:_____

By:_____
Gary Gardiner, VP-North American Business Unit
Date:_____

ATTEST:

McMURRY OIL COMPANY

_____
Name:_____
Title:_____
Date:_____

By:_____
Gary Gardiner, VP-North American Business Unit
Date:_____

OVERRIDING ROYALTY INTEREST OWNERS

VONNIE M. MARTIN LIVING TRUST DATED DECEMBER 22, 2000

Yvonneda M. Martin
By: YVONNEDA M. MARTIN, TRUSTEE

THE FALCON TRUST U/A DATED DECEMBER 15, 2000

_____
By: JOHN W. MARTIN, TRUSTEE

NERD ROYALTIES LLC

By:_____
_____, its Manager

_____
DORIS McMURRY

_____
VICTOR L. McMURRY

_____
SUSAN ANNE SAMUELSON

_____
CAROL J. McMURRY

[redacted] [redacted] [redacted]

WORKING INTEREST OWNERS

ATTEST:

ENCANA OIL & GAS (USA) INC.

_____
Name:_____
Title:_____
Date:_____

By:_____
Gary Gardiner, VP-North American Business Unit
Date:_____

ATTEST:

McMURRY OIL COMPANY

_____
Name:_____
Title:_____
Date:_____

By:_____
Gary Gardiner, VP-North American Business Unit
Date:_____

OVERRIDING ROYALTY INTEREST OWNERS

VONNIE M. MARTIN LIVING TRUST DATED DECEMBER 22, 2000

_____
By: YVONNEDA M. MARTIN, TRUSTEE

THE FALCON TRUST U/A DATED DECEMBER 15, 2000

_____
By: JOHN W. MARTIN, TRUSTEE

NERD ROYALTIES LLC

By:_____
_____, its Manager

_____
DORIS McMURRY

_____
VICTOR L. McMURRY

_____
SUSAN ANNE SAMUELSON

_____
CAROL J. McMURRY

WORKING INTEREST OWNERS

ATTEST:

ENCANA OIL & GAS (USA) INC.

_____
Name:_____
Title:_____
Date:_____

By:_____
Gary Gardiner, VP-North American Business Unit
Date:_____

ATTEST:

McMURRY OIL COMPANY

_____
Name:_____
Title:_____
Date:_____

By:_____
Gary Gardiner, VP-North American Business Unit
Date:_____

OVERRIDING ROYALTY INTEREST OWNERS

VONNIE M. MARTIN LIVING TRUST DATED DECEMBER 22, 2000

_____
By: YVONNEDA M. MARTIN, TRUSTEE

THE FALCON TRUST U/A DATED DECEMBER 15, 2000

_____
By: JOHN W. MARTIN, TRUSTEE

NERD ROYALTIES LLC

By: Neil A. McMurry
Neil A. McMurry, its Manager

_____
DORIS McMURRY

_____
VICTOR L. McMURRY

_____
SUSAN ANNE SAMUELSON

_____
CAROL J. McMURRY

[redacted] [redacted] [redacted]

WORKING INTEREST OWNERS

ATTEST:

ENCANA OIL & GAS (USA) INC.

_____
Name: _____
Title: _____
Date: _____

By: _____
Gary Gardiner, VP-North American Business Unit
Date: _____

ATTEST:

McMURRY OIL COMPANY

_____
Name: _____
Title: _____
Date: _____

By: _____
Gary Gardiner, VP-North American Business Unit
Date: _____

OVERRIDING ROYALTY INTEREST OWNERS

VONNIE M. MARTIN LIVING TRUST DATED DECEMBER 22, 2000

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By: YVONNEDA M. MARTIN, TRUSTEE

THE FALCON TRUST U/A DATED DECEMBER 15, 2000

_____
By: JOHN W. MARTIN, TRUSTEE

NERD ROYALTIES LLC

By: _____
_____, its Manager

Doris McMurry
DORIS McMURRY

_____
VICTOR L. McMURRY

_____
SUSAN ANNE SAMUELSON

_____
CAROL J. McMURRY

WORKING INTEREST OWNERS

ATTEST:

ENCANA OIL & GAS (USA) INC.

_____
Name:_____
Title:_____
Date:_____

By:_____
Gary Gardiner, VP-North American Business Unit
Date:_____

ATTEST:

McMURRY OIL COMPANY

_____
Name:_____
Title:_____
Date:_____

By:_____
Gary Gardiner, VP-North American Business Unit
Date:_____

OVERRIDING ROYALTY INTEREST OWNERS

VONNIE M. MARTIN LIVING TRUST DATED DECEMBER 22, 2000

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By: YVONNEDA M. MARTIN, TRUSTEE

THE FALCON TRUST U/A DATED DECEMBER 15, 2000

_____
By: JOHN W. MARTIN, TRUSTEE

NERD ROYALTIES LLC

By:_____
_____, its Manager

_____
DORIS McMURRY

_____
VICTOR L. McMURRY

_____
SUSAN ANNE SAMUELSON

_____
CAROL J. McMURRY

[redacted] [redacted] [redacted]

WORKING INTEREST OWNERS

ENCANA OIL & GAS (USA) INC.

ATTEST:

_____
Name:_____
Title:_____
Date:_____

By:_____
Gary Gardiner, VP-North American Business Unit
Date:_____

McMURRY OIL COMPANY

ATTEST:

_____
Name:_____
Title:_____
Date:_____

By:_____
Gary Gardiner, VP-North American Business Unit
Date:_____

OVERRIDING ROYALTY INTEREST OWNERS

VONNIE M. MARTIN LIVING TRUST DATED DECEMBER 22, 2000

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By: YVONNEDA M. MARTIN, TRUSTEE

THE FALCON TRUST U/A DATED DECEMBER 15, 2000

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By: JOHN W. MARTIN, TRUSTEE

NERD ROYALTIES LLC

By:_____
_____, its Manager

_____
DORIS McMURRY

_____
VICTOR L. McMURRY

Susan Anne Samuelson
SUSAN ANNE SAMUELSON

_____
CAROL J. McMURRY

WORKING INTEREST OWNERS

ATTEST:

ENCANA OIL & GAS (USA) INC.

_____
Name: _____
Title: _____
Date: _____

By: _____
Gary Gardiner, VP-North American Business Unit
Date: _____

ATTEST:

McMURRY OIL COMPANY

_____
Name: _____
Title: _____
Date: _____

By: _____
Gary Gardiner, VP-North American Business Unit
Date: _____

OVERRIDING ROYALTY INTEREST OWNERS

VONNIE M. MARTIN LIVING TRUST DATED DECEMBER 22, 2000

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By: YVONNEDA M. MARTIN, TRUSTEE

THE FALCON TRUST U/A DATED DECEMBER 15, 2000

_____
By: JOHN W. MARTIN, TRUSTEE

NERD ROYALTIES LLC

By: _____
_____, its Manager

_____
DORIS McMURRY

_____
VICTOR L. McMURRY

_____
SUSAN ANNE SAMUELSON

Carol J. McMurry
CAROL J. McMURRY

[redacted] [redacted] [redacted]

Gayle L. Kinnison

GAYLE L. KINNISON

APRIL L. WENZEL FAMILY TRUST U/A DATED NOVEMBER 2, 2001

GARY R. WENZEL, AS CO-TRUSTEE

APRIL L. WENZEL, AS CO-TRUSTEE

GARY R. WENZEL FAMILY TRUST U/A DATED NOVEMBER 2, 2001

GARY R. WENZEL, AS CO-TRUSTEE

APRIL L. WENZEL, AS CO-TRUSTEE

KELLY SUE MORTIMER

McMURRY LIMITED LIABILITY COMPANY

By:_____

_____, its Manager

JOSEPH J. SCOTT

JAMES W. CURRY

ANNITA EALUM

JUDY LUND, formerly known as Judy Bannon

CASEY OSBORN

EDWARD M. WARNER

MARSHALL C. CROUCH, III

GAYLE L. KINNISON

APRIL L. WENZEL FAMILY TRUST U/A DATED NOVEMBER 2, 2001

GARY R. WENZEL, AS CO-TRUSTEE

APRIL L. WENZEL, AS CO-TRUSTEE

GARY R. WENZEL FAMILY TRUST U/A DATED NOVEMBER 2, 2001

GARY R. WENZEL, AS CO-TRUSTEE

APRIL L. WENZEL, AS CO-TRUSTEE

KELLY SUE MORTIMER

McMURRY LIMITED LIABILITY COMPANY

By: _____

_____, its Manager

JOSEPH J. SCOTT

JAMES W. CURRY

ANNITA EALUM

JUDY LUND, formerly known as Judy Bannon

CASEY OSBORN

EDWARD M. WARNER

MARSHALL C. CROUCH, III

[redacted] [redacted] [redacted]

GAYLE L. KINNISON

APRIL L. WENZEL FAMILY TRUST U/A DATED NOVEMBER 2, 2001

GARY R. WENZEL, AS CO-TRUSTEE

APRIL L. WENZEL, AS CO-TRUSTEE

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GARY R. WENZEL, AS CO-TRUSTEE

APRIL L. WENZEL, AS CO-TRUSTEE

Kelly Sue MorTimer

KELLY SUE MORTIMER

McMURRY LIMITED LIABILITY COMPANY

By:_____

_____, its Manager

JOSEPH J. SCOTT

JAMES W. CURRY

ANNITA EALUM

JUDY LUND, formerly known as Judy Bannon

CASEY OSBORN

EDWARD M. WARNER

MARSHALL C. CROUCH, III

WYW-133071

GAYLE L. KINNISON

APRIL L. WENZEL FAMILY TRUST U/A DATED NOVEMBER 2, 2001

GARY R. WENZEL, AS CO-TRUSTEE

APRIL L. WENZEL, AS CO-TRUSTEE

GARY R. WENZEL FAMILY TRUST U/A DATED NOVEMBER 2, 2001

GARY R. WENZEL, AS CO-TRUSTEE

APRIL L. WENZEL, AS CO-TRUSTEE

KELLY SUE MORTIMER

McMURRY LIMITED LIABILITY COMPANY

By: W.N. McMurry, its Manager

JOSEPH J. SCOTT

JAMES W. CURRY

ANNITA EALUM

JUDY LUND, formerly known as Judy Bannon

CASEY OSBORN

EDWARD M. WARNER

MARSHALL C. CROUCH, III

GAYLE L. KINNISON

APRIL L. WENZEL FAMILY TRUST U/A DATED NOVEMBER 2, 2001

GARY R. WENZEL, AS CO-TRUSTEE

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APRIL L. WENZEL, AS CO-TRUSTEE

KELLY SUE MORTIMER

McMURRY LIMITED LIABILITY COMPANY

By:_____
_____, its Manager

JOSEPH J. SCOTT

JAMES W. CURRY

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JUDY LUND, formerly known as Judy Bannon

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APRIL L. WENZEL, AS CO-TRUSTEE

KELLY SUE MORTIMER

McMURRY LIMITED LIABILITY COMPANY

By:_____
_____, its Manager

JOSEPH J. SCOTT

JAMES W. CURRY

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JUDY LUND, formerly known as Judy Bannon

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KELLY SUE MORTIMER

McMURRY LIMITED LIABILITY COMPANY

By:_____
_____, its Manager

JOSEPH J. SCOTT

JAMES W. CURRY

Annita Ealum

ANNITA EALUM

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APRIL L. WENZEL, AS CO-TRUSTEE

KELLY SUE MORTIMER

McMURRY LIMITED LIABILITY COMPANY

By: _____
_____, its Manager

JOSEPH J. SCOTT

JAMES W. CURRY

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APRIL L. WENZEL, AS CO-TRUSTEE

GARY R. WENZEL FAMILY TRUST U/A DATED NOVEMBER 2, 2001

GARY R. WENZEL, AS CO-TRUSTEE

APRIL L. WENZEL, AS CO-TRUSTEE

KELLY SUE MORTIMER

McMURRY LIMITED LIABILITY COMPANY

By:_____

_____, its Manager

JOSEPH J. SCOTT

JAMES W. CURRY

ANNITA EALUM

JUDY LUND, formerly known as Judy Bannon

CASEY OSBORN

EDWARD M. WARNER

MARSHALL C. CROUCH, III

GAYLE L. KINNISON

APRIL L. WENZEL FAMILY TRUST U/A DATED NOVEMBER 2, 2001

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GARY R. WENZEL, AS CO-TRUSTEE

APRIL L. WENZEL, AS CO-TRUSTEE

KELLY SUE MORTIMER

McMURRY LIMITED LIABILITY COMPANY

By:_____
_____, its Manager

JOSEPH J. SCOTT

JAMES W. CURRY

ANNITA EALUM

JUDY LUND, formerly known as Judy Bannon

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EDWARD M. WARNER

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GARY R. WENZEL, AS CO-TRUSTEE

APRIL L. WENZEL, AS CO-TRUSTEE

KELLY SUE MORTIMER

McMURRY LIMITED LIABILITY COMPANY

By:_____
_____, its Manager

JOSEPH J. SCOTT

JAMES W. CURRY

ANNITA EALUM

JUDY LUND, formerly known as Judy Bannon

CASEY OSBORN

EDWARD M. WARNER

Marshall C. Crouch III
MARSHALL C. CROUCH, III

JANE R. CROUCH

WRW ENERGY COMPANY

By:_____
William R. Weeks, General Partner

GREENE FAMILY OIL & GAS LIMITED PARTNERSHIP

By:_____
John D. Greene, General Partner

DIANNE'S OIL & GAS LLC

By:_____
Dianne E. Greene, Manager

MCMURRY OIL COMPANY, A WYOMING CORPORARTION

By:_____
Name: Gary Gardiner
Its: V. P.-North American Business Unit

STATE OF Colorado)
) ss.
COUNTY OF Denver)

SUBSCRIBED AND SWORN to before me by Gary Gardiner, as Vice President of EnCana Oil & Gas (USA) Inc., on behalf of the corporation this 3rd day of October, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____

JANE R. CROUCH

WRW ENERGY COMPANY

By: _____
William R. Weeks, General Partner

GREENE FAMILY OIL & GAS LIMITED PARTNERSHIP

By: _____
John D. Greene, General Partner

DIANNE'S OIL & GAS LLC

By: _____
Dianne E. Greene, Manager

MCMURRY OIL COMPANY, A WYOMING CORPORARTION

By: _____
Name: Gary Gardiner
Its: V. P.-North American Business Unit

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Gary Gardiner, as Vice President of EnCana Oil & Gas (USA) Inc., on behalf of the corporation this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____ _____
Notary Public
Address: _____

_____

JANE R. CROUCH

WRW ENERGY COMPANY

By: _____
William R. Weeks, General Partner

GREENE FAMILY OIL & GAS LIMITED PARTNERSHIP

By: _____
John D. Greene, General Partner

DIANNE'S OIL & GAS LLC

By: _____
Dianne E. Greene, Manager

MCMURRY OIL COMPANY, A WYOMING CORPORARTION

By: _____
Name: Gary Gardiner
Its: V. P.-North American Business Unit

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Gary Gardiner, as Vice President of EnCana Oil & Gas (USA) Inc., on behalf of the corporation this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____

_____

JANE R. CROUCH

WRW ENERGY COMPANY

By:_____
William R. Weeks, General Partner

GREENE FAMILY OIL & GAS LIMITED PARTNERSHIP

By:_____
John D. Greene, General Partner

DIANNE'S OIL & GAS LLC

By: Dianne E Greene
Dianne E. Greene, Manager

MCMURRY OIL COMPANY, A WYOMING CORPORARTION

By:_____
Name: Gary Gardiner
Its: V. P.-North American Business Unit

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Gary Gardiner, as Vice President of EnCana Oil & Gas (USA) Inc., on behalf of the corporation this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____

600

JANE R. CROUCH

WRW ENERGY COMPANY

By:_____
William R. Weeks, General Partner

GREENE FAMILY OIL & GAS LIMITED PARTNERSHIP

By:_____
John D. Greene, General Partner

DIANNE'S OIL & GAS LLC

By:_____
Dianne E. Greene, Manager

MCMURRY OIL COMPANY, A WYOMING CORPORARTION

By:_____
Name: Gary Gardiner
Its: V. P.-North American Business Unit

STATE OF Colorado)
) ss.
COUNTY OF Denver)

SUBSCRIBED AND SWORN to before me by Gary Gardiner, as Vice President of EnCana Oil & Gas (USA) Inc., on behalf of the corporation this 27th day of May, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

JUDITH B. SISNEROS
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires Mar. 17, 2004

Judith B. Sisneros
Notary Public
Address: 950 17th St.
Denver CO 80202

STATE OF Colorado)
) ss.
COUNTY OF Denver)

SUBSCRIBED AND SWORN to before me by Gary Gardiner, as Vice President of McMurry Oil Company, a Wyoming corporation, on behalf of the corporation, this 21st day of May, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

JUDITH B. SISNEROS
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires Mar. 17, 2004

Judith B. Sisneros
Notary Public
Address: 950 17th St.
Denver CO 80202

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Yvonneda M. Martin, as Trustee of the Vonnie M. Martin Living Trust dated December 22, 2000, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by John W. Martin, as Trustee of the Falcon Trust u/a dated December 15, 2000, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by _____, as Manager of NERD Royalties LLC, on behalf of the limited liability company this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Gary Gardiner, as Vice President of McMurry Oil Company, a Wyoming corporation, on behalf of the corporation, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF Az)
) ss.
COUNTY OF Maricopa)

OFFICIAL SEAL
BILLIE BARNES
Notary Public - State of Arizona
MARICOPA COUNTY
My Comm. Expires Aug. 13, 2005

SUBSCRIBED AND SWORN to before me by Yvonneda M. Martin, as Trustee of the Vonnie M. Martin Living Trust dated December 22, 2000, this 23 day of May, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:
08/13/05

Billie Barnes
Notary Public
Address: 10333 Rockaway Hills
Scottsdale, AZ

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by John W. Martin, as Trustee of the Falcon Trust u/a dated December 15, 2000, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by _____, as Manager of NERD Royalties LLC, on behalf of the limited liability company this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Gary Gardiner, as Vice President of McMurry Oil Company, a Wyoming corporation, on behalf of the corporation, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____ _____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Yvonneda M. Martin, as Trustee of the Vonnie M. Martin Living Trust dated December 22, 2000, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____ _____
Notary Public
Address: _____
_____

STATE OF Colorado)
) ss.
COUNTY OF Denver)

SUBSCRIBED AND SWORN to before me by John W. Martin, as Trustee of the Falcon Trust u/a dated December 15, 2000, this 11th day of July, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

WARREN E. MAJOR
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 4/18/2005

Warren E. Major
Notary Public
Address: 1775 Sherman St #1400
Denver Co 80233

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by _____, as Manager of NERD Royalties LLC, on behalf of the limited liability company this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____ _____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Gary Gardiner, as Vice President of McMurry Oil Company, a Wyoming corporation, on behalf of the corporation, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Yvonneda M. Martin, as Trustee of the Vonnie M. Martin Living Trust dated December 22, 2000, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by John W. Martin, as Trustee of the Falcon Trust u/a dated December 15, 2000, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF Wyoming)
) ss.
COUNTY OF Natrona)

SUBSCRIBED AND SWORN to before me by Neil A. McMurry, as Manager of NERD Royalties LLC, on behalf of the limited liability company this 19th day of May, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:
6 April 2007

THOMAS R. BLEVINS - NOTARY PUBLIC
County of Natrona State of Wyoming
My Commission Expires April 6, 2007

Thomas R Blevins
Notary Public
Address: P.O. Box 3003
Casper, WY 82602

STATE OF WYOMING)
) ss.
COUNTY OF NATRONA)

SUBSCRIBED AND SWORN to before me by Doris McMurry, this 5th day of June, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

NOTARY PUBLIC
DOROTHY REIMANN
STATE OF WYOMING
COUNTY OF NATRONA
My Commission Expires Sept. 19, 2005

My Commission Expires:
9-19-05

Dorothy Reimann
Notary Public
Address: 3721 W. 46th Street
Casper, WY 82604

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Victor L. McMurry, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Susan Anne Samuelson, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Carol J. McMurry, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Doris McMurry, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF Wyoming)
) ss.
COUNTY OF Sublette)

SUBSCRIBED AND SWORN to before me by Victor L. McMurry, this 8 day of July, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:
My Commission Expires March 2, 2006

Betty L. Auld
Notary Public
Address: P.O. Box 519
Pinedale, Wy 82941

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Susan Anne Samuelson, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Carol J. McMurry, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Doris McMurry, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Victor L. McMurry, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF Wyoming)
) ss.
COUNTY OF Laramie)

SUBSCRIBED AND SWORN to before me by Susan Anne Samuelson, this 23rd day of May, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

R. GARAVENTA NOTARY PUBLIC
COUNTY OF LARAMIE STATE OF WYOMING
MY COMMISSION EXPIRES FEB. 15, 2005

My Commission Expires:
Feb. 15, 2005

R. Garaventa
Notary Public
Address: 1314 S. Greeley
Cheyenne, WY 82007

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Carol J. McMurry, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Doris McMurry, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Victor L. McMurry, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Susan Anne Samuelson, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Carol J. McMurry, this 13 day of June, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:
12/20/2003

Virginia K. Klein
Notary Public
Address: 928 E. 4th Street
Loveland CO 80537

STATE OF Wyoming)
) ss.
COUNTY OF Sublette)

TORIE THORNHILL – NOTARY PUBLIC
COUNTY OF SUBLETTE STATE OF WYOMING
My Commission Expires 10/30/06

SUBSCRIBED AND SWORN to before me by Gayle L. Kinnison, this 30 day of July, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:
10/30/2006

Torie Thornhill
Notary Public
Address: P.O. Box 2141
Pinedale, WY 82941

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Gary R. Wenzel, as Co-Trustee of the April L. Wenzel Family Trust u/a dated November 2, 2001, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by April L. Wenzel, as Co-Trustee of the April L. Wenzel Family Trust u/a dated November 2, 2001, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Gary R. Wenzel, as Co-Trustee of the Gary R. Wenzel Family Trust u/a dated November 2, 2001, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Gayle L. Kinnison, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF Wyoming)
) ss.
COUNTY OF Converse)

SUBSCRIBED AND SWORN to before me by Gary R. Wenzel, as Co-Trustee of the April L. Wenzel Family Trust u/a dated November 2, 2001, this 20th day of May, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

H.R. JOHNSTON
Notary Public, State of Wyoming
County of Converse
Commission Expires Oct. 26, 2006

_____
Notary Public
Address: 126 North 4th
Douglas, Wy 82633

STATE OF Wyoming)
) ss.
COUNTY OF Converse)

SUBSCRIBED AND SWORN to before me by April L. Wenzel, as Co-Trustee of the April L. Wenzel Family Trust u/a dated November 2, 2001, this 20th day of May, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

JUDITH L. JOHNSTON
Notary Public, State of Wyoming
County of Converse
Commission Expires October 12, 2006

_____
Notary Public
Address: 126 N. 4th St.
Douglas Wy 82633

STATE OF Wyoming)
) ss.
COUNTY OF Converse)

SUBSCRIBED AND SWORN to before me by Gary R. Wenzel, as Co-Trustee of the Gary R. Wenzel Family Trust u/a dated November 2, 2001, this 20th day of May, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

H.R. JOHNSTON
Notary Public, State of Wyoming
County of Converse
Commission Expires Oct. 26, 2006

_____
Notary Public
Address: 126 North 4th
Douglas, Wy 82633

STATE OF Wyoming)
) ss.
COUNTY OF Converse)

SUBSCRIBED AND SWORN to before me by April L. Wenzel, as Co-Trustee of the Gary R. Wenzel Family Trust u/a dated November 2, 2001, this 20th day of May, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

JUDITH L. JOHNSTON
Notary Public, State of Wyoming
County of Converse
Commission Expires October 12, 2006

Judith L. Johnston
Notary Public
Address: 1260 S. 4th St.
Douglas, Wy 82633

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Kelly Sue Mortimer, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by _____as Manager of McMurry Limited Liability Company, on behalf of the limited liability company, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Joseph J. Scott, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by April L. Wenzel, as Co-Trustee of the Gary R. Wenzel Family Trust u/a dated November 2, 2001, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF Wyoming)
) ss.
COUNTY OF Natrona)

SUBSCRIBED AND SWORN to before me by Kelly Sue Mortimer, this 27 day of May, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

NOTARY PUBLIC
JILL HOWE
COUNTY OF NATRONA
STATE OF WYOMING
My Commission Expires Jan 7, 2004

My Commission Expires:
Jan. 7, 2004

_____
Notary Public
Address: 4141 E. 2nd St.
Casper, Wy 82609

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by _____ as Manager of McMurry Limited Liability Company, on behalf of the limited liability company, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Joseph J. Scott, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by April L. Wenzel, as Co-Trustee of the Gary R. Wenzel Family Trust u/a dated November 2, 2001, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Kelly Sue Mortimer, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF Wyoming)
) ss.
COUNTY OF Natrona)

SUBSCRIBED AND SWORN to before me by W.D. McMurry as Manager of McMurry Limited Liability Company, on behalf of the limited liability company, this 5th day of June, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

NOTARY PUBLIC
DOROTHY REIMANN
STATE OF WYOMING
COUNTY OF NATRONA
My Commission Expires Sept. 19, 2005

My Commission Expires:
9.19.2005

Dorothy Reimann
Notary Public
Address: 3721 W. 46th St
Casper, WY 82604

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Joseph J. Scott, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by April L. Wenzel, as Co-Trustee of the Gary R. Wenzel Family Trust u/a dated November 2, 2001, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Kelly Sue Mortimer, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by _____ as Manager of McMurry Limited Liability Company, on behalf of the limited liability company, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF Wyoming)
) ss.
COUNTY OF Fremont)

SUBSCRIBED AND SWORN to before me by Joseph J. Scott, this 19th day of May, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:
Oct 2, 2005

Courtnie Elder
Notary Public
Address: 213 W Main St
Riverton, Wy 82501

NOTARY PUBLIC
COURTNIE ELDER
STATE OF WYOMING
COUNTY OF FREMONT
My Commission Expires Oct 2, 2005

STATE OF Wyoming)
) ss.
COUNTY OF Natrona)

SUBSCRIBED AND SWORN to before me by James W. Curry, this 15th day of May, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

NOTARY PUBLIC
Kevyn Salvato
COUNTY OF NATRONA
STATE OF WYOMING
My Commission Expires July 15, 2005

My Commission Expires:
July 15, 2005

Kevyn Salvato
Notary Public
Address: 104 S. Wolcott
Casper WY 82601

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Annita Ealum, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Judy Lund formerly know as Judy Bannon, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Casey Osborn, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by James W. Curry, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF Wyoming)
) ss.
COUNTY OF Natrona)

SUBSCRIBED AND SWORN to before me by Annita Ealum, this 25th day of July, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires: 5/21/2006

NOTARY PUBLIC
KEITH HAGEMAN
STATE OF WYOMING
COUNTY OF NATRONA
My Commission Expires May. 21, 2006

_____
Notary Public
Address: 1924 E. 1st Street
Casper, WY 82601

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Judy Lund formerly know as Judy Bannon, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires: _____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Casey Osborn, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by James W. Curry, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Annita Ealum, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires: _____

_____
Notary Public
Address: _____
_____

STATE OF Wyoming)
) ss.
COUNTY OF Natrona)

SUBSCRIBED AND SWORN to before me by Judy Lund formerly know as Judy Bannon, this 14th day of May, 2003.

NOTARY PUBLIC
JOSH HARDEE
COUNTY OF NATRONA
STATE OF WYOMING
My Commission Expires May 3, 2004

WITNESS MY HAND AND OFFICIAL SEAL

My Commission Expires: 5/3/04

Josh Hardee
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Casey Osborn, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by James W. Curry, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Annita Ealum, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Judy Lund formerly know as Judy Bannon, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:_____

_____
Notary Public
Address: _____
_____

STATE OF Wyoming)
) ss.
COUNTY OF Sheridan)

SUBSCRIBED AND SWORN to before me by Casey Osborn, this 16 day of July, 2003.

JOAN COFER - NOTARY PUBLIC
COUNTY OF SHERIDAN STATE OF WYOMING
MY COMMISSION EXPIRES NOV. 8, 2003

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:
11-8-03

Joan Cofer
Notary Public
Address: 2 N. Main
Sheridan, Wy 82801

STATE OF Colorado)
) ss.
COUNTY OF Denver)

SUBSCRIBED AND SWORN to before me by Edward M. Warner, this 17th day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires: _____

Vivian L. Cummins
Notary Public
Address: 14197 E. Radcliff Cir
Aurora, CO 80015

NOTARY PUBLIC VIVIAN L. CUMMINS STATE OF COLORADO
My Commission Expires July 22, 2006

___)
) ss.
___)

AND SWORN to before me by Marshall C. Crouch, III, this _____ day of ___, 2003.

HAND AND OFFICIAL SEAL.

NOTARY PUBLIC VIVIAN L. CUMMINS STATE OF COLORADO
My Commission Expires July 22, 2006

es: _____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Jane R. Crouch, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires: _____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by William R. Weeks, as General Partner, of WRW Energy Company, on behalf of the limited partnership, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF Colorado)
) ss.
COUNTY OF Denver)

SUBSCRIBED AND SWORN to before me by Edward M. Warner, this 3rd day of October, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires: _____

_____
Notary Public
Address: _____
_____

STATE OF Colorado)
) ss.
COUNTY OF Denver)

SUBSCRIBED AND SWORN to before me by Marshall C. Crouch, III, this 3 day of October, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires: March 12, 2005

AGATA BOROWIEC
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires March 12, 2005

Agata B
Notary Public
Address: 621 17th St
Denver CO 80239

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Jane R. Crouch, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires: _____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by William R. Weeks, as General Partner, of WRW Energy Company, on behalf of the limited partnership, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____ _____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Edward M. Warner, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Marshall C. Crouch, III, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:_____

_____
Notary Public
Address: _____
_____

STATE OF Colorado)
) ss.
COUNTY OF Denver)

SUBSCRIBED AND SWORN to before me by Jane R. Crouch, this 3 day of October, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires: March 12, 2005

AGATA BOROWIEC
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires March 12, 2005

Agata B
Notary Public
Address: 621 17th St
Denver CO 80239

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by William R. Weeks, as General Partner, of WRW Energy Company, on behalf of the limited partnership, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

621

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Edward M. Warner, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Marshall C. Crouch, III, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:_____

_____
Notary Public
Address: _____
_____

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Jane R. Crouch, this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:_____

_____
Notary Public
Address: _____
_____

STATE OF Colorado)
) ss.
COUNTY OF Denver)

SUBSCRIBED AND SWORN to before me by William R. Weeks, as General Partner, of WRW Energy Company, on behalf of the limited partnership, this 27th day of June, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:
WARREN E. MAJOR
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 4/18/2005

Warren E. Major
Notary Public
Address: 1775 Sherman St #1400
Denver, Co 80203

STATE OF California)
) ss.
COUNTY OF Riverside)

SUBSCRIBED AND SWORN to before me by John D. Greene, as General Partner of Greene Family Oil & Gas Limited Partnership, on behalf of the partnership on this 12th day of June, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

LINDA STRONGIN
Commission # 1355028
Notary Public - California
Riverside County
My Comm. Expires May 4, 2006

My Commission Expires:
05-04-06

Notary Public
Address: 36101 Bob Hope Dr #E-5
Rancho Mirage, CA 92270

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by Dianne E. Greene, as Manager of Dianne's Oil & Gas LLC, a flexible limited liability company, on behalf of the company on this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

J:\Goodin\Encana\Title Opinions\STIP133071.wpd

STATE OF _____)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me by John D. Greene, as General Partner of Greene Family Oil & Gas Limited Partnership, on behalf of the partnership on this _____ day of _____, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

_____

_____
Notary Public
Address: _____
_____

STATE OF South Carolina)
) ss.
COUNTY OF Charleston)

SUBSCRIBED AND SWORN to before me by Dianne E. Greene, as Manager of Dianne's Oil & Gas LLC, a flexible limited liability company, on behalf of the company on this 10th day of June, 2003.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:
7/26/2011

R. Scott Carter
Notary Public R Scott Carter
Address: 2177 Gulf Drive
Mt. Pleasant SC 29466

J:\Gobdin\Encana\Title Opinions\STIP133071.wpd

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

STATE OF WYOMING §
§
COUNTY OF SUBLETTE §

300807

RECORDED Nov. 10 2003 9:05 AM
IN BOOK 125 at 6 PAGE 625
FEES $ 39.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

This Assignment, Bill of Sale and Conveyance ("Assignment") is made and entered into by and between **NORTON DRILLING COMPANY, SHERMAN H. NORTON, JR. AND RONDA L. NORTON,** with a mailing address of 407 Troy Avenue, Lubbock, TX 79416 (hereinafter called "Assignor") and the following named parties, in the proportions set forth, (hereinafter called "Assignee").

Sherman H. Norton, Jr. and Ronda L. Norton, Husband and Wife, as Joint Tenants with Rights of Survivorship. 407 Troy Avenue Lubbock, TX 79416	90.00% of Assignor's Interest
The Karen Rose Durrett Generation Skipping Trust U/W/O Johnie Paul Rose 2122 Rice Avenue Levelland, TX 79336	2.50% of Assignor's Interest
The Russell Paul Rose Generation Skipping Trust U/W/O Johnie Paul Rose 2122 Rice Avenue Levelland, TX 79336	2.50% of Assignor's Interest
The Karen Rose Durrett Generation Skipping Trust U/W/O Judith Lynn Rose 2122 Rice Avenue Levelland, TX 79336	2.50% of Assignor's Interest
The Russell Paul Rose Generation Skipping Trust U/W/O Judith Lynn Rose 2122 Rice Avenue Levelland, TX 79336	2.50% of Assignor's Interest

For a valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned Assignor hereby grants, sells, assigns and conveys unto Assignee, its successors and assigns, all of Assignor's right, title and interest in and to the following:

1) All of Assignor's interest in those certain oil and gas leases or other interests described in Exhibit A or lands pooled or unitized therewith; any oil and gas lease covering any of the lands described in Exhibit A, to the extent such lease covers the lands described in Exhibit A, whether or not such lease is described on Exhibit A or inaccurately described on Exhibit A ("Leases"); all tangible personal property located under, upon or appurtenant to the Leases or any unit of which any such Lease is a part, including any disposal systems, plants, compressors, treating and processing systems, pipelines or gathering systems ("Equipment"), rights-of-way, easements, fee surface estates associated with the Leases or other lands set forth in Exhibit A ("Other Land Interests"), together with Assignor's ownership interest in the well or wells located on the lands described in Exhibit A ("Wells"); and Assignor's interest in any personal property, fixtures, material, equipment, and facilities therein and thereon or used in connection with the use or operation of the Leases, Equipment, Other Land Interests, Wells, ownerships, or other interests for oil and/or gas purposes.

2) All contract rights relating to the Subject Property including but not limited to any operating agreements, communitization agreements, unit agreements, unit operating agreements, farmout agreements, processing agreements, transportation agreements, and gas and/or oil sales agreements, and all claims and causes of action relating to gas underproduction imbalances relating to the Interests ("Contract Rights").

3) All of the applicable files, records and data directly relating to the items described in Subsections 1) and 2) above including, without limitation, joint interest billings, check receipts and third-party disbursement records, and records relating to ad valorem, excise and other production-related taxes, land and lease files, well files, title records including abstracts of title, title opinions, contracts, geological and geophysical information and data to the extent that same can be transferred, production records, all logs including electric logs, core data, pressure data and decline curves and graphical production curves and all related matters in the possession of Assignor (collectively the "Records").

4) The Leases, Equipment, Other Land Interests, Wells, Contract Rights, Records and Other Assets are collectively referred to as the "Subject Property".

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever the Subject Property and all right and obligations pertaining thereto.

This Assignment is subject to the following terms and conditions:

1) Assignee is hereby transferred, assigned and conveyed all Assignor's interest in: (a) all fixtures, equipment and other personal property located in, on and/or pertinent to or used and obtained in connection with the Subject Property; (b) all agreements, contracts (including contracts for the sale of production), operating agreements, unitization agreements, farmout agreements, processing agreements, transportation agreements, gas sales agreements, permits, licenses, easements, right-of-way, surface leases, servitudes, franchises and any other agreements as they pertain to the Subject Property and all claims and causes of action relating to gas underproduction and/or overproduction imbalances relating to the Subject Property (whether or not specifically described herein) but only insofar as same related to the interest assigned herein.

2) From and after the Effective Date, any and all benefits, obligations, and liabilities associated with such gas production imbalance accounts shall accrue to and be the responsibility of Assignee. Assignee shall assume Assignor's actual overproduction or underproduction position in the Subject Property as of the Effective Date. Assignor shall be entitled to all proceeds accruing to the Subject Property prior to the Effective Date hereof, including proceeds attributable to product inventories above the pipeline connection and gas product inventories as of the Effective Date and shall be responsible for operating expenses, capital expenditures, all taxes and other obligations on the Subject Property prior to the Effective Date.

3) Assignor agrees to execute, acknowledge where necessary and deliver unto Assignee all such other and additional instruments, notices, division orders, transfer orders and other documents, and to do all such other and further acts and things as may be necessary more fully to grant, convey and assign unto Assignee the rights, interest and properties conveyed hereby or intended so to be.

4) It is the intention and agreement of Assignor and Assignee hereunder that the provisions of this Assignment 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.

5) Assignor hereby binds itself, its successors and assigns, to warrant and forever defend unto Assignee, its successors and assigns, the Subject Property against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Assignor, but not otherwise.

6) Assignor further gives and grants unto Assignee full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made to Assignor with respect to the Subject Property.

7) **ASSIGNOR EXPRESSLY DISCLAIMS ANY WARRANTY AS TO THE CONDITION OF**

[redacted] [redacted] [redacted]

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 THE PERSONAL PROPERTY, FIXTURES AND ITEMS AND THE CONDITION OF THE PROPERTIES ARE BEING CONVEYED TO ASSIGNEE AS IS, WHERE IS, WITH ALL FAULTS, AND IN THEIR PRESENT CONDITION AND STATE OF REPAIR AND THAT ASSIGNEE HAS BEEN GIVEN THE OPPORTUNITY TO MAKE OR CAUSE TO BE MADE SUCH INSPECTIONS AS ASSIGNEE DEEMS APPROPRIATE.

This Assignment is executed as of this 5th day of Sept. 200 3, but shall have an effective date of January 1, 2002, (the "Effective Date").

ASSIGNOR:

X Sherman H. Norton

Sherman H. Norton, Jr.

X Ronda L Norton

Ronda L. Norton

ASSIGNOR:
NORTON DRILLING COMPANY

By: X Sherman H. Norton

Sherman H. Norton, Jr., President

ASSIGNEE:

X Ronda L Norton

Ronda L. Norton

ASSIGNEE:
The Karen Rose Durrett Generation
Skipping Trust U/W/O Johnie Paul Rose
2122 Rice Avenue
Levelland, TX 79336

ASSIGNEE:
The Russell Paul Rose Generation
Skipping Trust U/W/O Johnie Paul Rose
2122 Rice Avenue
Levelland, TX 79336

ASSIGNEE:
The Karen Rose Durrett Generation
Skipping Trust U/W/O Judith Lynn Rose
2122 Rice Avenue
Levelland, TX 79336

ASSIGNEE:
The Russell Paul Rose Generation
Skipping Trust U/W/O Judith Lynn Rose
2122 Rice Avenue
Levelland, TX 79336

ASSIGNEE:

X Sherman H. Norton

Sherman H. Norton, Jr.

By: David W. Ridley
David W. Ridley, Trustee
By: Karen R. Durrett
Karen R. Durrett, Trustee
By: Rusty P. Rose
Rusty P. Rose, Trustee

By: David W. Ridley
David W. Ridley, Trustee
By: Karen R. Durrett
Karen R. Durrett, Trustee
By: Rusty P. Rose
Rusty P. Rose, Trustee

By: David W. Ridley
David W. Ridley, Trustee
By: Karen R. Durrett
Karen R. Durrett, Trustee
By: Rusty P. Rose
Rusty P. Rose, Trustee

By: David W. Ridley
David W. Ridley, Trustee
By: Karen R. Durrett
Karen R. Durrett, Trustee
By: Rusty P. Rose
Rusty P. Rose, Trustee

STATE OF TEXAS)
) §
COUNTY OF LUBBOCK)

Before me, the undersigned, a Notary Public, within the aforesaid County and State, on this 6th day of Sept, 2003, before me personally appeared Sherman H. Norton, Jr., President of NORTON DRILLING COMPANY, the signer of the above instrument, who duly acknowledged to me that he executed the same on behalf of Norton Drilling Company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

Kim Moore
Notary Public
Address: 5211 Brownfield Highway

My Commission Expires: 07-14-05

STATE OF TEXAS)
) §
COUNTY OF LUBBOCK)

Before me, the undersigned, a Notary Public, within the aforesaid County and State, on this 5th day of Sept., 2003, before me personally appeared SHERMAN H. NORTON, an Individual, and RONDA L. NORTON, an Individual, to me personally known to be the identical person(s) who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

KIM MOORE
Notary Public
State of Texas
My Commission Expires 07-14-05

Kim Moore
Notary Public
Address: 5211 Brownfield Highway

My Commission Expires: 07-14-05

STATE OF Texas)
) §
COUNTY OF Lubbock)

Before me, the undersigned, a Notary Public, within the aforesaid County and State, on this 11th day of September 2003, personally appeared DAVID W. RIDLEY, TRUSTEE, for the KAREN ROSE DURRETT TRUSTS – U/W/O JOHNIE PAUL ROSE & JUDITH LYNN ROSE AND for the RUSSELL PAUL ROSE TRUSTS – U/W/O JOHNIE PAUL ROSE & JUDITH LYNN ROSE to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

SANDRA S KING
NOTARY PUBLIC
State of Texas
Comm. Exp. 05-12-2006

Sandra S. King
Notary Public
Address:

My Commission Expires: 5-12-2006

STATE OF Texas)
) §
COUNTY OF Hockley)

Before me, the undersigned, a Notary Public, within the aforesaid County and State, on this 13 day of Oct., 2003, personally appeared KAREN R. DURRETT, TRUSTEE, for the KAREN ROSE DURRETT TRUSTS – U/W/O JOHNIE PAUL ROSE & JUDITH LYNN ROSE AND for the RUSSELL PAUL ROSE TRUSTS – U/W/O JOHNIE PAUL ROSE & JUDITH LYNN ROSE to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

GAYLE MUSSELWHITE
NOTARY PUBLIC
STATE OF TEXAS
My Commission Expires 03-20-2007

Gayle Musselwhite
Notary Public
Address:

My Commission Expires: 03-20-2007

COUNTY OF Hockley) §

Before me, the undersigned, a Notary Public, within the aforesaid County and State, on this 13 day of Oct., 2003, personally appeared RUSTY P. ROSE, TRUSTEE, for the KAREN ROSE DURRETT TRUSTS – U/W/O JOHNIE PAUL ROSE & JUDITH LYNN ROSE AND for the RUSSELL PAUL ROSE TRUSTS – U/W/O JOHNIE PAUL ROSE & JUDITH LYNN ROSE to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

GAYLE MUSSLEWHITE
NOTARY PUBLIC
STATE OF TEXAS
My Commission Expires 03-20-2007

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

Gayle Musslewhite
Notary Public
Address:

My Commission Expires: 03-20-2007

Exhibit "A"

USA LEASE NO.	LEASE DATE	DESCRIPTION	GROSS ACRES
W-36438	10/1/1972	Township 30 North, Range 114 West Section 33: ALL Section 34: SW/4NE/4, W/2NW/4, SE/4NW/4, SW/4, W/2SE/4	1040.00
W-38887	4/1/1973	Township 29 North, Range 114 West Section 4: Lot 4, S/2NE/4, SW/4NW/4, S/2 Section 5: Lots 1-3, S/2N/2, S/2	1000.90
W-49634	4/1/1975	Township 29 North, Range 114 West Section 8: ALL	640.00
W-52404	12/1/1975	Township 29 North, Range 115 West Section 12: ALL	640.00
W-59398	8/1/1977	Township 29 North, Range 114 West Section 18: NE/4 Section 20: ALL	800.00
W-60620	4/1/1976	Township 29 North, Range 114 West Section 5: Lot 4 Section 6: Lots 1, 2, S/2NE/4, SE/4 Section 7: E/2 Section 9: SE/4SE/4 Section 17: ALL Section 18: SE/4	1459.12
W-60621	4/1/1976	Township 29 North, Range 114 West Section 21: ALL Section 28: ALL	1280.00
W-62803	11/1/1978	Township 29 North, Range 114 West Section 6: Lots 3-7, SE/4NW/4, E/2SW/4 Section 7: Lots 1-4, E/2W/2 Section 18: Lots 1-4, E/2W/2 Section 26: NE/4NW/4, S/2NW/4, E/2, SW/4	1435.14
W-67196	4/1/1979	Township 29 North, Range 115 West Section 1: ALL Section 2: ALL Section 11: E/2, E/2W/2	1760.00

630

Exhibit "A"

USA LEASE NO.	LEASE DATE	DESCRIPTION	GROSS ACRES
W-69874	1/1/1980	Township 30 North, Range 114 West Section 31: SE/4SE/4	40.00
W-78475	6/1/1974	Township 29 North, Range 114 West Section 10: N/2, SE/4, SW/4 Section 15: E/2	960.00
W-78476	3/1/1975	Township 29 North, Range 114 West Section 9: N/2	320.00
W-80232	4/1/1979	Township 29 North, Range 115 West Section 14: S/2, NE/4, E/2NW/4	560.00
WY-76-0342 State of Wyoming	5/2/1976	Township 29 North, Range 114 West Section 16: All	640.00

ASSIGNMENT AND BILL OF SALE

RECORDED Nov. 10 2003 10:56 AM
IN BOOK 125 OR 6 PAGE 632
FEE $ 23.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

THE STATE OF WYOMING §
§
COUNTY OF SUBLETTE §

300810

THIS ASSIGNMENT AND BILL OF SALE ("Assignment") is made this 30th day of Oct., 2003, and is effective at 12:01 a.m. MT October 1, 2003 (the "Effective Time") by and between **W. P. PROPERTIES CORPORATION,** a Colorado Corporation, of P.O. Box 61457 (herein called "Assignor"), and **STONE ENERGY CORPORATION**, a Delaware corporation, with an office at 1801 Broadway, Suite 700, Denver, Colorado 80202 (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, subject to the reservation in the Assignor of that overriding royalty set out within Exhibits "A" and "B" attached 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 and depths which are specifically described in Exhibit "A" opposite the separate designation of each said lease (the "Leases") and all of Assignor's right, title and interest in and to overriding royalty interests, carried interests, net revenue interests, net profits interests, licenses, reversionary interests, production payments, permits and other interests and agreements (the "Interests"), subject to any restrictions, exceptions, reservations, conditions, limitations, burdens, contracts, agreements, assignments and other matters of record applicable to such Leases and lands;

B. All right, title and interest of Assignor in and to all wells, including but not limited to oil, gas, injection, disposal and water wells, located on the Leases or on lands pooled therewith and described on Exhibit "B", attached hereto and made a part hereof for all purposes (the "Wells") and in all lands and leases associated with said Wells whether or not specifically described on Exhibits "A" or "B", subject to the reservation in the Assignor of that overriding royalty set out within Exhibits "A" and "B" attached;

C. All oil, gas and other hydrocarbons ("Hydrocarbons") produced therefrom or allocated thereto saved and sold after the Effective Time.

D. All right, title and interest of Assignor in, to and under, or derived from, all contractual rights, including but not limited to, presently existing and valid oil and gas sales agreements, processing contracts, casinghead gas contracts, gas balancing agreements, gathering agreements, operating agreements, joint venture agreements, farmout agreements, farmin agreements, bottom hole agreements, acreage contribution agreements, area of mutual interest agreements, partnership agreements, rights of way, easements, surface leases, permits, salt water disposal agreements, warranties, covenants, indemnities, representations from third parties and other contracts, agreements and instruments, insofar as the same are appurtenant to the Leases, Interests or Wells;

E. All of Assignor's right, title and interest in and to all surface and subsurface equipment, supplies, machinery, signage, gathering assets, distribution and disposal facilities and tanks and all other real or tangible personal property and fixtures located on the Leases or Wells or appurtenant thereto, excluding portable tools, vehicles and other items of personal property temporarily located on the Leases or Wells;

F. 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 and communitization agreements, declarations and orders

relating to the Leases, Interests and Wells, and in and to the properties covered and the units, pools or communitized areas created thereby, which are appurtenant to the Leases, Interests and Wells;

G. To the extent the same are assignable or transferable, all of Assignor's right, title and interest in, to and under, or derived from all: (i) orders, contracts, title opinions and documents, abstracts of title, leases, deeds, unitization agreements, pooling agreements, operating agreements, division of interest statements, participation agreements, and all other agreements and instruments, easements, rights-of-way, licenses, authorizations, permits and similar rights and interests, subject to the rights of third parties (the "Related Agreements") and (ii) except as expressly provided otherwise herein, all warranties, covenants and representations from third parties and all claims, rights and causes of action against third parties, asserted or unasserted, known or unknown; related to the Leases, Interests and Wells arising from the Related Agreements; and

H. All lease files, land files, well files, division order files, abstracts, title files, seismic and geological data and other information in the possession of Assignor (the "Records") that are related to the Leases, Interests and Wells, and all rights thereto, subject to any rights retained by third parties.

All of the foregoing properties, real, personal, or mixed (contractual or otherwise) described in paragraphs A through H, above (herein called the "Properties") are 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 provisions of the subject leases and 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.

Assignee agrees to accept full responsibility for the plugging of any well(s) situated on the Leases and agrees to comply with all the requirements of the statutes of the State of Wyoming and/or it's regulating authorities and all applicable Federal laws, rules or regulations in effect at the time any well(s) is plugged or re-plugged. Assignee agrees to hold Assignor harmless against any expense, claim or cause of action brought against Assignor or Assignee by any third party, including the State of Wyoming and the Federal government and their respective regulating authorities, 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 Leases including, but not limited to, clean-up of any oil field or other waste located on the Leases as nearly as practicable to its pre-lease condition.

Assignee shall, for a period beginning as of the effective time stated herein, pay or cause to be paid any payment obligations, including but not limited to rentals, royalties, shut-in royalties, advance royalties, flat-rate royalties, sliding scale royalties, overriding royalties, minimum royalties, production payments and/or net profits payments burdening or attributable to the leases beginning as of the effective time stated herein.

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;

3. Limited Warranty: THIS ASSIGNMENT IS MADE WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF TITLE, THE WARRANTY OF MERCHANTABILITY OR THE WARRANTY OF

FITNESS FOR A PARTICULAR PURPOSE AND ASSIGNEE ACCEPTS THE PROPERTIES IN THEIR "AS IS, WHERE IS" CONDITION.

Assignee understands and agrees that this Assignment is made on an "as is", "where is" basis and Assignee releases Assignor from any liability with respect thereto whether or not caused by or attributable to Assignor's negligence. Without limiting the above, and except as expressly provided herein, Assignee waives its right to recover from Assignor and forever releases, discharges and indemnifies Assignor from any and all damages, claims, losses, liabilities, penalties, fines, liens, judgments, costs or 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 Leases or any Federal, state or local law or regulation applicable thereto, including, but not limited to, the following Acts and any amendment(s) thereto; the Clean Air Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Federal Water Pollution Control Act, the Occupational Safety and Health Act of 1970, the Resource Conservation and Recovery Act of 1976, the Clean Water Act, the Safe Drinking Water Act, the Solid Waste Amendments Act of 1984, the Superfund Amendments and Reauthorization Act of 1986, the Hazardous Materials Transportation Act and the Toxic Substance Control Act.

The Leases may have been utilized by Assignor, directly or indirectly, for the purpose of exploration, development and production of oil, gas and other hydrocarbons. Assignee has had total and complete physical access to the Leases and any information related thereto has been made available to Assignee. Such information includes without limitation the operation and production of any wells located on the Leases, produced crude oil, gas, other hydrocarbons and water and any chemicals, fluids, compounds and substances used or associated therewith. Assignee expressly understands that should hazardous or toxic materials or substances, asbestos or naturally occurring radio active materials be found in or on the Leases, wells or equipment used in connection therewith, special procedures may be required for the removal and disposal of such materials or substances from where it may be found and that Assignee assumes all liability for damages, if any, attributable to or caused by such materials or substances and for any assessment, removal and disposal of any such materials or substances and any associated activities.

Assignor expressly disclaims and negates any express, implied or statutory warranty as to the accuracy of any information furnished by Assignor to Assignee with respect to the Leases. Any such information, either furnished herein or in connection herewith, shall not constitute an Assignors representation or warranty of any kind, express or implied, as to any interest owned by Assignor assigned under the terms of this Assignment and Bill of Sale.

Assignee shall dispose or discharge any wastes from the Leases (including, but not limited to, drinking water, drilling fluids and other associated wastes) in accordance with the applicable local, state and Federal laws and regulations. When and if this Assignment or any underlying lease terminates, the Assignee shall take whatever additional remedial action on the Leases necessary to meet any local, state of Federal requirements directed at protecting human health and environment in effect at that time.

Assignee shall perform the covenants hereunder and comply with the terms, provisions, covenants and conditions, express or implied, of the Leases and with all laws, rules, regulations and orders, whether Federal, state or local, applicable to enjoyment of the right(s) herein assigned, including, but not limited to any local, state or Federal bond requirements. Assignee agrees to comply herewith and shall be bound hereby without any costs or expenses whatsoever to Assignor and Assignee agrees to fully defend, protect, indemnify, and hold harmless Assignor, its employees and agents, from and against each and every claim, demand, action, cause of action, or lawsuit, any liability, cost, expense, damage or loss, including court costs and attorney's fees, that may be asserted by any third party, including Assignee's employees, representatives or agents, arising from or on account of any operations conducted by Assignee or for Assignee's benefit or which arise out of breach or violation of any of the terms and provisions of the Assignment and Bill of Sale.

4. Further Assurance. From time to time, at the request of Assignee (whether on or after the execution date hereof) and without further consideration, Assignor shall execute and deliver, or cause to be delivered, all further instruments of conveyance, assignment, and transfer (including but not limited to transfer and division orders) and take any other action as Assignee may reasonably request in order to more effectively or completely convey and transfer the Properties to Assignee in accordance with the provisions hereof and Assignor shall assist in the transfer of the Properties to the possession of Assignee. Assignor shall execute such additional forms of assignment conveying Assignor's title in the Properties as may be required to conform to governmental regulation and such assignments shall not serve to enlarge or diminish the rights herein conveyed. If any Property is incorrectly described, the description shall be corrected upon proof of proper description.

5. Governing Law: THIS ASSIGNMENT SHALL BE GOVERNED BY AND CONSTRUED UNDER THE LAWS OF THE STATE OF WYOMING.

6. 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.

7. Substitution and Subrogation: This Assignment is made with full rights of substitution and subrogation by Assignee, to the extent of the interest hereby assigned, in and to all covenants and warranties by others heretofore given or made with respect to the Properties.

8. Headings: Titles and headings in this Assignment are included solely for ease of reference and are not to be considered in interpretation or construction of this Assignment.

IN WITNESS WHEREOF the Assignor has executed this Assignment this 30th day of Oct., 2003 to be effective in all respects as of the Effective Time.

ATTEST:

By: _____

ASSIGNOR:
W. P. Properties Corporation, a Colorado Corporation

By: _____
Name: Frank E. Dinges, President

STATE OF Colorado §
§
COUNTY OF Denver §

This instrument was acknowledged before me this 30th day of Oct, 2003, by Frank E. Dinges, as President of W. P. Properties Coporation, a Colorado Corporation.

My Commission Expires:
9-25-05

_____
Notary Public

EXHIBIT "A"
Sublette County, Wyoming

LESSOR:	USA WYW-3776
LESSEE:	Josephine E. Frye
EFFECTIVE DATE:	February 1, 1967
RECORDING DATA:	Book 48, Page 598
LEGAL DESCRIPTION:	Township 27 North, Range 112 West, 6th P.M. Section 13: Lots 11, 12 (formerly W/2SW/4)
DEPTHS/FORMATIONS:	All rights owned by seller insofar and only insofar as to depths from the stratigraphic equivalent of 4,900 feet as identified in the MMC #1 Government Mobil Test down to the basement, along with any contractual rights or other rights falling under Lots 10, 11, 12, 13 (formerly described as SW/4) Section 13-T27N-R112W, 6th P.M.
OVER-RIDING ROYALTY RESERVATION:	Subject to all burdens previously created, and further subject to the reservation in the Assignor of a net 0.1847538% overriding royalty interest (not proportionately reduced) insofar and only insofar as to depths from the stratigraphic equivalent of 4,900 feet as identified in the MMC #1 Government Mobil Test down to the basement.

[redacted] [redacted] [redacted]

EXHIBIT "B"
Sublette County, Wyoming

WELL:	Bird Canyon Federal 13-13
OPERATOR:	Stone Energy Corporation
SPACING UNIT:	Township 27 North, Range 112 West, 6th P.M. Section 13: Lots 10, 11, 12, 13 (formerly SW/4)
WORKING/NET REVENUE INTEREST:	All rights Seller may have pursuant to any Joint Operating Agreement governing this well.
RESERVED OVER-RIDING ROYALTY:	Assignor reserves unto itself a net overriding royalty equal to 0.0925279% (not proportionately reduced) under the well spacing unit above. This spacing unit net interest being that same interest reserved to the Assignor in Exhibit "A" foregoing.

CORRECTION 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, the receipt of which is hereby acknowledged, did convey, transfer, assign and deliver without warranty, express or implied, under Assignment of Overriding Royalty dated May 5, 1998 and recorded in Book 107 O&G, Page 672, Sublette County, WY unto the following parties shown below:

Gasconade Oil Company	633 17th Street, Suite 1650 Denver, Colorado 80202
The Roy H. Dubitzky Trust	6663 S. Prescott Way Littleton, Colorado 80120
Riggs Oil & Gas Corporation	P.O. Box 711 Farmington, NM 87499

WHEREAS an overriding royalty interest was assigned to the above individuals on all oil, gas and other hydrocarbon substances that may be produced, saved, and marketed from the oil and gas leases described as follows:

Lessor:	USA WYW-016162
Lessee:	Paul D. Helmig
Lease Date:	7/1/52
Lands Covered:	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: 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 27: E/2, E/2W/2

WHEREAS an Correction Assignment of Overriding Royalty was made dated August 25, 2003 and recorded in Book 125 O & G, Page 325, Sublette County, WY expressly to correct the name of the Roy Dubitzky Trust.

WHEREAS the name of the Roy H. Dubitzky Trust dated June 28, 1994 needs to be corrected to properly identify the trust date.

NOW THEREFORE the assignee shown on the original Assignment as The Roy Dubitzky Trust and then shown on the Correction Assignment as the Roy Dubitzky Trust dated June 28, 1994 needs to be corrected to read as follows:

Roy H. Dubitzky, Trustee of the
Roy H. Dubitzky Trust dated June 28, **1986**
6663 S. Prescott Way
Littleton, CO 80120

This instrument is to correct the name of said Trust only and does not effect or increase the interest conveyed, nor any of the other terms of the original Assignment of Overriding Royalty dated May 5, 1998.

WITNESS my hand on this 15th day of October 2003.

300829

RECORDED Nov. 12 2003 8:50AM
IN BOOK 125 O&G PAGE 103B
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

ULTRA RESOURCES INC.

Robin Benko
Attorney-in-fact

AGREED AND ACKNOWLEGED,

Roy H Dubitzky Trustee
of the Roy H Dubitzky Trust dated June 28 1986

Roy H. Dubitzky, Trustee of the
Roy H. Dubitzky Trust dated June 28, 1986

ACKNOWLEDGEMENT

STATE OF COLORADO)
) SS
COUNTY OF DOUGLAS)

On this 15TH day of OCTOBER, 2003, before me personally appeared Robin Benko, to me personally known, who, being by me duly sworn, did say that she is the Land Manager and Attorney-in-fact 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 Robin Benko acknowledged said instrument to be the free act and deed of said corporation.

WITNESS my hand and seal this 15TH day of OCTOBER 2003.

Nikki M. Smallcomb
Notary Public

My Commission Expires:

4·10·06

STATE OF Colorado)
)ss.
COUNTY OF Denver)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 27TH day of October, 2003, personally appeared Roy H. Dubitzky to me known to be the identical person described in and who executed the within and foregoing instrument of writing and acknowledged to me that HE executed the same as His free and voluntary act and deed for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

Jaxcene L. Heinze
Notary Public

My Commission Expires:

1/4/04

JAXCENE L. HEINZE NOTARY PUBLIC STATE OF COLORADO

640

CORRECTION 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, the receipt of which is hereby acknowledged, did convey, transfer, assign and deliver without warranty, express or implied, under Assignment of Overriding Royalty dated August 5, 1998 and recorded in Book 109 O&G, Page 437, Sublette County, WY. unto the following parties shown below:

Gasconade Oil Company	633 17th Street, Suite 1650 Denver, Colorado 80202
The Roy H. Dubitzky Trust	6663 S. Prescott Way Littleton, Colorado 80120
Riggs Oil & Gas Corporation	P.O. Box 711 Farmington, NM 87499

WHEREAS an overriding royalty interest was assigned to the above individuals on all oil, gas and other hydrocarbon substances that may be produced, saved, and marketed from the oil and gas leases described as follows:

Lessor:	USA WYW-144994
Lease Date:	7/1/51
Lands Covered:	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Township 30 North, Range 108 West Section 8: N/2 Township 31 North, Range 108 West Section 30: E/2 Section 32: W/2

WHEREAS an Correction Assignment of Overriding Royalty was made dated August 25, 2003 and recorded in Book 125 O & G, Page 323, Sublette County, WY expressly to correct the name of the Roy Dubitzky Trust.

WHEREAS the name of the Roy H. Dubitzky Trust dated June 28, 1994 needs to be corrected to properly identify the trust date.

NOW THEREFORE the assignee shown on the original Assignment as The Roy Dubitzky Trust and then shown on the Correction Assignment as the Roy Dubitzky Trust dated June 28, 1994 needs to be corrected to read as follows:

Roy H. Dubitzky, Trustee of the
Roy H. Dubitzky Trust dated June 28, **1986**
6663 S. Prescott Way
Littleton, CO 80120

This instrument is to correct the name of said Trust only and does not effect or increase the interest conveyed, nor any of the other terms of the original Assignment of Overriding Royalty dated August 5, 1998.

WITNESS my hand on this 15th day of October 2003.

300830

ULTRA RESOURCES INC.

RECORDED Nov. 12 2003 8:50AM
IN BOOK 125 O&G PAGE 640
FEES $11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

Robin Benko
Attorney-in-fact

AGREED AND ACKNOWLEGED,

Roy H Dubitzky Trustee of the
Roy H Dubitzky Trust Dated June 28 1986

Roy H. Dubitzky, Trustee of the
Roy H. Dubitzky Trust dated June 28, 1986

STATE OF COLORADO)
) SS
COUNTY OF DOUGLAS)

On this 15TH day of OCTOBER, 2003, before me personally appeared Robin Benko, to me personally known, who, being by me duly sworn, did say that she is the Land Manager and Attorney-in-fact 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 Robin Benko acknowledged said instrument to be the free act and deed of said corporation.

WITNESS my hand and seal this 15TH day of OCTOBER 2003.

Vicki M. Arnaldson
Notary Public

My Commission Expires:

4.10.06

STATE OF Colorado)
)ss.
COUNTY OF Denver)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 27th day of October, 2003, personally appeared Roy H. Dubitzky to me known to be the identical person described in and who executed the within and foregoing instrument of writing and acknowledged to me that He executed the same as His free and voluntary act and deed for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires 1/4/04

Jaxcene L. Heinze
Notary Public

JAXCENE L. HEINZE NOTARY PUBLIC STATE OF COLORADO

CORRECTION 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, the receipt of which is hereby acknowledged, did convey, transfer, assign and deliver without warranty, express or implied, under Assignment of Overriding Royalty dated October 6, 1998 and recorded in Book 109 O&G, Page 396, Sublette County, WY unto the following parties shown below:

Gasconade Oil Company	633 17th Street, Suite 1650 Denver, Colorado 80202
The Roy H. Dubitzky Trust	6663 S. Prescott Way Littleton, Colorado 80120
Riggs Oil & Gas Corporation	P.O. Box 711 Farmington, NM 87499

WHEREAS an overriding royalty interest was assigned to the above individuals on all oil, gas and other hydrocarbon substances that may be produced, saved, and marketed from the oil and gas leases described as follows:

Lessor: USA WYW-015314
Lease Date: 6/1/52
Lands Covered: INSOFAR AND ONLY INSOFAR AS LEASE COVERS:
Township 30 North, Range 108 West
Section 14: SW/4
Section 15: All
Section 17: N/2
Section 22: NE/4
Section 23: NW/4

Lessor: USA WYW-016161
Lease Date: 7/1/52
Lands Covered: INSOFAR AND ONLY INSOFAR AS LEASE COVERS:
Township 30 North, Range 108 West
Section 13: All
Section14:NE/4,N/2SE/4, SE/4SE/4, NE/4NW/4, S/2NW/4
Section 24: All

WHEREAS an Correction Assignment of Overriding Royalty was made dated August 25, 2003 and recorded in Book 125 O & G, Page 327, Sublette County, WY expressly to correct the name of the Roy Dubitzky Trust.

WHEREAS the name of the Roy H. Dubitzky Trust dated June 28, 1994 needs to be corrected to properly identify the trust date.

NOW THEREFORE the assignee shown on the original Assignment as The Roy Dubitzky Trust and then shown on the Correction Assignment as the Roy Dubitzky Trust dated June 28, 1994 needs to be corrected to read as follows:

Roy H. Dubitzky, Trustee of the
Roy H. Dubitzky Trust dated June 28, **1986**
6663 S. Prescott Way
Littleton, CO 80120

This instrument is to correct the name of said Trust only and does not effect or increase the interest conveyed, nor any of the other terms of the original Assignment of Overriding Royalty dated October 6, 1998.

300831

RECORDED Nov. 12 2003 8:50 AM
IN BOOK 125 O+G PAGE 642
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

[redacted] [redacted] [redacted]

WITNESS my hand on this 15th day of October 2003.

ULTRA RESOURCES INC.

Robin Benko
Attorney-in-fact

AGREED AND ACKNOWLEGED,

Roy H. Dubitzky, Trustee of the
Roy H. Dubitzky Trust dated June 28, 1986

ACKNOWLEDGEMENT

STATE OF COLORADO)
) SS
COUNTY OF DOUGLAS)

On this 15TH day of OCTOBER, 2003, before me personally appeared Robin Benko, to me personally known, who, being by me duly sworn, did say that she is the Land Manager and Attorney-in-fact 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 Robin Benko acknowledged said instrument to be the free act and deed of said corporation.

WITNESS my hand and seal this 15TH day of OCTOBER 2003.

My Commission Expires:

4·10·06

Notary Public

STATE OF Colorado)
)ss.
COUNTY OF Denver)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 27th day of October, 2003, personally appeared Roy H. Dubitzky to me known to be the identical person described in and who executed the within and foregoing instrument of writing and acknowledged to me that He executed the same as His free and voluntary act and deed for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires:

1/4/04

Notary Public

644

CORRECTION 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, the receipt of which is hereby acknowledged, did convey, transfer, assign and deliver without warranty, express or implied, under Assignment of Overriding Royalty dated January 29, 1999 and recorded in Book 110 O&G, Page 568, Sublette County, WY. unto the following parties shown below:

Gasconade Oil Company	633 17th Street, Suite 1650 Denver, Colorado 80202
The Roy H. Dubitzky Trust	6663 S. Prescott Way Littleton, Colorado 80120
Riggs Oil & Gas Corporation	P.O. Box 711 Farmington, NM 87499

WHEREAS an overriding royalty interest was assigned to the above individuals on all oil, gas and other hydrocarbon substances that may be produced, saved, and marketed from the oil and gas leases described as follows:

SEE ATTACHED EXHIBIT "A" ATTACHED TO AND MADE A PART HEREOF

WHEREAS an Correction Assignment of Overriding Royalty was made dated August 25, 2003 and recorded in Book 125 O & G, Page 319, Sublette County, WY expressly to correct the name of the Roy Dubitzky Trust.

WHEREAS the name of the Roy H. Dubitzky Trust dated June 28, 1994 needs to be corrected to properly identify the trust date.

NOW THEREFORE the assignee shown on the original Assignment as The Roy Dubitzky Trust and then shown on the Correction Assignment as the Roy Dubitzky Trust dated June 28, 1994 needs to be corrected to read as follows:

Roy H. Dubitzky, Trustee of the
Roy H. Dubitzky Trust dated June 28, **1986**
6663 S. Prescott Way
Littleton, CO 80120

This instrument is to correct the name of said Trust only and does not effect or increase the interest conveyed, nor any of the other terms of the original Assignment of Overriding Royalty dated January 29, 1999.

WITNESS my hand on this 15th day of October 2003.

300832

RECORDED Nov. 12 2003 8:50 AM
IN BOOK 125 O+G PAGE 644
FEES $ 34.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE, WYOMING
By Cathy Sacks

ULTRA RESOURCES INC.

Robin Benko
Attorney-in-fact

AGREED AND ACKNOWLEGED,

Roy H Dubitzky Trustee of the
Roy H Dubitzky Trust dated June 28 1986

Roy H. Dubitzky, Trustee of the
Roy H. Dubitzky Trust dated June 28, 1986

ACKNOWLEDGEMENT

STATE OF COLORADO)
) SS
COUNTY OF DOUGLAS)

On this 15TH day of OCTOBER, 2003, before me personally appeared Robin Benko, to me personally known, who, being by me duly sworn, did say that she is the Land Manager and Attorney-in-fact 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 Robin Benko acknowledged said instrument to be the free act and deed of said corporation.

WITNESS my hand and seal this 15TH day of OCTOBER 2003.

Nicki M. Smaldone
Notary Public

My Commission Expires:

4·10·06

NICKI M. SMALDONE NOTARY PUBLIC STATE OF COLORADO

STATE OF Colorado)
)ss.
COUNTY OF Denver)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 27th day of October, 2003, personally appeared Roy H. Dubitzky to me known to be the identical person described in and who executed the within and foregoing instrument of writing and acknowledged to me that He executed the same as His free and voluntary act and deed for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

Jaxcene L. Heinze
Notary Public

My Commission Expires:

1/4/04

JAXCENE L. HEINZE NOTARY PUBLIC STATE OF COLORADO

EXHIBIT "A"
Sublette County, Wyoming

WY-1124	WYW-06269	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 31 North, Rge 109 West Sec 13: All
WY-1125	WYW-06270	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 31 North, Rge 109 West Sec 1: Lots 1-4, S/2NW/4, NW/4SW/4 Sec 9: S/2SE/4 Sec 12: Lots 6-8, 10, S/2SE/4, NE/4SE/4, SE/4SW/4
WY-1150	WYW-143046	Twp 31 North, Rge 109 West Sec 4: Lots 1,2, S/2NE/4, SE/4 Sec 9: N/2NE/4, SW/4NE/4, NW/4SE/4, SE/4NE/4, NE/4SE/4, (excluding 4 acres in RSVR ROW WYW-020645) Sec 21: Lots 2,3,6,9, SW/4NW/4, NE/4SE/4, S/2SE/4, NW/4NW/4, (excluding 3 acres in RSVR ROW WYW-02438) Sec 22: SW/4 Sec 27: W/2NE/4, W/2, SE/4 Sec 34: N/2, E/2SW/4, SE/4
WY-1101	WYW-143374	Twp 31 North, Rge 110 West Sec 12: S/2
WY-1137	WYW-026026	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 31 North, Rge 109 West Sec 12: Lot 9 and the bed of the New Fork River riparian to, Lot 1 of Sec 11; and Lots 8-10 of Sec 12
WY-1179	WYW-124623	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 31 North, Rge 109 West Sec 32: Lot 5, SW/4NE/4, W/2, W/2SE/4
WY-1178	WYW-125139	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 31 North, Rge 109 West Sec 29: W/2NE/4, W/2
WY-1127	WYW-06286	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 32 North, Rge 109 West Sec 33: E/2
WY-1167	WYW-143659	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 31 North, Rge 108 West Sec 25: NE/4, S/2NW/4, SW/4
WY-1128	WYW-06933	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 30 North, Rge 108 West Sec 5: All
WY-1123	WYW-015314	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 30 North, Rge 108 West Sec 8: S/2 Sec 9: S/2
WY-1133	WYW-016161	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 30 North, Rge 108 West Sec 12: All
WY-1088	WYW-113414	Twp 30 North, Rge 109 West Sec 13: NE/4, NW/4NW/4

[redacted] [redacted] [redacted]

EXHIBIT "A"
Sublette County, Wyoming

WY-1338	WYW-107042	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 30 North, Rge 108 West Sec 30: Lots 1-4, E/2W/2, E/2
WY-1160	WYW-143652	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 30 North, Rge 107 West Sec 4: Lots 1-4, S/2N/2, S/2 Sec 9: All
WY-1161	WYW-143653	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 30 North, Rge 107 West Sec 5: Lots 1-4, S/2N/2, SE/4
WY-1132	WYW-016158	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: Twp 30 North, Rge 108 West Sec 25: All
WY-1156	WYW-143655	Twp 30 North, Rge 108 West Sec 1: Lt 1, SE/4NE/4

648

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 **EOG RESOURCES, INC.**, whose address is P. O. Box 4362, Houston, TX 77210-4362 and **ENCANA OIL & GAS (USA) INC.**, whose address is 950 17th Street, Suite 2600, Denver, CO 80202 the receipt of which is hereby acknowledged, and subject to the conditions hereinafter stated, does hereby bargain, sell, transfer, assign and convey an undivided forty percent (40%) interest unto the said **EOG RESOURCES, INC.**, and an undivided sixty percent (60%) interest unto the said **ENCANA OIL & GAS (USA) INC.**, hereinafter called "Assignees", their successors and assigns, the Oil and Gas Lease, described on EXHIBIT "A" attached hereto and made a part hereof, and all rights thereunder or incident thereto, and personal property thereon or used or obtained in connection therewith which said lease cover the lands identified and described therein situated in Sublette County, Wyoming.

Reference is hereby made to said lease, and the recording thereof in Sublette County, Wyoming, 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 Assignees herein, their successors and assigns, subject to and in accordance with the terms, provisions, and conditions of said lease, and Assignees by acceptance hereof, agree to comply with and hereby assume 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 Assignees, their 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 23rd day of October, 2003.

300846

RECORDED Nov. 12 2003 1:40PM
IN BOOK 125 O+G PAGE 648
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

CONTEX ENERGY COMPANY

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 23rd day of October, 2003.

ELLY BARNES NOTARY PUBLIC STATE OF COLORADO

My Commission Expires 01/24/2005

My Commission Expires: 1/24/05

Elly Barnes
Notary Public: Elly Barnes
Address: Littleton, Colorado 80127

Horse Creek 75496.036

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Lease dated October 23, 2003, by and between Contex Energy Company, Assignor and EOG Resources, Inc. and EnCana Oil & Gas (USA) Inc., Assignees, to wit:

Assignor hereby assigns all of its right, title and interest in said Oil and Gas Lease to Assignees in the percentages heretofore set out insofar as said Oil and Gas Lease covers the following described lands, to wit:

Lessor:	Shelly R. Goodman, a single woman
Lessee:	Contex Energy Company
Dated:	May 6, 2003
Recorded:	Book 125 O&G, Page 379
	In the records of Sublette County, Wyoming
Covering:	TOWNSHIP 32 NORTH, RANGE 114 WEST
	Section 11: Lot 2 (15.61), Lot 3 (15.13), SENW
	TOWNSHIP 33 NORTH, RANGE 113 WEST
	Section 30: S/2SE
	Section 31: Lot 2 (39.75), Lot 3 (39.85), Lot 4 (39.95) N/2NE, SENW, E/2SW
	Containing 470.29 acres, more or less
	Sublette County, Wyoming

1650

ASSIGNMENT OF INTEREST IN OIL AND GAS LEASES

THIS ASSIGNMENT OF INTEREST IN OIL AND GAS LEASES (the "Assignment"), dated effective 12:01 a.m. local time, October 1, 2001 (the Effective Time"), is from McLish Resources L.L.P. 633 Seventeenth Street, Suite 1650, Denver, Colorado 80202, Gasconade Oil Co. 410 Seventeenth Street, Suite 1180, Denver, Colorado 80202, The W. Clifton Arbuckle Trust 410 Seventeenth Street, Suite 1180, Denver, Colorado 80202, Helm Energy, L.L.C. One DTC, 5251 DTC Parkway Street, Suite 425, Englewood, Colorado 80111 and Riggs Oil & Gas Corporation P.O. Box 711, Farmington, New Mexico 87499 ("Assignor") to Williams Production Rocky Mountain Company, One Williams Center, P.O. Box 3102, Tulsa, Oklahoma 74101-3102 ("Assignee").

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby sells, assigns, transfers, grants, bargains, and conveys to Assignee the real and personal property interests described below, located in Sublette County, Wyoming (the "Assigned Interests"):

1. Seventy five percent (75%) of Assignor's right, title and interest in and to the oil and gas leases described on Exhibit A attached hereto (the "Leases"), insofar and only insofar as the Leases cover the lands described on Exhibit A (the "Lands") as to all depths.

2. One hundred percent (100%) of Assignor's right, title and interest in the NW/4 of Section 28, T36N, R112W and the Pixley Creek 4-28 Well located on the Leases and Lands, together with all personal property and equipment associated with said well.

3. Rights in and to all existing and effective pooling and communitization agreements, and other contracts, agreements and instruments to the extent only that they relate to or affect the interest described in Sections 1 and 2 above.

4. Concurrent rights of ingress and egress to the Lands, and in and to surface use agreements, rights-of-way, easements, surface leases and other surface rights, if any, held by Assignor in connection with ownership or operation of the Leases and Lands.

RESERVING AND EXCEPTING in favor of Assignor, an overriding royalty interest in the production from the Lands and Leases equal to the difference between applicable royalties, overriding royalties, production payments and other like payments that were in effect as of October 31, 2000 and 19.0%, proportionate to Assignor's interests in the Lands and Leases .

TO HAVE AND TO HOLD the Assigned Interests unto Assignee and its successors and assigns forever.

This Assignment is made and accepted expressly subject to the following terms and conditions:

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

300848

RECORDED Nov. 12 2003 3:00 PM
IN BOOK 125 046 PAGE 1650
FEES $ 41.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By [illegible]

[redacted] [redacted] [redacted]

A. **THIS ASSIGNMENT IS MADE WITHOUT WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY EXCEPT THAT ASSIGNOR WARRANTS THAT TITLE TO THE ASSIGNED INTERESTS IS FREE AND CLEAR OF ANY LIENS AND ENCUMBRANCES CREATED BY, THROUGH OR UNDER ASSIGNOR, BUT NOT OTHERWISE.**

B. This Assignment is subject to the terms and provisions of the Development Agreement as amended, between Assignors and Assignee (the "Farmin Agreement"). If there is a conflict between the terms of this Assignment and the Farmin Agreement, the terms of the Farmin Agreement shall control in all respects and not be deemed to have merged into the terms of this Assignment.

D. Assignee agrees to perform all obligations, express or implied, of Assignor under the Leases insofar as such obligations are applicable to the Assigned Interests.

E. To the extent permitted by law, Assignee shall be subrogated to Assignor's rights to the extent of the Assigned Interests, in and to representations, warranties and covenants given with respect to the Leases. Assignor 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 Leases, but only to the extent not enforced by Assignor.

F. Unless provided otherwise, all recording references in Exhibit A hereto are to the official real property records of the Sublette County, Wyoming.

G. Separate governmental forms of assignment of the Assigned Interests 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, rights, titles, power and privileges set forth herein as fully as though they were set forth in each such assignment. The interests conveyed by such separate assignments are the same, and not in addition to, the Assigned Interests conveyed herein.

H. This Assignment binds and inures to the benefit of Assignor and Assignee and their respective successor and assigns.

I. This Assignment may be executed in counterparts, each of which shall be deemed to be an original instrument, but, all of which together shall constitute but one instrument.

J. The references herein to liens, encumbrances, burdens, defects and other matters shall not be deemed to ratify or create any rights in *third* parties or merge with, modify or limit the rights of Assignor or Assignee as between themselves, as set forth in the Farmout Agreement.

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

EXECUTED on the dates contained in the acknowledgments of this Assignment, to be effective for all purposes as of the Effective Time.

ASSIGNOR:
MCLISH RESOURCES, L.L.P.

Holmes J. McLish
Holmes J. McLish
President

ASSIGNOR:
GASCONADE OIL CO.

ASSIGNOR:
THE W. CLIFTON ARBUCKLE TRUST

ASSIGNOR:
RIGGS Oil & GAS CORPORATION

ASSIGNOR:
HELM ENERGY, L.L.C.

ASSIGNEE
WILLIAMS PRODUCTION ROCKY MOUNTAIN COMPANY

Darcy Roach
Darcy Roach
Attorney-in-fact

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

EXECUTED on the dates contained in the acknowledgments of this Assignment, to be effective for all purposes as of the Effective Time.

ASSIGNOR:
MCLISH RESOURCES, L.L.P.

ASSIGNOR:
GASCONADE OIL CO.

W. Clifton Arbuckle
Pres.
10-14-03

ASSIGNOR:
THE W. CLIFTON ARBUCKLE TRUST

W. Clifton Arbuckle, Trustee
10-14-03

ASSIGNOR:
RIGGS Oil & GAS CORPORATION

ASSIGNOR:
HELM ENERGY, L.L.C.

ASSIGNEE
WILLIAMS PRODUCTION ROCKY MOUNTAIN COMPANY

Dorsey Roach
Attorney-in-fact

EXECUTED on the dates contained in the acknowledgments of this Assignment, to be effective for all purposes as of the Effective Time.

ASSIGNOR:
MCLISH RESOURCES, L.L.P.

_____
_____
_____

ASSIGNOR:
GASCONADE OIL CO.

_____
_____
_____

ASSIGNOR:
THE W. CLIFTON ARBUCKLE TRUST

_____
_____
_____

ASSIGNOR:
RIGGS Oil & GAS CORPORATION

_____
_____
_____

ASSIGNOR:
HELM ENERGY, L.L.C.

_____
_____
_____

ASSIGNEE
WILLIAMS PRODUCTION ROCKY MOUNTAIN COMPANY

Dorsey Roach
Dorsey Roach
Attorney-in-fact

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

[redacted] [redacted] [redacted]

EXECUTED on the dates contained in the acknowledgments of this Assignment, to be effective for all purposes as of the Effective Time.

ASSIGNOR:
MCLISH RESOURCES, L.L.P.

_____
_____
_____

ASSIGNOR:
GASCONADE OIL CO.

_____
_____
_____

ASSIGNOR:
THE W. CLIFTON ARBUCKLE TRUST

_____
_____
_____

ASSIGNOR:
RIGGS Oil & GAS CORPORATION

_____
_____
_____

ASSIGNOR:
HELM ENERGY, L.L.C.

Joseph H. Brinkman
President

ASSIGNEE
WILLIAMS PRODUCTION ROCKY MOUNTAIN COMPANY

Dorsey Roach
Attorney-in-fact

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

6816

****

STATE OF Colorado)
)§
COUNTY OF Denver)

The foregoing instrument was acknowledged before me this 21st day of October ,2003

By Holmes P. McLish as President of **McLish Resources, L.L.P.**, a Colorado corporation, on behalf of the corporation.

Witness my hand and official seal.

Notary Public Wesley

My commission expires: 12/15/2003

****

STATE OF _____)
)§
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____ ,2003

By _____ as _____ of **Riggs Oil & Gas Corporation**, a _____ corporation, on behalf of the corporation.

Witness my hand and official seal.

_____
Notary Public

My commission expires: _____

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

[redacted] [redacted] [redacted]

Acknowledgements

STATE OF Oklahoma)
)§
COUNTY OF Tulsa)

The foregoing instrument was acknowledged before me this 8th day of October ,2003

By Dorsey Roach as Attorney-in-Fact of **Williams Production Rocky Mountain Company**, a Delaware corporation, on behalf of the corporation.

Witness my hand and official seal.

Notary Public #01001993

My commission expires: March 4, 2005

****

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA OKLAHOMA 74101

STATE OF Colorado)
)§
COUNTY OF Arapahoe)

The foregoing instrument was acknowledged before me this 24th day of October ,2003

By Joseph H. Brinkman as President of **Helm Energy, LLC**, a Colorado limited liability company ~~corporation~~, on behalf of the ~~corporation~~ limited liability company.

Witness my hand and official seal.

Notary Public

My commission expires: 4-11-2006

JANET BAYSINGER PIKE
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 04/11/2006

****

STATE OF_____)
)§
COUNTY OF_____)

The foregoing instrument was acknowledged before me this_____day of_____
_____,2003

By_____ as _____of **McLish Resources, L.L.P.**, a _____ corporation, on behalf of the corporation.

Witness my hand and official seal.

_____
Notary Public

My commission expires: _____

****

STATE OF New Mexico)
)§
COUNTY OF San Juan)

The foregoing instrument was acknowledged before me this 9th day of October
_____,2003

By Elliott A. Riggs as President of **Riggs Oil & Gas Corporation**, a New Mexico corporation, on behalf of the corporation.

Witness my hand and official seal.

Nancy Keeler
Notary Public

My commission expires: March 11, 2007

OFFICIAL SEAL
NANCY KEELER
NOTARY PUBLIC - STATE OF NEW MEXICO
My commission expires: 03-11-07

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

[redacted] [redacted] [redacted]

Acknowledgements

STATE OF Oklahoma)
)§
COUNTY OF Tulsa)

The foregoing instrument was acknowledged before me this 8th day of October _____,2003

By Dorsey Roach as Attorney-in-Fact of **Williams Production Rocky Mountain Company**, a Delaware corporation, on behalf of the corporation.

Witness my hand and official seal.

Notary Public #01001983

My commission expires: March 4, 2005

****

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

STATE OF _____)
)§
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____ _____,2003

By _____ as _____ of **Helm Energy, LLC**, a _____ corporation, on behalf of the corporation.

Witness my hand and official seal.

Notary Public

My commission expires: _____

****

STATE OF Colorado)
)§
COUNTY OF Denver)

The foregoing instrument was acknowledged before me this 14th day of October ,2003

By W. Clifton Arbuckle as President of **Gasconade Oil Co.**, a Colorado corporation, on behalf of the corporation.

Witness my hand and official seal.

Jaxcene L. Heinze
Notary Public

My commission expires: 1/4/04

JAXCENE L. HEINZE NOTARY PUBLIC STATE OF COLORADO

****

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

STATE OF Colorado)
)§
COUNTY OF Denver)

On this 14th day of October ,2003, before me the undersigned Notary Public in and for said county and state, personally appeared **W. Clifton Arbuckle as Trustee of the W. Clifton Arbuckle Revocable Trust under Trust Agreement dated January 1, 1996** known to me to be the person whose name is subscribed to the forgoing instrument, and acknowledged that the same was executed and delivered as his free and voluntary act for the purposes therein.

Witness my hand and official seal.

Jaxcene L. Heinze
Notary Public

My commission expires: 1/4/04

JAXCENE L. HEINZE NOTARY PUBLIC STATE OF COLORADO

[redacted] [redacted] [redacted]

EXHIBIT "A"

To that certain Assignment dated effective October 1, 2001 between McLish Resources L.L.P., Gasconade Oil Co., The W. Clifton Arbuckle Trust, Helm Energy, L.L.C. and Rigs Oil & Gas Corporation as Assignors and Williams Production Rocky Mountain Company as Assignee. All leases are located in Sublette County, Wyoming.

Lessor:	USA, WYW-136841
Lessee:	Ann M. Trujillo
Date:	7-1-95
Primary Term:	10 years
Royalty:	12.5%
Overriding Royalty:	None
Mineral Interest:	100%
Recording Data:	
Description:	Township 36 North, Range 112 West, 6th P.M. Section 20: N/2 NE/4 Section 21: S/2 Section 28: All Section 29: SE/4 NE/4, W/2 NW/4, SE/4 NW/4, E/2 SE/4

Lessor:	USA, WYW-136843
Lessee:	Ann M. Trujillo
Date:	7-1-95
Primary Term:	10 years
Royalty:	12.5%
Overriding Royalty:	None
Mineral Interest:	100%
Recording Data:	
Description:	Township 36 North, Range 112 West, 6th P.M. Section 27: SW/4 SW/4

Lessor:	USA, WYW-143457
Lessee:	Chevron USA, Inc.
Date:	8-1-94
Primary Term:	10 years
Royalty:	12.5%
Overriding Royalty:	3.5%
Mineral Interest:	100%
Recording Data:	
Description:	Township 36 North, Range 112 West, 6th P.M. Section 29: SW/4 NE/4, W/2 SE/4

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

300849

RECORDED Nov 12 2003 3:00 PM
IN BOOK 125 O+G PAGE 662
FEES $26.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

ASSIGNMENT OF INTEREST IN OIL AND GAS LEASES

THIS ASSIGNMENT OF INTEREST IN OIL AND GAS LEASES (the "Assignment"), dated effective 12:01 a.m. local time, October 1, 2002 (the Effective Time"), is from Prima Oil & Gas Company, 1099 18th Street, Suite 400, Denver, Colorado, 80202 and John P. Lockridge, 1265 Lisbon Lane, Pebble Beach, California 93953 ("Assignor") to Williams Production Rocky Mountain Company, One Williams Center, P.O. Box 3102, Tulsa, Oklahoma 74101-3102 ("Assignee").

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby sells, assigns, transfers, grants, bargains, and conveys to Assignee the real and personal property interests described below, located in Sublette County, Wyoming (the "Assigned Interests"):

1. Seventy five percent (75%) of Assignor's right, title and interest in and to the oil and gas leases described on Exhibit A attached hereto (the "Leases"), insofar and only insofar as the Leases cover the lands described on Exhibit A (the "Lands") as to all depths.

2. Seventy five percent (75%) of Assignor's right, title and interest in the oil and gas wells located on the Leases and Lands, together with all personal property and equipment associated with said wells, except the Miller Wellbore, as defined below;

3. Rights in and to all existing and effective pooling and communitization agreements, and other contracts, agreements and instruments to the extent only that they relate to or affect the interest described in Sections 1 and 2 above.

4. Concurrent rights of ingress and egress to the Lands, and in and to surface use agreements, rights-of-way, easements, surface leases and other surface rights, if any, held by Assignor in connection with ownership or operation of the Leases and Lands.

TO HAVE AND TO HOLD the Assigned Interests unto Assignee and its successors and assigns forever.

This Assignment is made and accepted expressly subject to the following terms and conditions:

A. The Assigned Interests do not include the Miller #7-4 located in the SWNE of Section 4, T35N, R112W, the "Miller Wellbore," wellbore and the rights to produce hydrocarbons therefrom, which are being assigned pursuant to a separate assignment between Assignor and Assignee.

B. **THIS ASSIGNMENT IS MADE WITHOUT WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY EXCEPT THAT ASSIGNOR WARRANTS THAT TITLE TO THE ASSIGNED INTERESTS IS FREE AND CLEAR OF ANY**

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

LIENS AND ENCUMBRANCES CREATED BY, THROUGH OR UNDER ASSIGNOR, BUT NOT OTHERWISE.

C. This Assignment is subject to the terms and provisions of the Farmin Agreement, as amended, between Williams and Prima Oil & Gas Company and John P. Lockridge (the "Farmin Agreement"). If there is a conflict between the terms of this Assignment and the Farmin Agreement, the terms of the Farmin Agreement shall control in all respects and not be deemed to have merged into the terms of this Assignment.

D. Assignee agrees to perform all obligations, express or implied, of Assignor under the Leases insofar as such obligations are applicable to the Assigned Interests.

E. To the extent permitted by law, Assignee shall be subrogated to Assignor's rights to the extent of the Assigned Interests, in and to representations, warranties and covenants given with respect to the Leases. Assignor 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 Leases, but only to the extent not enforced by Assignor.

F. Unless provided otherwise, all recording references in Exhibit A hereto are to the official real property records of the Sublette County, Wyoming.

G. Separate governmental forms of assignment of the Assigned Interests 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, rights, titles, power and privileges set forth herein as fully as though they were set forth in each such assignment. The interests conveyed by such separate assignments are the same, and not in addition to, the Assigned Interests conveyed herein.

H. This Assignment binds and inures to the benefit of Assignor and Assignee and their respective successor and assigns.

I. This Assignment may be executed in counterparts, each of which shall be deemed to be an original instrument, but, all of which together shall constitute but one instrument.

J. The references herein to liens, encumbrances, burdens, defects and other matters shall not be deemed to ratify or create any rights in *third* parties or merge with, modify or limit the rights of Assignor or Assignee as between themselves, as set forth in the Farmout Agreement.

EXECUTED on the dates contained in the acknowledgments of this Assignment, to be effective for all purposes as of the Effective Time.

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

6604

ASSIGNOR:
PRIMA OIL & GAS COMPANY

ASSIGNOR:
JOHN P. LOCKRIDGE

ASSIGNEE:
WILLIAMS PRODUCTION ROCKY MOUNTAIN COMPANY.

Dorsey Roach
Attorney-in-Fact

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

[redacted] [redacted] [redacted]

ASSIGNOR:
PRIMA OIL & GAS COMPANY

Edward L. McLaughlin
Vice President, Land

ASSIGNOR:
JOHN P. LOCKRIDGE

ASSIGNEE:
WILLIAMS PRODUCTION ROCKY MOUNTAIN COMPANY.

Dorsey Roach
Attorney-in-Fact

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

ماماما

Acknowledgements

STATE OF Oklahoma)
)§
COUNTY OF Tulsa)

The foregoing instrument was acknowledged before me this 6th day of October ,2003 By Dorsey Roach as Attorney-in-Fact of **Williams Production Rocky Mountain Company**, a Delaware corporation, on behalf of the corporation.

Witness my hand and official seal.

Notary Public #01001993

My commission expires: March 4, 2005

****

STATE OF COLORADO)
)§
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 21st day of October ,2003

By Edward L. McLaughlin as Vice Pres. - Land of **Prima Oil & Gas Company,** a Colorado corporation, on behalf of the corporation.

Witness my hand and official seal.

Notary Public - Tammie J. Fairbee

My commission expires: August 22, 2007

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

****

STATE OF Colorado)
)§
COUNTY OF Denver)

On this 21 day of October, 2003, before me the undersigned Notary Public in and for said county and state, personally appeared **John P. Lockridge** known to me to be the person whose name is subscribed to the forgoing instrument, and acknowledged that the same was executed and delivered as his free and voluntary act for the purposes therein.

Witness my hand and official seal. Rebecca L Martinez
Notary Public

My commission expires: 11/15/04

REBECCA L. MARTINEZ NOTARY PUBLIC STATE OF COLORADO

My Commission Expires 11/15/2004

****

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

EXHIBIT A
LEASES AND LANDS

Sublette County, Wyoming

1. Lessor: WYW – 136345
Lessee: Mountain States Fuels, Inc.
Effective Date: May 1, 1995
Primary Term: 10 Years
Royalty: 12.5%
Overriding Royalty: None
Mineral Interest 100%
Recording Data:
Description

Township 35 North, Range 112 West, 6th P.M.
Section 4: Lots 1, 2, 3, 4, S ½ N ½, S ½
Section 5: Lots 1, 2, 3, 4, S ½ N ½, S ½
Section 8: N ½ NE ¼, SE ¼ NE ¼
Section 9: N ½, NE ¼ SE ¼
TOTAL: 1,757.24 acres

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

300850

RECORDED Nov. 12 2003 3:00 PM
IN BOOK 125 Q+G PAGE 1 de 9
FEES $23.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

WELLBORE ASSIGNMENT
Miller #7-4 Well

THIS WELLBORE ASSIGNMENT (the "Assignment"), dated effective 12:01 a.m. local time, October, 1, 2002 (the Effective Time"), is from Prima Oil & Gas Company, 1099 18th Street, Suite 400, Denver, Colorado, 80202 and John P. Lockridge, 1265 Lisbon Lane, Pebble Beach, California 93953 ("Assignor") to Williams Production Rocky Mountain Company, One Williams Center, P.O. Box 3102, Tulsa, Oklahoma 74101-3102 ("Assignee").

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby sells, assigns, transfers, grants, bargains, and conveys to Assignee the real and personal property interests described below, located in Sublette County, Wyoming (the "Assigned Interests"):

1. All of Assignor's right, title and interest in and to the wellbore of the Miller #7-4 Well, located in the SWNE of Section 4, T35N, R112W, 6th P.M., Sublette County, Wyoming (the "Miller Wellbore"), the right to produce hydrocarbons therefrom, together with all personal property and equipment associated with said wellbore;

2. Assignor's right, title and interest in and to the oil and gas lease on which the Miller Wellbore is located (as described on Exhibit A), but only to the extent that such leasehold rights are necessary to operate, produce and maintain the Miller Wellbore;

2. Rights in and to all existing and effective pooling and communitization agreements, and other contracts, agreements and instruments to the extent only that they relate to or affect the production of hydrocarbons from the Miller Wellbore; and

3. Concurrent rights of ingress and egress to the Mille Wellbore, and in and to surface use agreements, rights-of-way, easements, surface leases and other surface rights, if any, held by Assignor in connection with operation, production and maintenance of the Miller Wellbore.

RESERVING AND EXCEPTING in favor of Assignor, an overriding royalty interest in the production from the Miller Wellbore equal to the difference between applicable royalties, overriding royalties, production payments and other like payments that were in effect as of February 12, 2001 and 18.5%.

TO HAVE AND TO HOLD the Assigned Interests 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 THAT TITLE TO THE ASSIGNED INTERESTS IS FREE AND CLEAR OF ANY LIENS AND ENCUMBRANCES CREATED BY, THROUGH OR UNDER ASSIGNOR, BUT NOT OTHERWISE.**

B. This Assignment is subject to the terms and provisions of the Farmin Agreement, as amended, between Williams and Prima Oil & Gas Company and John P. Lockridge (the "Farmin Agreement"). If there is a conflict between the terms of this Assignment and the Farmin Agreement, the terms of the Farmin Agreement shall control in all respects and not be deemed to have merged into the terms of this Assignment.

C. To the extent permitted by law, Assignee shall be subrogated to Assignor's rights to the extent of the Assigned Interests, in and to representations, warranties and covenants given with respect to the Leases. Assignor 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

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

enforce with respect to the Assigned Interests, but only to the extent not enforced by Assignor.

D. Separate governmental forms of assignment of the Assigned Interests 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, rights, titles, power and privileges set forth herein as fully as though they were set forth in each such assignment. The interests conveyed by such separate assignments are the same, and not in addition to, the Assigned Interests conveyed herein.

E. This Assignment binds and inures to the benefit of Assignor and Assignee and their respective successors and assigns.

F. This Assignment may be executed in counterparts, each of which shall be deemed to be an original instrument, but, all of which together shall constitute but one instrument.

G. The references herein to liens, encumbrances, burdens, defects and other matters shall not be deemed to ratify or create any rights in *third* parties or merge with, modify or limit the rights of Assignor or Assignee as between themselves, as set forth in the Farmout Agreement.

EXECUTED on the dates contained in the acknowledgments of this Assignment, to be effective for all purposes as of the Effective Time.

ASSIGNOR:
PRIMA OIL & GAS COMPANY

Edward L. McLaughlin
Vice President, Land

ASSIGNOR:
JOHN P. LOCKRIDGE

ASSIGNEE:
WILLIAMS PRODUCTION ROCKY MOUNTAIN COMPANY.

Debby Hoaet
Attorney-in-Fact

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

enforce with respect to the Assigned Interests, but only to the extent not enforced by Assignor.

D. Separate governmental forms of assignment of the Assigned Interests 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, rights, titles, power and privileges set forth herein as fully as though they were set forth in each such assignment. The interests conveyed by such separate assignments are the same, and not in addition to, the Assigned Interests conveyed herein.

E. This Assignment binds and inures to the benefit of Assignor and Assignee and their respective successors and assigns.

F. This Assignment may be executed in counterparts, each of which shall be deemed to be an original instrument, but, all of which together shall constitute but one instrument.

G. The references herein to liens, encumbrances, burdens, defects and other matters shall not be deemed to ratify or create any rights in *third* parties or merge with, modify or limit the rights of Assignor or Assignee as between themselves, as set forth in the Farmout Agreement.

EXECUTED on the dates contained in the acknowledgments of this Assignment, to be effective for all purposes as of the Effective Time.

ASSIGNOR:
PRIMA OIL & GAS COMPANY

ASSIGNOR:
JOHN P. LOCKRIDGE

ASSIGNEE:
WILLIAMS PRODUCTION ROCKY MOUNTAIN COMPANY.

Dorsey Roach
Attorney-in-Fact

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

Acknowledgements

STATE OF Oklahoma)
)§
COUNTY OF Tulsa)

The foregoing instrument was acknowledged before me this 6th day of October ,2003. By Dorsey Roach as Attorney-in-Fact of **Williams Production Rocky Mountain Company,** a Delaware corporation, on behalf of the corporation.

Witness my hand and official seal.

Notary Public #01001993

My commission expires: March 4, 2005

STATE OF COLORADO)
)§
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 21st day of October ,2003. By Edward L. McLaughlin as Vice President - Land~~s~~XXX of **Prima Oil & Gas Company,** a Colorado corporation, on behalf of the corporation.

Witness my hand and official seal.

Notary Public - Tammie L. Fairbee

My commission expires: August 22, 2007

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

STATE OF Colorado)
)§
COUNTY OF Denver)

On this 2 day of October ,2003, before me the undersigned Notary Public in and for said county and state, personally appeared **John P. Lockridge** known to me to be the person whose name is subscribed to the forgoing instrument, and acknowledged that the same was executed and delivered as his free and voluntary act for the purposes therein.

Witness my hand and official seal. Rebecca L Martinez
Notary Public

My commission expires: 11/15/04

REBECCA L. MARTINEZ NOTARY PUBLIC STATE OF

****

My Commission Expires 11/15/2004

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

EXHIBIT A
LEASES AND LANDS
Sublette County, Wyoming

The following Oil and Gas Lease to the extent and only to the extent that the leasehold rights are necessary to maintain, produce and operate the wellbore of the Miller #7-4 Well, located in the SWNE of Section 4, T35N, R112W, 6th P.M., Sublette County, Wyoming.

1. Lessor: WYW – 136345
   Lessee: Mountain States Fuels, Inc.
   Effective Date: May 1, 1995
   Primary Term: 10 Years
   Royalty: 12.5%
   Overriding Royalty: None
   Mineral Interest 100%
   Recording Data:
   Description

Township 35 North, Range 112 West, 6th P.M.
Section 4: Lots 1, 2, 3, 4, S ½ N ½, S ½
Section 5: Lots 1, 2, 3, 4, S ½ N ½, S ½
Section 8: N ½ NE ¼, SE ¼ NE ¼
Section 9: N ½, NE ¼ SE ¼
TOTAL: 1,757.24 acres

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

300935

RECORDED NOV 14 2003 3:32 P M
IN BOOK 125 C + C PAGE 675
FEES $ 17.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE, WYOMING
By Tracey Harrell

ASSIGNMENT OF INTEREST IN OIL AND GAS LEASES

THIS ASSIGNMENT OF INTEREST IN OIL AND GAS LEASES (the "Assignment"), dated effective 12:01 a.m. local time, October 2, 2002 (the Effective Time"), is from Williams Production Rocky Mountain Company, One Williams Center, P.O. Box 3102, Tulsa, Oklahoma 74101-3102 ("Assignor") to McLish Resources L.L.P. 633 Seventeenth Street, Suite 1650, Denver, Colorado 80202, Gasconade Oil Co. 410 Seventeenth Street, Suite 1180, Denver, Colorado 80202, The W. Clifton Arbuckle Trust 410 Seventeenth Street, Suite 1180, Denver, Colorado 80202, Helm Energy, L.L.C. One DTC, 5251 DTC Parkway Street, Suite 425, Englewood, Colorado 80111 and Riggs Oil & Gas Corporation P.O. Box 711, Farmington, New Mexico 87499 (collectively herein referred to as "Assignee").

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby sells, assigns, transfers, grants, bargains, and conveys to Assignee in the proportions listed on Exhibit A, the real and personal property interests described below, located in Sublette County, Wyoming (the "Assigned Interests"):

1. Twenty five percent (25%) of Assignor's right, title and interest in and to the oil and gas leases described on Exhibit A attached hereto (the "Leases"), insofar and only insofar as the Leases cover the lands described on Exhibit A (the "Lands") as to all depths.

2. Concurrent rights of ingress and egress to the Lands, and in and to surface use agreements, rights-of-way, easements, surface leases and other surface rights, if any, held by Assignor in connection with ownership or operation of the Leases and Lands.

TO HAVE AND TO HOLD the Assigned Interests unto Assignee and its successors and assigns forever.

This Assignment is made and accepted expressly subject to the following terms and conditions:

A. The Assigned Interests do not include the Miller #7-4 located in the SWNE of Section 4, T35N, R112W, the "Miller Wellbore," wellbore and the rights to produce hydrocarbons therefrom.

B. **THIS ASSIGNMENT IS MADE WITHOUT WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY EXCEPT THAT ASSIGNOR WARRANTS THAT TITLE TO THE ASSIGNED INTERESTS IS FREE AND CLEAR OF ANY LIENS AND ENCUMBRANCES CREATED BY, THROUGH OR UNDER ASSIGNOR, BUT NOT OTHERWISE.**

C. This Assignment is subject to the terms and provisions of the Farmin Agreement, as amended, between Williams and Prima Oil & Gas Company and John P. Lockridge (the "Farmin Agreement"). If there is a conflict between the terms of this Assignment and the Farmin

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

675

Agreement, the terms of the Farmin Agreement shall control in all respects and not be deemed to have merged into the terms of this Assignment.

D. To the extent permitted by law, Assignee shall be subrogated to Assignor's rights to the extent of the Assigned Interests, in and to representations, warranties and covenants given with respect to the Leases. Assignor 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 Leases, but only to the extent not enforced by Assignor.

E. Unless provided otherwise, all recording references in Exhibit A hereto are to the official real property records of the Sublette County, Wyoming.

F. Separate governmental forms of assignment of the Assigned Interests 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, rights, titles, power and privileges set forth herein as fully as though they were set forth in each such assignment. The interests conveyed by such separate assignments are the same, and not in addition to, the Assigned Interests conveyed herein.

G. This Assignment binds and inures to the benefit of Assignor and Assignee and their respective successor and assigns.

I. The references herein to liens, encumbrances, burdens, defects and other matters shall not be deemed to ratify or create any rights in *third* parties or merge with, modify or limit the rights of Assignor or Assignee as between themselves, as set forth in the Farmout Agreement.

EXECUTED on the dates contained in the acknowledgments of this Assignment, to be effective for all purposes as of the Effective Time.

ASSIGNOR:
WILLIAMS PRODUCTION ROCKY MOUNTAIN COMPANY.

Dorsey Roach
Attorney-in-Fact

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA OKLAHOMA 74101

Acknowledgements

STATE OF Oklahoma)
)§
COUNTY OF Tulsa)

The foregoing instrument was acknowledged before me this 10th day of November ,2003

By Dorsey Roach as Attorney-in-Fact of **Williams Production Rocky Mountain Company**, a Delaware corporation, on behalf of the corporation.

Witness my hand and official seal.

Twyla D. Croff
Notary Public

My commission expires: March 4, 2005

Notary Public Oklahoma
OFFICIAL SEAL
TWYLA D. CROFF
ROGERS COUNTY
COMMISSION #01001993
Comm. Exp. 03-04-2005

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

EXHIBIT A

LEASES AND LANDS

Sublette County, Wyoming

1. Lessor: WYW – 136345
Lessee: Mountain States Fuels, Inc.
Effective Date: May 1, 1995
Primary Term: 10 Years
Royalty: 12.5%
Overriding Royalty: None
Mineral Interest 100%
Recording Data:
Description

Township 35 North, Range 112 West, 6th P.M.
Section 4: Lots 1, 2, 3, 4, S ½ N ½, S ½
Section 5: Lots 1, 2, 3, 4, S ½ N ½, S ½
Section 8: N ½ NE ¼, SE ¼ NE ¼
Section 9: N ½, NE ¼ SE ¼
TOTAL: 1,757.24 acres

McLish Resources, L.L.P.	4.541675%
Riggs Oil & Gas Company	4.541675%
Helm Energy, L.L.C.	11.375000%
Gasconade Oil Co.	3.027775%
W. Clifton Arbuckle Trust Dated 1-1-96, W. Clifton Arbuckle Trustee	1.513875%

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

300945

RECORDED Nov. 17 2003 9:50AM
IN BOOK 1250+6 PAGE 679
FEES $ 39.00 [illegible] COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By [illegible]

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

STATE OF WYOMING §
§
COUNTY OF SUBLETTE §

This Agreement entered into this the 1st day of October, 2003, between Herbaly Exploration LLC, 1420 W. Canal Ct., Ste. 150, Littleton, Colorado 80120 ("Assignor") and

Caribam Resources, Inc. P.O. Box 25390 Christiansted, St. Croix, U.S. Virgin Islands 00824	20.0%
Moon Royalty L.L.C. P.O. Box 1197 Oklahoma City, Oklahoma 73101-1197	10.0%
Sonorin III LLC P.O. Box 87035 Phoenix, Arizona 85060	12.5%

("Assignees").

WHEREAS, Assignor desires to bargain, sell, assign and convey unto Assignees and Assignees desire to purchase from Assignor an undivided 42.5% of Assignor's right, title and interest in and to the oil, gas and mineral lease(s) and well(s) described on Exhibit "A" attached hereto and made a part hereof unless restricted or limited as shown on Exhibit "A".

NOW THEREFORE, for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged by Assignor and further in consideration of the duties and obligations assumed by Assignees hereunder, Assignor does hereby bargain, sell, assign and convey unto Assignees, in the percentages set opposite their names, an undivided 42.5% of Assignor's right, title and interest in and to the following, which is hereinafter collectively referred to as the "Property".

(A) An undivided 42.5% of Assignor's right, title and interest in and to the oil, gas and mineral leases described on Exhibit "A" attached hereto and made a part hereof ("Leases").

(B) An undivided 42.5% of Assignor's interests and claims for any gas imbalances which have accrued prior to the effective date hereof.

(C) An undivided 42.5% of Assignor's right, title and interest in and to all contracts, permits, licenses, easements and other agreements relating to the Leases including, without limitation, the following: surface leases, operating agreements, oil, gas and condensate purchase and sale agreements, processing, exchange, gathering, compression and transportation agreements; partnership, joint venture, farmout, farmin, dry hole, bottom hole, acreage contribution, purchase and acquisition agreements; area of mutual interest agreements; salt water disposal agreements; servicing contracts;

easements, surface use and/or right-of-way agreements; and unitization, communitization or pooling agreements, declarations or government orders relating to pooling or unitization.

(D) An undivided 42.5% of Assignor's interest in all oil and gas wells, limited to such wells located on leases or portions thereof described on Exhibit "A" attached hereto and made a part hereof, injection wells, disposal wells, salt water disposal systems, fixtures, equipment, personal property, gas gathering or processing systems or pipelines, oil in tanks and all other fixtures and improvements appurtenant to the Leases as of the effective date hereof (the "Wells").

TO HAVE AND TO HOLD the interests assigned unto Assignees, their successors and assigns, subject to the following terms and conditions:

I.

This Assignment, Bill of Sale and Conveyance is made effective the 1st day of August, 2003 ("Effective Date") and is made subject to, and Assignees assume their proportionate shares of all duties, liabilities and obligations, express or implied, imposed upon Assignor under the terms and provisions contained in the Leases and all assignments, subleases, farmout agreements, assignments of override, joint operating agreements, easements, rights-of-way and other contracts, agreements, and documents pertaining to the Property which appear of record or, if not of record, of which Assignees have actual or constructive notice on the date hereof, and under all applicable laws, rules, regulations, orders and ordinances. Assignees agree to defend, indemnify and hold harmless Assignor from and against any and all claims, obligations, liabilities, costs, expenses, losses and damages of any kind or character sustained by it as a result of any failure of Assignees to perform such obligations.

II.

This Assignment, Bill of Sale and Conveyance is made subject to all applicable taxes, including but not limited to, severance taxes, ad valorem taxes, excise taxes and windfall profit taxes. Assignees by signature hereto, agree to pay all sales and transfer assessments, fees and taxes incident to this Agreement, if any, and shall indemnify and hold Assignor harmless from and against any and all losses occasioned by Assignor due to the failure of Assignees to pay either wholly or partially, any such taxes, and/or penalty and interest accruing in connection therewith. All ad valorem, personal and property taxes assessed to the Wells conveyed hereby shall be prorated as to the Effective Date of this Assignment.

III.

This Assignment, Bill of Sale and Conveyance is made subject to any consents to assign, until granted, or preferential rights to purchase, until waived, applicable to the Property. If the holder of an applicable preferential right to purchase elects to exercise its preferential right to purchase, Assignees shall assign the Property or the portion thereof affected by such preferential right to the holder and shall be entitled to receive their proportionate shares of proceeds paid by the holder of the preferential right in connection therewith.

IV.

IT IS EXPRESSLY UNDERSTOOD BY THE PARTIES HERETO THAT ASSIGNOR DOES NOT MAKE ANY REPRESENTATIONS, GUARANTIES OR WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, REPRESENTATIONS, GUARANTIES OR WARRANTIES AS TO THE TITLE, EVEN FOR THE RETURN OF THE PURCHASE PRICE, OR THE CONDITION AND STATE OF REPAIR OF THE PROPERTY OR ITS VALUE, QUALITY, MERCHANTABILITY, SUITABILITY OR FITNESS FOR ANY USES OR PURPOSES OR FREEDOM FROM ANY DEFECTS, HAZARDS, OR DANGEROUS CONDITIONS, WHETHER HIDDEN OR APPARENT. ASSIGNEES CERTIFY THAT THE LANDS, WELLS, PERSONAL PROPERTY AND EQUIPMENT HAVE BEEN CAREFULLY INSPECTED BY ASSIGNEES, AND THAT ASSIGNEES ARE FAMILIAR

WITH ITS CONDITION AND VALUE. SAID INSPECTION COVERED BUT WAS NOT LIMITED TO THE PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE, OF THE PROPERTY. ASSIGNEES ACCEPT THE PROPERTY "AS IS, WHERE IS", WITH ALL FAULTS, IN ITS PRESENT CONDITION AND STATE OF REPAIR, AND WITHOUT ANY REPRESENTATIONS, GUARANTIES, OR WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED.

V.

ASSIGNEES ACKNOWLEDGE THAT THE PROPERTIES HAVE BEEN USED FOR OIL AND GAS DRILLING AND PRODUCING OPERATIONS, TRANSPORTATION OPERATIONS, RELATED OILFIELD OPERATIONS AND POSSIBLY THE STORAGE AND DISPOSAL OF WASTE MATERIALS INCIDENTAL TO OR OCCURRING IN CONNECTION WITH SUCH OPERATIONS, AND THAT PHYSICAL CHANGES IN THE LAND MAY HAVE OCCURRED AS A RESULT OF SUCH USES AND THAT ASSIGNEE HAS ENTERED INTO THIS AGREEMENT ON THE BASIS OF ASSIGNEE'S OWN INVESTIGATION OF THE PHYSICAL CONDITION OF THE ASSETS, INCLUDING SUBSURFACE CONDITIONS. ASSIGNEES HEREBY AGREE TO ASSUME THEIR PROPORTIONATE SHARES OF FULL RESPONSIBILITY FOR COMPLIANCE WITH ALL OBLIGATIONS, LIABILITIES AND REGULATIONS CONCERNING ALL OF SUCH CONDITIONS, KNOWN OR UNKNOWN, AND FURTHER AGREE TO DEFEND, INDEMNIFY AND HOLD ASSIGNOR HARMLESS (INCLUDING, BUT NOT LIMITED TO, INDEMNIFICATION FOR LIABILITY UNDER THE FEDERAL COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT, AS AMENDED, THE RESOURCE CONSERVATION AND RECOVERY ACT, THE CLEAN WATER ACTS, THE SAFE DRINKING WATER ACT, THE TOXIC SUBSTANCE CONTROL ACT, THE HAZARDOUS MATERIAL TRANSPORTATION ACT, THE CLEAN AIR ACT, AND THE CLEAN AIR ACT AMENDMENT OF 1990, AND ALL OTHER FEDERAL, STATE AND LOCAL ENVIRONMENTAL LAWS AND REGULATIONS, AS WELL AS ALL ACTS, LAWS AND REGULATIONS AMENDATORY OR SUPPLEMENTAL THERETO) AGAINST ANY AND ALL DAMAGE, LOSS, INJURY, LIABILITIES, OR EXPENSES (INCLUDING, BUT NOT LIMITED TO REASONABLE ATTORNEYS' FEES AND COSTS OF COURT, REASONABLE COSTS OF INVESTIGATING ANY CLAIM, SITE ASSESSMENTS, TESTING AND REMEDIAL ACTIONS) PERTAINING TO THE ENVIRONMENTAL CONDITION OF THE PROPERTIES.

As part of their environmental assessment, Assignees were required to test for the presence of Naturally Occurring Radioactive Materials (hereinafter referred to as "NORM"). The presence of NORM in or on the Assets shall be the sole responsibility of Assignees and ASSIGNEES AGREE TO DEFEND, INDEMNIFY AND HOLD ASSIGNOR HARMLESS FROM ANY AND ALL CLAIMS ARISING FROM AND/OR RELATED TO THE PRESENCE OF NORM.

VI.

Assignees shall have the duty and hereby agree to plug and abandon, in a good and workmanlike manner, the Well(s) included in this Assignment as well as any other wells drilled hereafter by Assignees on the Leases in accordance with the rules and regulations of all regulatory bodies having or asserting jurisdiction therein. Such obligation of Assignees includes, in addition to the plugging and abandoning requirements, the duties to clean-up and restore the premises on which the Well(s) are located in accordance with the terms and conditions of the applicable lease and any state or federal laws and to settle at no cost to Assignor any and all damage claims which may be asserted by any party with respect thereto.

VII.

Assignees are entitled to their proportionate shares of proceeds attributable to production from the Leases from and after the Effective Date and Assignor is entitled to all proceeds attributable to production from the Leases prior to the Effective Date. Similarly, all operating and capital expenditures incurred in connection with the Leases which are attributable to operations during the time prior to the Effective Date are the obligations of Assignor and all such operating and capital

expenditures attributable to operations during the time after the Effective Date are the obligations of Assignees.

VIII.

EFFECTIVE AS OF THE EFFECTIVE DATE ASSIGNEES SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS ASSIGNOR, ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, PARENT, AFFILIATES, SUBSIDIARY CORPORATIONS AND LIMITED PARTNERS, FROM AND AGAINST ANY AND ALL CLAIMS, LIABILITIES, COSTS, EXPENSES (INCLUDING, WITHOUT LIMITATION, COURT COSTS AND REASONABLE ATTORNEY'S FEES), LOSSES AND DAMAGES THAT ARISE FROM AND/OR ARE RELATED TO THE PROPERTY WHETHER KNOWN OR UNKNOWN, AND WHETHER RELATING TO ACTIONS, EVENTS, OR CONDITIONS ARISING OR OCCURRING PRIOR TO OR AFTER THE EFFECTIVE DATE, AND REGARDLESS OF THE THEORY OF LIABILITY ASSERTED.

IX.

Assignor has all Division Order files furnished to Assignor by Noble Energy, Inc. Assignees at all times shall have access to all original Division Order files during Assignor's regular business hours upon three (3) days prior written notice. Assignor and Assignees agree that Assignees will take over disbursement effective with October 1, 2003, production. Within 90 days following said date, Assignor shall deliver to Assignees all funds representing the net accounts from which payments have been suspended ("Suspended Funds"). Assignees shall accept Suspended Funds and, thereafter, be solely responsible for the proper disbursement of the Suspended Funds, including any obligation to identify, locate and pay the persons entitled to the Suspended Funds and to report and to Escheat the Suspended Funds as required by any applicable law, and that Assignees shall indemnify, hold harmless and defend Assignor against any and all losses, claims, suits, causes of action, controversies, liability and expense arising directly or indirectly out of Assignees' improper or untimely disbursement, escheat or continued suspension of the Suspended Funds, subsequent to the Effective Date of the Assignment, Bill of Sale and Conveyance. Assignees shall take over, effective October 1, 2003, all nominations, negotiations of sales contracts, accounting issues, and balancing issues.

X.

Assignees agree that they will not assign, sublease or transfer, in whole or part, any rights acquired herein without requiring their assignees, sublessees and transferees to expressly assume all obligations owed to Assignor under the terms of this assignment, and all such pertinent terms shall be incorporated into any and all future instruments translative of title. Any assignment, sublease or transfer executed in contravention of this provision shall be null and void.

XI.

Notwithstanding Assignees' right to assign all or part of the Property to third parties as conditioned by Article IX above, Assignees shall remain fully responsible and liable for fulfillment of all the obligations and liabilities imposed herein, and for compliance with all terms and conditions established herein, whether express or implied.

XII.

ASSIGNOR SHALL MAKE NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS THE ACCURACY OR COMPLETENESS OF ANY DATA, INFORMATION OR MATERIALS HERETOFORE OR HEREAFTER FURNISHED ASSIGNEE IN CONNECTION WITH THE PROPERTY, OR AS TO THE QUALITY OR QUANTITY OF HYDROCARBON RESERVES (IF ANY) ATTRIBUTABLE TO THE PROPERTY OR THE ABILITY OF THE PROPERTY TO PRODUCE HYDROCARBONS. ANY AND ALL SUCH DATA, INFORMATION AND OTHER MATERIALS FURNISHED BY ASSIGNOR IS PROVIDED TO ASSIGNEES AS A CONVENIENCE AND ANY RELIANCE ON OR USE OF THE SAME SHALL BE AT ASSIGNEES' SOLE RISK. ASSIGNEES WAIVE THEIR RIGHTS UNDER THE

DECEPTIVE TRADE PRACTICES-CONSUMER PROTECTION ACT OR ANY SIMILAR ACT UNDER ANY STATE OR FEDERAL LAW THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTIONS. AFTER CONSULTATION WITH ANY ATTORNEY OF ITS OWN SELECTION, ASSIGNEES ACKNOWLEDGE THAT THIS EXPRESS WAIVER SHALL BE CONSIDERED A MATERIAL AND INTEGRAL PART OF THIS ASSIGNMENT AND THE CONSIDERATION THEREOF; AND ACKNOWLEDGES THAT THIS WAIVER HAS BEEN BROUGHT TO THE ATTENTION OF ASSIGNEES AND EXPLAINED IN DETAIL AND THAT ASSIGNEES HAVE VOLUNTARILY AND KNOWINGLY CONSENTED TO THIS WAIVER.

The terms and provisions of this Assignment, Bill of Sale and Conveyance shall be binding upon and inure to the benefit of the parties hereto, their respective successors and assigns.

IN WITNESS WHEREOF, this Agreement is executed as of the date hereinabove first written, but effective as of the Effective Date.

ASSIGNOR:

HERBALY EXPLORATION LLC

By: _____
David L. Herbaly, Member

State of Colorado §
§
County of Arapahoe §

Before me, the undersigned authority, on this day personally appeared David L. Herbaly, as a Member of Herbaly Exploration LLC, a Colorado limited liability company, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed same for the purposes and consideration therein expressed, and as the act and deed of said limited liability company.

Given under my hand and seal this the 1st day of October, 2003.

NOTARY PUBLIC STATE OF COLORADO

_____
1420 W. Canal Ct. Ste. 150
Littleton, Colorado 80120
Notary Public in and for the State of Colorado

My Commission Expires May 1, 2007

ASSIGNEE:

CARIBAM RESOURCES, INC.

By: Shirley Mason

Name: SHIRLEY MASON

Title: PRESIDENT

Territory of the Virgin Islands §
§
District of St. Croix §

Before me, the undersigned authority, on this day personally appeared Shirley A. Mason, as President of Caribam Resources, Inc., a Delaware corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed same for the purposes and consideration therein expressed, and as the act and deed of said corporation.

Given under my hand and seal this the 17th day of October, 2003.

Notary Public in and for
The State of

NOTARY PUBLIC
PATRICIA ANN DUVAL-SANTIAGO
Commission Exp. 4/3/2004
NP - 058-00

My Commission Expires: APRIL 3, 2004

[redacted] [redacted] [redacted]

ASSIGNEE:

MOON ROYALTY L.L.C.

By: _____

Name: C. S. Collier

Title: Manager

State of Texas §
§
County of Harris §

Before me, the undersigned authority, on this day personally appeared C. S. Collier as Manager of Moon Royalty L.L.C., a _____ limited liability company, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed same for the purposes and consideration therein expressed, and as the act and deed of said limited liability company.

Given under my hand and seal this the 14 day of October, 2003.

KATHRIN MORGAN
MY COMMISSION EXPIRES
October 13, 2006

_____
Notary Public in and for the State of _____

My Commission Expires _____

ASSIGNEE:

SONORIN III LLC

By: _____

Name: L. Andrew Smith

Title: Manager

State of Arizona §
§
County of Maricopa §

Before me, the undersigned authority, on this day personally appeared L Andrew Smith as Manager of Sonorin III LLC, a Texas limited liability company, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed same for the purposes and consideration therein expressed, and as the act and deed of said limited liability company.

Given under my hand and seal this the 8th day of October, 2003.

OFFICIAL SEAL
BRIDGET BERNSTEIN
Notary Public - State of Arizona
MARICOPA COUNTY
My Comm. Expires April 19, 2005

_____
Notary Public in and for the State of Arizona

My Commission Expires April 19, 2005

Riley Ridge Federal 33-24
Riley Ridge Unit 14-33F
Riley Ridge Unit 14-33
Castle Creek (TE) Prospect
Sublette County Wyoming

EXHIBIT "A"

Attached to and made a part of that certain ASSIGNMENT, BILL OF SALE, and CONVEYANCE executed on the 1st day of October, 2003, but effective as of August 1, 2003, by and between Herbaly Exploration LLC, as "ASSIGNOR" and Caribam Resources, Inc., Moon Royalty L.L.C. and Sonorin III LLC as "ASSIGNEES".

LEASE(S) - See attached Exhibit "A-1"

AGREEMENT(S)

Farmout Agreement dated September 25, 1981, by and between Skyline Oil Company and American Quasar Petroleum Company of New covering lands located in Sections 33, 34 and 35, T30N-R114W, 6th P.M., Sublette County, Wyoming.

Unit Agreement for the Development and Operation of Riley Ridge Unit Area dated December 23, 1981, Sublette County, Wyoming (WYW-109661X).

Unit Operating Agreement dated December 23, 1981, as amended, designating American Quasar Petroleum Co. of New Mexico as Unit Operator of Riley Ridge Unit Area, Sublette County, Wyoming.

Agreement and Stipulation dated September 1, 1989, recorded in Book 84 of Photos at page 461 and re-recorded in Book 85 at page 171 covering operating rights in formations from surface to base of Dakota Formation.

Participation Agreement dated August 31, 1999, by and between Wold Oil Properties, Inc., and Infinity Oil & Gas of Wyoming, Inc., as amended on June 29, 2000, and February 27, 2001.

Ratification of Participation Agreement dated August 31, 1999, which ratification was executed by Samedan Oil Corporation on December 17, 1999.

Unit Agreement for the Development and Operation of the Miami Ditch Unit, Sublette County, Wyoming, effective as of October 3, 2002, (WYW155916X).

Unit Operating Agreement dated _____ 2002, designating Williams Production RMT Company as Unit Operator of the Miami Ditch Unit Area, Sublette County, Wyoming.

WELLS

Well located in Madison Formation Participating Area "A":	
Riley Ridge Federal #33-24	NESESW, Section 33, T30N-R114W
Wells located in Mesa Verde Formation Participating Area "A":	
Riley Ridge Unit #14-33	SESWSW, Section 33, T30N-R114W
Riley Ridge #5-2	SWNE, Section 5, T29N-R114W
Riley Ridge #11-4	S2NWNW, Section 4, T29N-R114W
Riley Ridge #41-5	NE, Section 5, T29N-R114W
Riley Ridge #44-32	SWSESE, Section 32, T30N-R114W
Riley Ridge #5-1 (Injection Well)	SENWNE, Section 5, T29N-R114W
Well located in the Initial Frontier Formation Participating Area "A":	
Riley Ridge Unit #14-33F	SWSESW, Section 33, T30N-R114W

EXCLUSION(S)

There is specifically excluded from this assignment any and all Mineral/Royalty interests owned now or hereafter by Noble Energy, Inc., in the subject lands

END OF EXHIBIT "A"

Sale No.: 186C
Lot No.: 118

687

Riley Ridge Unit 14-33F
Riley Ridge Unit 14-33
Castle Creek (TE) Prospect
Sublette County, Wyoming

EXHIBIT "A-1"

Attached and made a part of that certain ASSIGNMENT, BILL OF SALE AND CONVEYANCE executed on the 1st day of October, 2003, but effective as of August 1, 2003, by and between Herbaly Exploration LLC, as "ASSIGNOR" and Caribam Resources, Inc., Moon Royalty L.L.C. and Sonorin III LLC as "ASSIGNEES".

LEASE(S)

SOC Lease:	16-18-002
Lessor:	USA WYW-36438
Lessee:	Devereaux Milburn, Jr.
Dated:	10-01-72
Recorded:	T30N-R114W Section 33: S/2N/2, S/2 Section 34: W/2SW/4

SOC Lease:	16-18-029
Lessor:	USA WYW-157630 (segregated)
Lessee:	Devereaux Milburn, Jr.
Dated:	10-01-72
Recorded:	T30N-R114W Section 33: N/2N/2 Section 34: SW/4NE/4, W/2NW/4, SE/4NW/4, E/2SW/4, W/2SE/4

END OF EXHIBIT "A-1"

When recorded, please return to:
David L. Herbaly
1420 W. Canal Ct. Ste. 150
Littleton, CO 80120

Sale No.: 186C
Lot No.: 118

[redacted] [redacted] [redacted]

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

THIS ASSIGNMENT, BILL OF SALE AND CONVEYANCE (this "Assignment"), dated effective March 1, 2003 at 12:00 a.m. Mountain Standard Time (the "Effective Time"), is from **NXT Energy USA Inc.** (formerly known as Pinnacle Oil International, Inc., a Nevada corporation and Pinnacle Oil Inc., a Nevada corporation), ("Assignor"), having an address of 750, Phoenix Place, 840 – 7th Avenue S.W., Calgary, Alberta T2P 3G2, Canada to **SFD Investments LLC**, an Arkansas limited liability company ("Assignee"), having an address of 111 Center Street, Suite 2500, Little Rock, Arkansas 72203. This Assignment is made pursuant to and is subject to that certain Purchase and Sale Agreement dated May 9, 2003, but effective March 1, 2003, by and between Assignor and Assignee.

For $10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Assignor, Assignor hereby sells, assigns, transfers and conveys to Assignee the following (all of which are herein called the "Interests"):

1. All of (100%) of Assignor's right, title and interest in and to the entire estate created by the leases described in Exhibit A, attached hereto and made a part hereof (the "Leases"), insofar as the Leases cover and relate to the land described in Exhibit A-1 (the "Land"), together with all of (100%) of Assignor's right, title and interest in and to all the property and rights incident thereto, including all rights in, to and under all contracts and agreements, product purchase and sale contracts, leases, permits, rights-of-way, surface use agreements, easements, licenses, farmouts, options and orders in any way relating thereto; and

2. All of (100%) of Assignor's right, title and interest in and to all Wells as described on Exhibit "A-2" and any and all equipment, facilities, fixtures and improvements now or as of the Effective Time appurtenant thereto or used or obtained in connection with the Wells, Leases and Land or on acreage pooled therewith or with the production, treatment, sale or disposal of hydrocarbons or water produced therefrom or attributable thereto and all other appurtenances belonging thereunto. All other items of personal property; or fixtures which are used or useful in connection with the operation of the Wells, Leases and Lands in which Assignor has an interest; and

3. All of (100%) of Assignor's right title and interest whether real, personal, contractual and regardless of whether such interests are vested or residual, in and to any and all Joint Venture Agreements, Joint Development and Exploration Agreements, and Participation Agreements between Assignor or it's predecessors and CamWest Limited Partnership and/or CamWest Exploration LLC including but not limited to those agreements listed on Exhibit "A-3".

Assignor for itself and its successors and assigns hereby represents, warrants and agrees to and with Assignee, its successors and assigns, that except as set forth on Exhibit A the Interests are free and clear of all liens, encumbrances, burdens and defects or title of any kind arising by, through or under Assignor but not otherwise.

Executed as of Oct. 6, 2003, to be effective for all purposes as of the Effective Time.

NXT Energy USA Inc.,

ATTEST:

X Robert Lysed

By: George Liszicasz

Title: CEO

300966

RECORDED Nov. 17 2003 3:15 PM
IN BOOK 125 O46 PAGE 1089
FEES $ 19.00 M L COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy

ACKNOWLEDGMENT

Province
STATE OF Alberta)
) ss.
COUNTY OF —)

The foregoing instrument was acknowledged before me this 6 day of October, 2003, by George Liszicasz as CEO of NXT Energy USA Inc., on behalf of such corporation.

Witness my hand and official seal.

My Commission Expires:

does not expire

Thomas E. Valentine

Notary Public
Thomas E. Valentine
Barrister & Solicitor

NOTARY PUBLIC PROVINCE OF ALBERTA

EXHIBIT A-1

County: SUBLETTE
State: Wyoming
Prospect Name: HABANERO

LEASE CODE	LESSOR	LESSEE	LSE DTE EXP DTE	LEGAL DESCRIPTION TWNSP	 RNGE	 SECT	GROSS ACRES NET ACRES	RECORDING BOOK PAGE	LEASE STATUS
WYCWE0000008	State of Wyoming 99-00594	HANSON & STRAHN INC	11/02/99 11/02/04	27N	106W	7 Lot 6 (formerly Lot 3)	40.5500 20.2750	N/A	NP
WYCWE0000009	State of WY 99-00599	HANSON & STRAHN INC	11/02/99 11/02/04	28N	106W	16 All	640.0000 640.0000	N/A	NP
WYCWE0000010	State of WY 99-00600	HANSON & STRAHN INC	11/02/99 11/02/04	28N	106W	19 NE/4SW/4	40.0000 40.0000	N/A	NP
WYCWE0000011	State of Wyoming 99-00601	HANSON & STRAHN INC	11/02/99 11/02/04	28N	106W	30 Lots 3, 4	72.5200 36.2600	N/A	NP
WYCWE0000012	State of Wyoming 99-00604	HANSON & STRAHN INC	11/02/99 11/02/04	29N	106W	20 SW/4NW/4	40.0000 40.0000	N/A	NP
WYCWE0000013	State of Wyoming 99-00605	HANSON & STRAHN INC	11/02/99 11/02/04	29N	106W	24 N/2SE/4, SW/4SE/4	120.0000 120.0000	N/A	NP
WYCWE0000070	USA WYW-150052 (PARCEL 179)	HANSON & STRAHN INC	04/01/00 04/01/10	28N	106W	3 Lots 1(44.67), 2(44.68), 3(44.70), 4(44.71), S/2S/2	338.7600 338.7600	N/A	NP
WYCWE0000071	USA WYW-150053 (PARCEL 180)	HANSON & STRAHN INC	04/01/00 04/01/10	28N	106W	4 Lot 1(44.70), S/2S/2 5 Lot 2(45.26), S/2SW/4, SW/4SE/4 8 NW/4NE/4, NW/4, SE/4SW/4, NE/4SE/4, S/2SE/4	729.9600 729.9600	N/A	NP
WYCWE0000072	USA WYW-150054 (PARCEL 181)	HANSON & STRAHN INC	04/01/00 04/01/10	28N	106W	25 ALL	640.0000 640.0000	N/A	NP
WYCWE000078A	CATHERINE CANESTRINI	HANSON & STRAHN INC	12/14/99 12/14/04	29N	106W	26 SESE 34 SESE 35 N/2NE, SWNE, SENW, E/2SW, SWSW	360.0000 40.0003	113 400	PD-UP
WYCWE000078B	ANNE M CASE	HANSON & STRAHN INC	12/14/99 12/14/04	29N	106W	26 SESE 34 SESE 35 N/2NE, SWNE, SENW, E/2SW, SWSW	360.0000 40.0003	113 390	PD-UP
WYCWE000078C	JOHN B & WILMA ERRAMOUSPE	HANSON & STRAHN INC	12/14/99 12/14/04	29N	106W	26 SESE 34 SESE 35 N/2NE, SWNE, SENW, E/2SW, SWSW	360.0000 40.0003	113 409	PD-UP
WYCWE000078D	JOSEPH J ERRAMOUSPE	HANSON & STRAHN INC	12/14/99 12/14/04	29N	106W	26 SESE 34 SESE 35 N/2NE, SWNE, SENW, E/2SW, SWSW	360.0000 40.0003	113 418	PD-UP
WYCWE000078E	SISTER MIRIAM GRACE ERRAMOUSPE	HANSON & STRAHN INC	12/14/99 12/14/04	29N	106W	26 SESE 34 SESE 35 N/2NE, SWNE, SENW, E/2SW, SWSW	360.0000 40.0003	113 427	PD-UP
WYCWE000078F	PAUL S & SUZAN ERRAMOUSPE	HANSON & STRAHN INC	12/14/99 12/14/04	29N	106W	26 SESE 34 SESE 35 N/2NE, SWNE, SENW, E/2SW, SWSW	360.0000 40.0003	113 437	PD-UP

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EXHIBIT A-1

County: SUBLETTE
State: Wyoming
Prospect Name: HABANERO

LEASE CODE	LESSOR	LESSEE	LSE DTE / EXP DTE	LEGAL DESCRIPTION TWNSP	RNGE	SECT	GROSS ACRES / NET ACRES	RECORDING BOOK	PAGE	LEASE STATUS
WYCWE000078G	BERNADETTE M GOSAR	HANSON & STRAHN INC	12/14/99 12/14/04	29N	106W	26 SESE 34 SESE 35 N/2NE, SWNE, SENW, E/2SW, SWSW	360.0000 40.0003	113	447	PD-UP
WYCWE000078H	GRACE V & JOHN MOSSMAN	HANSON & STRAHN INC	12/14/99 12/14/04	29N	106W	26 SESE 34 SESE 35 N/2NE, SWNE, SENW, E/2SW, SWSW	360.0000 40.0003	113	456	PD-UP
WYCWE000078I	MARGARET L & JOSEPH SELLYEI	HANSON & STRAHN INC	12/14/99 12/14/04	29N	106W	26 SESE 34 SESE 35 N/2NE, SWNE, SENW, E/2SW, SWSW	360.0000 40.0003	113	465	PD-UP
WYCWE000079A	CATHERINE CANESTRINI	HANSON & STRAHN INC	12/14/99 12/14/04	28N	106W	17 W/2NW 18 SENE, SESW, W/2SE 19 NENW 23 SW/4 26 NWNW	480.0000 53.3338	113	403	PD-UP
WYCWE000079B	ANNE M CASE	HANSON & STRAHN INC	12/14/99 12/14/04	28N	106W	17 W/2NW 18 SENE, SESW, W/2SE 19 NENW 23 SW/4 26 NWNW	480.0000 53.3338	113	394	PD-UP
WYCWE000079C	JOHN B. and WILMA ERRAMOUSPE	HANSON & STRAHN INC	12/14/99 12/14/04	28N	106W	17 W/2NW 18 SENE, SESW, W/2SE 19 NENW 23 SW/4 26 NWNW	480.0000 53.3338	113	412	PD-UP
WYCWE000079D	JOSEPH J ERRAMOUSPE	HANSON & STRAHN INC	12/14/99 12/14/04	28N	106W	17 W/2NW 18 SENE, SESW, W/2SE 19 NENW 23 SW/4 26 NWNW	480.0000 53.3338	113	421	PD-UP
WYCWE000079E	SISTER MIRIAM GRACE ERRAMOUSPE	HANSON & STRAHN INC	12/14/99 12/14/04	28N	106W	17 W/2NW 18 SENE, SESW, W/2SE 19 NENW 23 SW/4 26 NWNW	480.0000 53.3338	113	431	PD-UP
WYCWE000079F	PAUL S & SUZAN ERRAMOUSPE	HANSON & STRAHN INC	12/14/99 12/14/04	28N	106W	17 W/2NW 18 SENE, SESW, W/2SE 19 NENW 23 SW/4 26 NWNW	480.0000 53.3338	113	441	PD-UP
WYCWE000079G	BERNADETTE M GOSAR	HANSON & STRAHN INC	12/14/99 12/14/04	28N	106W	17 W/2NW 18 SENE, SESW, W/2SE 19 NENW 23 SW/4 26 NWNW	480.0000 53.3338	113	450	PD-UP

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EXHIBIT A-1

County: SUBLETTE
State: Wyoming
Prospect Name: HABANERO

LEASE CODE	LESSOR	LESSEE	LSE DTE EXP DTE	LEGAL DESCRIPTION TWNSP	 RNGE	 SECT	GROSS ACRES NET ACRES	RECORDING BOOK	 PAGE	LEASE STATUS
WYCWE000079H	GRACE V & JOHN MOSSMAN	HANSON & STRAHN INC	12/14/99 12/14/04	28N	106W	17 W/2NW 18 SENE, SESW, W/2SE 19 NENW 23 SW/4 26 NWNW	480.0000 53.3338	113	459	PD-UP
WYCWE000079I	MARGARET L & JOSEPH SELLYEI	HANSON & STRAHN INC	12/14/99 12/14/04	28N	106W	17 W/2NW 18 SENE, SESW, W/2SE 19 NENW 23 SW/4 26 NWNW	480.0000 53.3338	113	469	PD-UP
WYCWE000080A	CATHERINE CANESTRINI	HANSON & STRAHN INC	12/14/99 12/14/04	28N	106W	4 Lot 2 (44.67); 3 (44.63); 4 (44.60) 5 Lot 1 (44.81); SESE 8 E/2NE, SWNE, N/2SW, SWSW, NWSE	498.7100 55.4127	113	397	PD-UP
WYCWE000080B	ANNE M CASE	HANSON & STRAHN INC	12/14/99 12/14/04	28N	106W	4 Lot 2 (44.67); 3 (44.63); 4 (44.60) 5 Lot 1 (44.81); SESE 8 E/2NE, SWNE, N/2SW, SWSW, NWSE	498.7100 55.4127	113	387	PD-UP
WYCWE000080C	JOHN B & WILMA ERRAMOUSPE	HANSON & STRAHN INC	12/14/99 12/14/04	28N	106W	4 Lot 2 (44.67); 3 (44.63); 4 (44.60) 5 Lot 1 (44.81); SESE 8 E/2NE, SWNE, N/2SW, SWSW, NWSE	498.7100 55.4127	113	406	PD-UP
WYCWE000080D	JOSEPH J ERRAMOUSPE	HANSON & STRAHN INC	12/14/99 12/14/04	28N	106W	4 Lot 2 (44.67); 3 (44.63); 4 (44.60) 5 Lot 1 (44.81); SESE 8 E/2NE, SWNE, N/2SW, SWSW, NWSE	498.7100 55.4127	113	415	PD-UP
WYCWE000080E	SISTER MIRIAM GRACE ERRAMOUSPE	HANSON & STRAHN INC	12/14/99 12/14/04	28N	106W	4 Lot 2 (44.67); 3 (44.63); 4 (44.60) 5 Lot 1 (44.81); SESE 8 E/2NE, SWNE, N/2SW, SWSW, NWSE	498.7100 55.4127	113	424	PD-UP
WYCWE000080F	PAUL S & SUZAN ERRAMOUSPE	HANSON & STRAHN INC	12/14/99 12/14/04	28N	106W	4 Lot 2 (44.67); 3 (44.63); 4 (44.60) 5 Lot 1 (44.81); SESE 8 E/2NE, SWNE, N/2SW, SWSW, NWSE	498.7100 55.4127	113	434	PD-UP
WYCWE000080G	BERNADETTE M GOSAR	HANSON & STRAHN INC	12/14/99 12/14/04	28N	106W	4 Lot 2 (44.67); 3 (44.63); 4 (44.60) 5 Lot 1 (44.81); SESE 8 E/2NE, SWNE, N/2SW, SWSW, NWSE	498.7100 55.4127	113	444	PD-UP
WYCWE000080H	GRACE V & JOHN MOSSMAN	HANSON & STRAHN INC	12/14/99 12/14/04	28N	106W	4 Lot 2 (44.67); 3 (44.63); 4 (44.60) 5 Lot 1 (44.81); SESE 8 E/2NE, SWNE, N/2SW, SWSW, NWSE	498.7100 55.4127	113	453	PD-UP
WYCWE000080I	MARGARET L & JOSEPH SELLYEI	HANSON & STRAHN INC	12/14/99 12/14/04	28N	106W	4 Lot 2 (44.67); 3 (44.63); 4 (44.60) 5 Lot 1 (44.81); SESE 8 E/2NE, SWNE, N/2SW, SWSW, NWSE	498.7100 55.4127	113	462	PD-UP
WYCWE0000081	State of Wyoming 99-00602	TEXACO EXPLORATION & PROD INC	11/02/99 11/02/04	28N	106W	36 All	640.0000 640.0000	N/A		NP
WYCWE0000106	USA WYW-150869	HANSON & STRAHN INC	08/01/00 08/01/10	29N	106W	20 NE/4SW/4, S/2SW/4	120.0000 120.0000	N/A		NP

EXHIBIT A-1

County: SUBLETTE
State: Wyoming
Prospect Name: HABANERO

LEASE CODE	LESSOR	LESSEE	LSE DTE EXP DTE	LEGAL DESCRIPTION TWNSP	RNGE	SECT	GROSS ACRES NET ACRES	RECORDING BOOK PAGE	LEASE STATUS
WYCWE0000107	USA WYW-150870	HANSON & STRAHN INC	08/01/00 08/01/10	29N	106W	35 SE/4NE/4, SE/4	200.0000 200.0000	N/A	NP
WYCWE0000115	USA WYW-151283	HANSON & STRAHN INC	10/01/00 10/01/10	29N	106W	29 NW/4SW/4	40.0000 40.0000	N/A	NP
WYCWE0000122	USA WYW-153633	HANSON & STRAHN INC	09/01/01 09/01/11	29N	106W	19 E/2SW/4	80.0000 80.0000	N/A	NP

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EXHIBIT A-1

County: SUBLETTE
State: Wyoming
Prospect Name: JONAH EAST

LEASE CODE	LESSOR	LESSEE	LSE DTE EXP DTE	LEGAL DESCRIPTION TWNSP	RNGE	SECT	GROSS ACRES NET ACRES	RECORDING BOOK PAGE	LEASE STATUS
WYCWE0000074	USA WYW-150056 (PARCEL 183)	HANSON & STRAHN INC	04/01/00 04/01/10	29N	107W	34 N/2	320.0000 320.0000	N/A	NP
WYCWE0000075	USA WYW-150057 (PARCEL 184)	HANSON & STRAHN INC	04/01/00 04/01/10	29N	107W	34 E/2SW/4, SE/4 35 ALL	880.0000 880.0000	N/A	NP
WYCWE0000123	USA WYW-122343	WOLD OIL & GAS COMPANY	11/01/90 09/01/03	29N	107W	24 E/2	320.0000 320.0000	N/A	NP

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EXHIBIT A-1

County: SUBLETTE
State: Wyoming
Prospect Name: POBLANO

LEASE CODE	LESSOR	LESSEE	LSE DTE EXP DTE	LEGAL DESCRIPTION TWNSP	 RNGE	 SECT	GROSS ACRES NET ACRES	RECORDING BOOK PAGE	LEASE STATUS
WYCWE0000018	State of Wyoming 99-00618	HANSON & STRAHN INC	11/02/99 11/02/04	27N	107W	1 Lot 2, SW/4NE/4, W/2SE/4	159.7200 159.7200	N/A	NP
WYCWE0000019	State of Wyoming 99-00619	HANSON & STRAHN INC	11/02/99 11/02/04	27N	107W	12 E/2NE/4, NE/4SE/4	120.0000 120.0000	N/A	NP
WYCWE0000020	State of Wyoming 99-00620	HANSON & STRAHN INC	11/02/99 11/02/04	28N	107W	36 ALL	640.0000 640.0000	N/A	NP
WYCWE0000022	USA WYW-138657	ANN M TRUJILLO	09/01/99 09/01/09	28N	107W	33 N/2, SE/4	480.0000 480.0000	N/A	NP
WYCWE0000029	USA WYW-148567	HANSON & STRAHN INC	08/01/99 08/01/09	28N	107W	22 ALL 26 W/2, SE/4 27 E/2 35 ALL	2,080.0000 2,080.0000	N/A	NP
WYCWE0000030	USA WYW-147935	TEXACO EXPLORATION & PROD INC	04/01/99 04/01/09	28N	107W	25 Insofar and only insofar as said lease covers: W/2	320.0000 320.0000	N/A	NP
WYCWE0000031	USA WYW-147493	TEXACO EXPLORATION & PROD INC	02/01/99 02/01/09	28N	107W	25 Insofar and only insofar as said lease covers: W/2E/2, NESE	200.0000 200.0000	N/A	NP
WYCWE0000032	USA WYW-129990	TEXACO EXPLORATION & PROD INC	09/01/93 09/01/03	28N	107W	27 W/2	320.0000 320.0000	N/A	NP
WYCWE0000033	USA WYW-134685	TEXACO EXPLORATION & PROD INC	09/01/93 09/01/03	27N	107W	1 Lots 1,3,4, SE/4NE/4, S/2NW/4, SW/4, E/2SE/4 2 Lots 1,2,3,4, S/2NE/4, S/2, S/2NW/4 3 Lots 1,2,3,4, S/2N/2, S/2 11 ALL 12 Lots 1,2,3, W/2NE/4, W/2	3,565.4400 3,565.4400	N/A	MR
				28N	107W	34 ALL			
WYCWE0000034	USA WYW-104180	TEXACO EXPLORATION & PROD INC	06/01/87 06/01/97	28N	107W	3 Lots 2,3, S/2 10 ALL 11:ALL 13:ALL 14: E/2 23 NE/4 24 N/2, SW/4, N/2SE/4, SW/4SE/4	3,349.4400 3,349.4400	N/A	HBP
WYCWE0000035	USA WYW-108079	TEXACO EXPLORATION & PROD INC	03/01/88 03/01/98	28N	107W	6 Lots 1,5,6,7,8,9, NE/4SE/4, S/2SE/4 7 E/2 8 ALL 21 ALL 28 ALL	2,539.7400 2,539.7400	N/A	HBP
WYCWE0000077	USA WYW-133755	ULTRA RESOURCES, INC.	03/01/95 03/01/05	28N	107W	23 E/2W/2, W/2SE/4	240.0000 240.0000	N/A	NP
WYCWE000078A	CATHERINE CANESTRINI	HANSON & STRAHN INC	12/14/99 12/14/04	28N	107W	6 NW/4SE/4 14 SW/4SW/4	80.0000 8.8890	113 400	PD-UP

EXHIBIT A-1

County: SUBLETTE
State: Wyoming
Prospect Name: POBLANO

LEASE CODE	LESSOR	LESSEE	LSE DTE EXP DTE	LEGAL DESCRIPTION TWNSP	 RNGE	 SECT	GROSS ACRES NET ACRES	RECORDING BOOK PAGE	LEASE STATUS
WYCWE000078B	ANNE M CASE	HANSON & STRAHN INC	12/14/99 12/14/04	28N	107W	6 NW/4SE/4 14 SW/4SW/4	80.0000 8.8890	113 390	PD-UP
WYCWE000078C	JOHN B & WILMA ERRAMOUSPE	HANSON & STRAHN INC	12/14/99 12/14/04	28N	107W	6 NW/4SE/4 14 SW/4SW/4	80.0000 8.8890	113 409	PD-UP
WYCWE000078D	JOSEPH J ERRAMOUSPE	HANSON & STRAHN INC	12/14/99 12/14/04	28N	107W	6 NW/4SE/4 14 SW/4SW/4	80.0000 8.8890	113 418	PD-UP
WYCWE000078E	SISTER MIRIAM GRACE ERRAMOUSPE	HANSON & STRAHN INC	12/14/99 12/14/04	28N	107W	6 NW/4SE/4 14 SW/4SW/4	80.0000 8.8890	113 427	PD-UP
WYCWE000078F	PAUL S & SUZAN ERRAMOUSPE	HANSON & STRAHN INC	12/14/99 12/14/04	28N	107W	6 NW/4SE/4 14 SW/4SW/4	80.0000 8.8890	113 437	PD-UP
WYCWE000078G	BERNADETTE M GOSAR	HANSON & STRAHN INC	12/14/99 12/14/04	28N	107W	6 NW/4SE/4 14 SW/4SW/4	80.0000 8.8890	113 447	PD-UP
WYCWE000078H	GRACE V & JOHN MOSSMAN	HANSON & STRAHN INC	12/14/99 12/14/04	28N	107W	6 NW/4SE/4 14 SW/4SW/4	80.0000 8.8890	113 456	PD-UP
WYCWE000078I	MARGARET L & JOSEPH SELLYEI	HANSON & STRAHN INC	12/14/99 12/14/04	28N	107W	26 NW/4SE/4 14 SW/4SW/4	80.0000 8.8890	113 465	PD-UP
WYCWE0000095	STATE OF WYOMING 00-00201	HANSON & STRAHN INC	04/02/00 04/02/05	27N	107W	8 NE/4SW/4, S/2SW/4, SW/4SE/4	160.0000 160.0000	N/A	NP
WYCWE0000096	STATE OF WYOMING 00-00202	HANSON & STRAHN INC	04/02/00 04/02/05	27N	107W	16 All	640.0000 640.0000	N/A	NP
WYCWE0000108	USA WYW-150872	HANSON & STRAHN INC	08/01/00 08/01/10	27N	107W	15 All 18 Lots 1, 2, 3, 4 (aka W/2W/2); E/2W/2; E/2	1,268.2000 1,268.2000	N/A	NP

Exhibit A-2

Facilities

There are no facilities.

Wells

Well Name	API No.	Location
Poblano Federal #1-28 Well	49-035-22120	T28N-R107W, Sec. 28: NESE, Sublette County, WY
Poblano Federal #9-27 Well	49-035-22147	T28N-R107W, Sec. 27: NESE, Sublette County, WY
Poblano Federal #7-33 Well	49-035-22148	T28N-R107W, Sec. 33: SWNE, Sublette County, WY
Bull Draw #3-11 Well	49-035-21283	T28N-R107W, Sec. 11: NESW, Sublette County, WY
Radio Tower #1-8 Well	49-035-21679	T28N-R107W, Sec. 8: NE, Sublette County, WY
Juel Springs #3-2 Well	49-035-22109	T27N-R107W, Sec. 2: NENW, Sublette County, WY
TM #14-24 Well	49-035-22620	T29N-R107W, Sec. 24: NENE, Sublette County, WY

Abandoned Wells

Well Name	API No.	Location
Habanero Federal #14-21 Well	49-035-22766	T29N-R106W, Sec. 21: SESW, Sublette County, WY

Pipeline License

There are no pipeline Licenses.

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Exhibit A-3

Encumbrances, Right of First Refusal

There are no Encumbrances or Right of First Refusal

Production Sales Contracts

Gas and Processing Letter Agreement dated December 17, 2001 by and between CamWest Exploration LLC, NXT Energy USA, Inc. and Mountain Gas Resources, Inc. (Poblano Prospect Area, Antelope Tail, Jonah East and Bull Draw Prospect Areas, Sublette County, Wyoming).

Crude Oil Purchase Agreement dated February 14, 2002 by and between Tesoro Refining and Marketing Company and CamWest Exploration LLC. (Poblano Prospect Area, Sublette County, Wyoming).

Agreements

Joint Exploration And Development Agreement by and among CamWest Limited Partnership and Pinnacle Oil International Inc., Pinnacle Oil Inc., and Pinnacle Oil Canada Ltd. dated April 3, 1998. The Agreement specifically includes and contains Area of Mutual Interest and Preferential Right to Purchase provisions.

Amendatory Letter Agreement dated November 3, 1999 by and between CamWest Exploration LLC and Pinnacle Oil International, Inc. and Pinnacle Oil Inc. covering the Poblano Prospect, Sublette County, Wyoming.

Amendatory Letter Agreement dated April 9, 2001 by and between CamWest Exploration LLC and Energy Exploration Technologies covering the Ice Caves Prospect, Billings County, North Dakota and the Antelope Tail Prospect, Sublette County, Wyoming.

Exploration Agreement by and between John P. Lockridge and CamWest Exploration LLC dated June 21, 2001 as amended by letter agreements dated December 5, 2001 and August 28, 2002. (Antelope Tail, Jonah East and Bull Draw Prospect Areas, Sublette County, Wyoming). The Agreement specifically includes and contains Area of Mutual Interest provisions.

Poblano/Juel Spring Exploration Agreement by and between CamWest Exploration LLC and Texaco Exploration and Production Inc. dated October 1, 1999. (Poblano Prospect Area, Sublette County, Wyoming). The Agreement specifically includes and contains Area of Mutual Interest provisions.

Farmout Agreement by and between Ultra Resources, Inc. and CamWest Exploration LLC dated September 1, 1999. (Poblano Prospect Area, Sublette County, Wyoming).

Farmout Agreement by and between Arrowhead Resources (USA) Ltd. and CamWest Exploration LLC dated September 1, 1999. (Poblano Prospect Area, Sublette County, Wyoming).

Farmout Agreement by and between Holmes P. McLish, Walter K. Arbuckle and Elliott A. Riggs and CamWest Exploration LLC dated September 1, 1999. (Poblano Prospect Area, Sublette County, Wyoming).

ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned Gasconade Oil Company
410 17th St. #1180, Denver, CO 80202
, hereinafter called ASSIGNOR, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, does hereby grant, bargain, sell, transfer, assign and convey unto: See The Attached Exhibit "A"
, hereinafter called ASSIGNEE, his/its heirs and assigns, 100.0% of Assignor's overriding royalty interests of all oil, gas and other minerals produced, saved and marketed under the terms of the oil and gas lease(s) more particularly set forth and described on the attached Exhibit " B ", attached to and made a part hereof.

A. The overriding royalty interest herein transferred is payable out of and only out of the oil and gas produced, saved and marketed, pursuant to the terms and provisions of the above described oil and gas lease(s).

B. This assignment of overriding royalty is made without warranty of title, either express or implied.

C. If Assignor's interest of record in the above described oil and gas lease(s) is less than the entire interest, or if said oil and gas lease covers less than the entire fee or record title, then the above overriding royalty interest shall be reduced proportionately.

IN WITNESS WHEREOF, Assignor has executed and delivered this assignment of overriding royalty interest as of this 1st day of November, 2003.

Attest:

Karen P. Arbuckle
Assistant Secretary

Gasconade Oil Company

W. Clifton Arbuckle
President

STATE OF COLORADO)
)
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 1st day of November, 2003, by W. Clifton Arbuckle as President of Gasconade Oil Company.

Witness my hand and notarial seal.

Jaxcene L. Heinze

My Commission Expires: 1/4/04

JAXCENE L. HEINZE NOTARY PUBLIC STATE OF COLORADO

300971

RECORDED Nov 17 2003 4:15 PM
IN BOOK 125 046 PAGE 699
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty dated November 1, 2003, by and between Gasconade Oil Co. and the W. Clifton Arbuckle Trust, et al.

1.	W. Clifton Arbuckle Revocable Trust under Trust Agreement dated 1-1-96, W. Clifton Arbuckle, Trustee 410 17th St. #1180 Denver, CO 80202	25%
2.	Kay A. Floyd 105 East Wyndham Ct. Longwood, FL 32779	25%
3.	Kathryn Camille Arbuckle Irving Street Towers 2109 N. W. Irving St. #402 Portland, OR 97210-5240	25%
4.	Susan C. Arbuckle 5201 E. Camino Bosque Tucson, AZ 85718	12.5%
5.	Bonneterre Revocable Trust under Trust Agreement dated 7-1-2003, Walter K. Arbuckle, Trustee 410 17th St. #1180 Denver, CO 80202	12.5%

[redacted] [redacted] [redacted]

EXHIBIT "B"

Attached to and made a part of that certain Assignment of Overriding Royalty dated November 1, 2003, by and between Gasconade Oil Co. and the W. Clifton Arbuckle Trust, et al.

All lands located in Sublette County, WY

Lessor:	USA WYW-018039
Lands Covered:	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: T. 30 N., R. 108 W. Sec. 23: SWNE
Lessor:	USA WYW-118157
Lands Covered:	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: T. 30 N., R. 108 W. Sec. 23: N/2NE, SENE, S/2
Lessor:	USA WYW-016161
Lands Covered:	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: T. 30 N., R. 108 W. Sec. 24: All
Lessor:	USA WYW-016158
Lands Covered:	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: T. 30 N., R. 108 W. Sec. 25: E/2, SW, S/2NW, NENW
Lessor:	USA WYW-016168
Lands Covered:	INSOFAR AND ONLY INSOFAR AS LEASE COVERS: T. 30 N., R. 108 W. Sec. 26: S/2

ASSIGNMENT OF PROCEEDS FROM OIL & GAS WELLS

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, Doris McMurry Trustee of the Doris McMurry Revocable Trust, P.O. Box 50790, Casper, WY 82604 (hereinafter referred as Assignor), the owner of certain overriding royalty interests in producing oil and gas leases, for and in consideration of the sum of Ten Dollars and other good and valuable consideration, receipt of which is hereby acknowledged, does hereby assign, transfer and set over unto Jodi R. Ramsour, 905 7 Mile Road, Casper, WY 82604 (hereinafter referred to as Assignee), all of his right, title and interest in and to the proceeds from the oil, gas and other hydrocarbons of whatever nature which are produced, saved and marketed from the following described oil and/or gas well in Sublette County, Wyoming, to-wit:

MESA 10-33 LANCE
T32N, R109W
SECTION 33: NW/4SE/4

This assignment is limited to Assignor's interest in the existing producing wells listed above. It is not intended to include an interest in any subsequent offsetting wells or wells which may be drilled to deeper formations than those now producing in the existing wells. The interest conveyed is a well-bore interest, to the depth drilled, in the wells specifically described.

This assignment is made without warranty, expressed or implied.

TO HAVE AND TO HOLD the interest herein transferred and assigned unto Assignee, her successors and assigns forever.

IN WITNESS WHEREOF, Assignor has executed and delivered this assignment as of this 14 day of Nov., 2003, to be effective as of the first day of Nov-14, 2003.

Doris McMurry
Doris McMurry, Trustee
Doris McMurry Revocable Trust

STATE OF Wyoming)
) SS
COUNTY OF Natrona)

The foregoing instrument was acknowledged before me this 14 day of November, 2003, by Doris McMurry, Trustee of the Doris McMurry Revocable Trust.

Witness my hand and official seal.

LESLIE M. FLETCHER — NOTARY PUBLIC
COUNTY OF NATRONA STATE OF WYOMING
MY COMMISSION EXPIRES MAY 13, 2007

Leslie M. Fletcher
Notary Public

My Commission Expires: May 13, 2007

300973

RECORDED Nov. 17 2003 4:35 PM
IN BOOK 125 016 PAGE 702
FEES $ 8.00 M L COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy S. Bo

Form 3000-3
(February 2002)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: October 31, 2004

Lease Serial No.
WYW-044283

Lease Effective Date
(Anniversary Date)
04.01.1974

New Serial No.

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

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (42 U.S.C. 6508)

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

Assignee* SHOGOIL & GAS CO., LLC, C/O CLAIRE SHOGRIN - 50%
Street P. O. BOX 209
City, State, ZIP Code HAY SPRINGS, NE 69347

*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 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 27 North, Range 111 West, 6th P.M. Section. 18: lots 1-4, W2E2, E2W2 Section. 19: NWNE Containing 476.92 acres more or less Sublette County, Wyoming	5.0%	5.0%	0		

301022

RECORDED Nov. 24 2003 11:30 AM
IN BOOK 125 O&G PAGE 703
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Easton

FOR BLM USE ONLY - DO NOT WRITE BELOW THIS LINE

UNITED STATES OF AMERICA

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

☐ Assignment approved for above described lands;

☐ Assignment approved for attached land description

Assignment approved effective _____

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

By _____ _____
(Authorized Officer) (Title) (Date)

(Continued on reverse)

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.

SHOGOIL & GAS CO., II, LLC 50%
CAROLYN L. SHOGRIN, TRUSTEE
P. O. BOX 29450
SANTA FE, NM 87592

STATE OF NEW MEXICO
COUNTY OF SANTA FE

This instrument was acknowledged before me on December 7, 2003 by Carolyn L. Shogrin, Executrix of the Estate of Frank L. Shogrin, Claire Shogrin, Managing Member of Shogoil and Gas Co., LLC, and Carolyn L. Shogrin, Trustee of Shogoil and Gas Co., II, LLC.

My Commission expires March 30, 2004

Barbara Corbett
Notary

PART B - CERTIFICATION AND REQUEST FOR APPROVAL

1. The Assignor certifies as owner if 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 November 20 03

Name of Assignor as shown on current lease: ESTATE OF FRANK L. SHOGRIN, DECEASED. CAROLYN L. SHOGRIN, EXECUTRIX
(Please type or print)

Assignor Carolyn L. Shogrin
(Signature)
or
Attorney-in-fact _____
(Signature)

P.O. BOX 29450
(Assignor's Address)

SANTA FE, NM 87592
(City) (State) (Zip Code)

Executed this 7th day of November 20 03

Assignee Claire Shogrin
Shogoil & Gas Co., LLC

Assignee Carolyn L. Shogrin
Shogoil & Gas Co., II, LLC

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 (1004-0034), Bureau Clearance Officer, (WO-630), Mail Stop 401 LS, 1849 C Street, N.W., Washington, D.C. 20240.

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.

RECORDED Nov. 24 2003 4:00 PM
IN BOOK 125 O+G PAGE 705
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Kathy Scott

301041

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

THIS ASSIGNMENT OF OVERRIDING ROYALTY INTEREST (the "Assignment"), dated effective upon first production from the New Fork 13-10 well (the Effective Time"), is from Williams Production Rocky Mountain Company, One Williams Center, P.O. Box 3102, Tulsa, Oklahoma 74101-3102 ("Assignor") to Edward M. Warner 1625 Larimer Street, Suite 2005, Denver, Colorado 80202, ("Assignee").

Assignor, named above, owns working interest in the Oil and Gas Lease (the "Lease") on lands located in the Sublette County, Wyoming (the "Lands"). The Lease and Lands are described in Exhibit "A" to this Assignment.

For adequate consideration, Assignor assigns, transfers, and conveys to Assignee an overriding royalty interest in all of the oil and gas produced, saved and marketed from the Lease equal to the difference, if any between the total of all royalties, overriding royalties, and other burdens affecting Assignor's interest and 20%.

The Override shall be paid upon the value of all oil, gas, casinghead gas and other substances produced, saved and sold from the Leases. It shall be free and clear of all cost and expense of development and operations and shall be subject to deductions for any costs incurred in gathering, compression, separation, dehydration, processing, transportation or other measures required to prepare such production for market or in marketing the same. The Override shall be subject to and Assignor or its designee shall be entitled to deduct, any and all taxes levied or assessed against the interest or production attributable thereto. The Override shall be proportionately reduced if it is determined the Lease covers less than 100% of the mineral estate in the Lands, or Assignor owns less than 100% of the Lease.

This Assignment is made without warranty, express or implied, and its terms and provisions shall be binding on and inure to the benefit of Assignor and Assignee and their respective heirs, legal representatives, successors, and assigns.

The Override assigned to Assignee shall be limited to production of oil and gas, meaning liquid and gaseous hydrocarbon substances and gaseous substances of whatever nature, inclusive of substances in solution or held in suspension which are necessarily produced along with or as incidental by-products of the production of oil or gas.

This Assignment is executed by Assignor as of the date of acknowledgment of

WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

Assignor's signature below, but shall be effective as of the Effective Date stated above.

ASSIGNOR:
WILLIAMS PRODUCTION ROCKY MOUNTAIN COMPANY.

Dorsey Roach
Attorney-in-Fact

STATE OF Oklahoma)
)§
COUNTY OF Tulsa)

The foregoing instrument was acknowledged before me this 12th day of November ,2003

By Dorsey Roach as Attorney-in-Fact of **Williams Production Rocky Mountain Company**, a Delaware corporation, on behalf of the corporation.

Witness my hand and official seal.

Twyla D. Croff
Notary Public

My commission expires: March 4, 2005

Notary Public Oklahoma
OFFICIAL SEAL
TWYLA D. CROFF
ROGERS COUNTY
COMMISSION #01001993
Comm. Exp. 03-04-2005

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

EXHIBIT A ATTACHED TO THAT CERTAIN ASSIGNMENT BETWEEN
WILLIAMS PRODUCTION ROCKY MOUNTAIN COMPANY AS ASSIGNOR AND
EDWARD M. WARNER AS ASSIGNEE

LEASES AND LANDS

Sublette County, Wyoming

1. Lessor: WYW – 015314
   Description

Township 30 North, Range 108 West, 6th P.M.
Section 9: SW/4
Section 14: SW/4
Section 10: SW/4

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

301042

RECORDED Nov. 21 2003 4:00PM
IN BOOK 125 046 PAGE 708
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

THIS ASSIGNMENT OF OVERRIDING ROYALTY INTEREST (the "Assignment"), dated effective 12:01 a.m. local time, October 2, 2002 (the Effective Time"), is from Williams Production Rocky Mountain Company, One Williams Center, P.O. Box 3102, Tulsa, Oklahoma 74101-3102 ("Assignor") to McLish Resources L.L.P. 633 Seventeenth Street, Suite 1650, Denver, Colorado 80202, Gasconade Oil Co. 410 Seventeenth Street, Suite 1180, Denver, Colorado 80202, The W. Clifton Arbuckle Trust 410 Seventeenth Street, Suite 1180, Denver, Colorado 80202, Helm Energy, L.L.C. One DTC, 5251 DTC Parkway Street, Suite 425, Englewood, Colorado 80111 and Riggs Oil & Gas Corporation P.O. Box 711, Farmington, New Mexico 87499 (collectively herein referred to as "Assignee").

Assignor, named above, owns working interest in the Oil and Gas Lease (the "Lease") on lands located in the Sublette County, Wyoming (the "Lands"). The Lease and Lands are described in Exhibit "A" to this Assignment.

For adequate consideration, Assignor assigns, transfers, and conveys to Assignee in the proportions listed on Exhibit "A" an overriding royalty interest in all of the oil and gas produced, saved and marketed from the Lease equal to 3.0% of 8/8 (the "Override"), insofar and only insofar as the Leases and Lands described on Exhibit "A" cover the Miller Federal 7-4 wellbore located in the SWNE of Section 4, T35N, R112W.

The Override shall be paid on the gross proceeds received at the wellhead for oil, gas, casinghead gas sold, used off the premises or in the manufacture of products therefrom, but in no event more than 3.0% of 8/8th of the actual amount received by the Assignor. The Override shall be proportionately reduced if it is determined the Lease covers less than 100% of the mineral estate in the Lands, or Assignor owns less than 100% of the Lease.

This Assignment is made without warranty, express or implied, and its terms and provisions shall be binding on and inure to the benefit of Assignor and Assignee and their respective heirs, legal representatives, successors, and assigns.

The Override assigned to Assignee shall be limited to production of oil and gas, meaning liquid and gaseous hydrocarbon substances and gaseous substances of whatever nature, inclusive of substances in solution or held in suspension which are necessarily produced along with or as incidental by-products of the production of oil or gas.

This Assignment is executed by Assignor as of the date of acknowledgment of

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

[redacted] [redacted] [redacted]

Assignor's signature below, but shall be effective as of the Effective Date stated above.

ASSIGNOR:
WILLIAMS PRODUCTION ROCKY MOUNTAIN COMPANY.

Dorsey Roach
Attorney-in-Fact

STATE OF Oklahoma)
)§
COUNTY OF Tulsa)

The foregoing instrument was acknowledged before me this 12th day of November ,2003

By Dorsey Roach as Attorney-in-Fact of **Williams Production Rocky Mountain Company**, a Delaware corporation, on behalf of the corporation.

Witness my hand and official seal.

Notary Public

My commission expires: March 4 2005

Notary Public Oklahoma
OFFICIAL SEAL
TWYLA D. CROFF
ROGERS COUNTY
COMMISSION #01001993
Comm. Exp. 03-04-2005

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

EXHIBIT A ATTACHED TO THAT CERTAIN ASSIGNMEN DATED EFFECTIVE OCTOBER 2, 2002 BETWEEN WILLIAMS PRODUCTION ROCKY MOUNTAIN COMPANY AS ASSIGNOR AND MCLISH RESOURCES, L.L.P. ET AL AS ASSIGNEE

LEASES AND LANDS

Sublette County, Wyoming

1. Lessor: WYW – 136345
   Lessee: Mountain States Fuels, Inc.
   Effective Date: May 1, 1995
   Primary Term: 10 Years
   Royalty: 12.5%
   Overriding Royalty: None
   Mineral Interest 100%
   Recording Data:
   Description

   Township 35 North, Range 112 West, 6th P.M.
   Section 4: Lots 1, 2, 3, 4, S ½ N ½, S ½
   Section 5: Lots 1, 2, 3, 4, S ½ N ½, S ½
   Section 8: N ½ NE ¼, SE ¼ NE ¼
   Section 9: N ½, NE ¼ SE ¼
   TOTAL: 1,757.24 acres

McLish Resources, L.L.P.	18.1667% of 3.0%
Riggs Oil & Gas Company	18.1667% of 3.0%
Helm Energy, L.L.C.	45.5000% of 3.0%
Gasconade Oil Co.	12.1111% of 3.0%
W. Clifton Arbuckle Trust Dated 1-1-96, W. Clifton Arbuckle Trustee	6.0555% of 3.0%

RETURN TO:
WILLIAMS PRODUCTION COMPANY
P.O. BOX 3102
TULSA, OKLAHOMA 74101

BRM (03) PRODUCERS 88-PAID UP

RECORDED Nov. 25 2003 9:00AM
IN BOOK 125 046 PAGE 711
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

OIL AND GAS LEASE

301046

AGREEMENT, made and entered into the 22nd day of October, 2003, by and between **Gordon Steele Living Trust dated January 26, 1995, Donna M. Steele, Trustee and Rhonda F. Swain (formerly Rhonda F. Steele), Trustee** at P.O. Box 25, Boulder, Wyoming 82923 hereinafter called Lessor (whether one or more) and **Anschutz Pinedale Corporation**, 555 Seventeenth Street, Suite 2400, Denver, Colorado 80202 hereinafter called **Lessee**:
WITNESSETH, that the Lessor, for and in consideration of **Ten and more ($10.00) DOLLARS** cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the **County of Sublette, State of Wyoming** described as follows, to-wit:

SEE EXHIBIT "A" FOR LAND DESCRIPTION AND AMENDED AND ADDITIONAL LEASE PROVISIONS.

Together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 99.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of **Five (5)** years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled, communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking or other operations for restoring production on the lease premises, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled, communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling, reworking or other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of a dry hole. If Hydrocarbons shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a **PAID-UP LEASE**. For the consideration set forth above, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. **Royalty Payment**. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:
   (a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be 12 ½ % of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity;
   (b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be 12 ½% of the proceedes realized by the Lessee from the sale thereof, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and
   (c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; said shut-in royalty payment shall be deemed tendered by Lessee to Lessor upon the date that Lessee deposits said royalty payment into the U.S. Mail system or any other recognized mail service; provided that if this lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7 When requested by Lessor, Lessee shall bury Lessee's pipeline below plow depth.

8 No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool, communitize or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of Hydrocarbons, individually or in the aggregate, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut-in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut-in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, communitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall

thereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, an event of "**Force Majeure**" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force Majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonable within Lessee's control. If Lessee's performance is affected by an event of Force Majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of Force Majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of Force Majeure.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. **Preferential Right**. If, during the term of this lease, Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute this lease as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Gordon Steele Living Trust dated January 26, 1995

Donna M. Steele

Donna M. Steele, Trustee

Rhonda F. Swain

Rhonda F. Swain, Trustee

ACKNOWLEDGEMENTS

STATE OF WYOMING)
) ss.
COUNTY OF SUBLETTE)

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGEMENT -- INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 5th day ~~of October~~ of November 2003, personally appeared **Donna M. Steele**, 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 notary seal the day and year last above written.

Notary Public

My commission expires: November 14th 2004

STATE OF WYOMING)
) ss.
COUNTY OF SUBLETTE)

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGEMENT -- INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 22nd day of October 2003, personally appeared **Rhonda F. Swain**, 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 notary seal the day and year last above written.

Notary Public

My commission expires: 5/17/06.

[redacted] [redacted] [redacted]

EXHIBIT "A"

Attached to and made a part of that certain Oil and Gas Lease dated October 22, 2003 by and between Gordon Steele Living Trust, dated January 26, 1995, Donna M. Steele, Trustee and Rhonda F. Swain, Trustee (Lessor) and Anschutz Pinedale Corporation (Lessee).

LAND DESCRIPTION:

Township 32 North, Range 108 West, 6th P.M.
Section 16: A tract in the NE1/4, NE1/4NW1/4, and NE1/4SE1/4, more fully described as follows: Beginning on the northeast corner of Section 16, Township 32 North, Range 108 West, and running thence South a distance of 2,869.79 feet to Station No. 2; thence North 40 degrees 10.5' West a distance of 465.40 feet to Station No. 3; thence North 49 degrees 42' West a distance of 1,878.52 feet to Station No. 4; thence North 49 degrees 04' West a distance of 642.31 feet to Station No. 5; thence North 59 degrees 30' West a distance of 624.19 feet to Station No. 6: thence North 50 degrees 45.5' East a distance of 912.63 feet to Station No. 7; thence 89 degrees 34' East a distance of 2,049 feet to Station No. 1, the point of beginning, containing 99.00 acres, more or less, EXCEPTING THEREFROM the following:

A. That portion of the above lands conveyed by Earl E. Steele and Thelma Steele, husband and wife, to Zeda Roop by Warranty Deed dated March 23, 1953, and recorded March 26, 1953, in the office of the County Clerk and Ex-Officio Register of Deeds within and for Sublette County, Wyoming, in Book 7 of Deeds on Page 263.

B. That portion of the above lands conveyed by Earl E. Steele and Thelma Steele, husband and wife, to Henry J. Mitchell and Mary Kay Mitchell, husband and wife, by Warranty Deed dated January 22, 1960 and recorded January 26, 1960 in the office of the County Clerk and Ex-Officio Register of Deeds within and for Sublette County, Wyoming in Book 10 of Deeds on Page 179.

C. That portion of the above lands conveyed by Earl Steele and Thelma Steele, husband and wife, to Wyoming Telephone Company, Incorporated, by Quit-Claim Deed dated April 23, 1976 and recorded April 23, 1976 in the office of the County Clerk and Ex-Officio Register of Deeds within and for Sublette County, Wyoming, in Book 5 of Quit-Claim Deeds on Page 570.

ADDITIONAL AND AMENDED LEASE PROVISIONS:

1. Notwithstanding anything contained in paragraph #4 of the attached lease, this lease can not be extended beyond three years past the primary term without production in commercial quantities sufficient for Lessor to participate in the royalty benefits.

2. Without Lessor's written permission, there shall be no surface occupancy or trespass on producing meadows on the lands described herein.

Signed for identification:

Donna M. Steele, Trustee
Donna M. Steele, Trustee
Gordon Steele Living Trust dated
January 26, 1995.

Rhonda F. Swain
Rhonda F. Swain, Trustee
Gordon Steele Living Trust dated
January 26, 1995

BRM (03) PRODUCERS 88-PAID UP

RECORDED Nov. 25 2003 9:00 AM
IN BOOK 125 046 PAGE 714
FEES $ 14.00 COUNTY Clerk
SUBLETTE COUNTY, PINEDALE, WYOMING

OIL AND GAS LEASE

301047

AGREEMENT, made and entered into the 22nd day of October, 2003, by and between **Donna M. Steele, Trustee of the Donna M. Steele Living Trust dated January 26, 1995** at P.O. Box 25, Boulder, Wyoming 82923 hereinafter called **Lessor** (whether one or more) and **Anschutz Pinedale Corporation**, 555 Seventeenth Street, Suite 2400, Denver, Colorado 80202 hereinafter called **Lessee**:

WITNESSETH, that the Lessor, for and in consideration of **Ten and more ($10.00) DOLLARS** cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the **County of Sublette, State of Wyoming** described as follows, to-wit:

SEE EXHIBIT "A" FOR LAND DESCRIPTION AND AMENDED AND ADDITIONAL LEASE PROVISIONS.

Together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 99.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of **Five (5)** years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled, communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking or other operations for restoring production on the lease premises, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled, communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling, reworking or other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of a dry hole. If Hydrocarbons shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a **PAID-UP LEASE**. For the consideration set forth above, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. **Royalty Payment**. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:
   (a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be 12 ½ % of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity;
   (b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be 12 ½% of the proceedes realized by the Lessee from the sale thereof, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and
   (c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of **$1.00** per acre then covered by this lease, with such payment to be made to Lessor on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; said shut-in royalty payment shall be deemed tendered by Lessee to Lessor upon the date that Lessee deposits said royalty payment into the U.S. Mail system or any other recognized mail service; provided that if this lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipeline below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool, communitize or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of Hydrocarbons, individually or in the aggregate, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut-in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut-in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, communitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall

[redacted] [redacted] [redacted]

thereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, an event of "**Force Majeure**" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force Majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonable within Lessee's control. If Lessee's performance is affected by an event of Force Majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of Force Majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of Force Majeure.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. **Preferential Right**. If, during the term of this lease, Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute this lease as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Donna M. Steele, Trustee of the Donna M. Steele Living Trust dated January 26, 1995.

Donna M. Steele

Donna M. Steele

ACKNOWLEDGEMENT

STATE OF WYOMING)
) ss.
COUNTY OF SUBLETTE)

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGEMENT -- INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 29 day of October 2003, personally appeared **Donna M. Steele**, 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 notary seal the day and year last above written.

TRACEY L. HOOVER – NOTARY PUBLIC
COUNTY OF SUBLETTE STATE OF WYOMING
My Commission Expires 8/18/06

Tracey L Hoover
Notary Public

My commission expires:

EXHIBIT "A"

Attached to and made a part of that certain Oil and Gas Lease dated October 22, 2003 by and between Donna M. Steele Living Trust, dated January 26, 1995, Donna M. Steele, Trustee (Lessor) and Anschutz Pinedale Corporation (Lessee).

LAND DESCRIPTION:

Township 32 North, Range 108 West, 6th P.M.
Section 16: A tract in the NE1/4, NE1/4NW1/4, and NE1/4SE1/4, more fully described as follows: Beginning on the northeast corner of Section 16, Township 32 North, Range 108 West, and running thence South a distance of 2,869.79 feet to Station No. 2; thence North 40 degrees 10.5' West a distance of 465.40 feet to Station No. 3; thence North 49 degrees 42' West a distance of 1,878.52 feet to Station No. 4; thence North 49 degrees 04' West a distance of 642.31 feet to Station No. 5; thence North 59 degrees 30' West a distance of 624.19 feet to Station No. 6: thence North 50 degrees 45.5' East a distance of 912.63 feet to Station No. 7; thence 89 degrees 34' East a distance of 2,049 feet to Station No. 1, the point of beginning, containing 99.00 acres, more or less, EXCEPTING THEREFROM the following:

A. That portion of the above lands conveyed by Earl E. Steele and Thelma Steele, husband and wife, to Zeda Roop by Warranty Deed dated March 23, 1953, and recorded March 26, 1953, in the office of the County Clerk and Ex-Officio Register of Deeds within and for Sublette County, Wyoming, in Book 7 of Deeds on Page 263.

B. That portion of the above lands conveyed by Earl E. Steele and Thelma Steele, husband and wife, to Henry J. Mitchell and Mary Kay Mitchell, husband and wife, by Warranty Deed dated January 22, 1960 and recorded January 26, 1960 in the office of the County Clerk and Ex-Officio Register of Deeds within and for Sublette County, Wyoming in Book 10 of Deeds on Page 179.

C. That portion of the above lands conveyed by Earl Steele and Thelma Steele, husband and wife, to Wyoming Telephone Company, Incorporated, by Quit-Claim Deed dated April 23, 1976 and recorded April 23, 1976 in the office of the County Clerk and Ex-Officio Register of Deeds within and for Sublette County, Wyoming, in Book 5 of Quit-Claim Deeds on Page 570.

ADDITIONAL AND AMENDED LEASE PROVISIONS:

1. Notwithstanding anything contained in paragraph #4 of the attached lease, this lease can not be extended beyond three years past the primary term without production in commercial quantities sufficient for Lessor to participate in the royalty benefits.

2. Without Lessor's written permission, there shall be no surface occupancy or trespass on producing meadows on the lands described herein.

Signed for identification:

Donna M. Steele, Trustee

Donna M. Steele, Trustee
Donna M. Steele Living Trust dated January 26, 1995

BRM (03) PRODUCERS 88-PAID UP

PLEASE
SIGN & RETURN

RECORDED Nov. 25 2003 11:30 AM
IN BOOK 250 46 PAGE 717
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY WYOMING
By Cathy Bates

OIL AND GAS LEASE

301061

AGREEMENT, made and entered into the 1st day of November, 2003, by and between **Patrick Johnson (aka Pat Johnson)**, a widower, P.O. Box 1114, Pinedale, Wyoming 82941 hereinafter called **Lessor** (whether one or more) and **Anschutz Pinedale Corporation**, 555 Seventeenth Street, Suite 2400, Denver, Colorado 80202 hereinafter called **Lessee**:

WITNESSETH, that the Lessor, for and in consideration of **Ten and more ($10.00) DOLLARS** cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the **County of Sublette, State of Wyoming** described as follows, to-wit:

Township 32 North, Range 108 West, 6th PM
Section 22: S1/2SE1/4
Section 26: a 121.23 acre tract in the N1/2N1/2 described in that certain Quitclaim Deed recorded at Book 3 of Quitclaim Deeds, Page 21.
Section 27: W1/2 LESS AND EXCEPT a 5.0 acre tract described in that certain Quitclaim Deed recorded at Book 1 of Quitclaim Deeds, Page 610.
Section 27: N1/2NE1/4 LESS AND EXCEPT a sixty (60) foot right-of-way for a road along the South boundary of said N1/2NE1/4 as described in that certain Quitclaim Deed recorded at Book 3 of Quitclaim Deeds, Page 21.
Section 34: NW1/4

Together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing **752.63** acres, more or less.

1. It is agreed that this lease shall remain in force for a term of **Five (5)** years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled, communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking or other operations for restoring production on the lease premises, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled, communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling, reworking or other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of a dry hole. If Hydrocarbons shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a **PAID-UP LEASE**. For the consideration set forth above, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. **Royalty Payment**. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:
   (a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be **twelve and one-half percent (12.5%)** of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity;
   (b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be **twelve and one-half percent(12.5%)** of the proceeds realized by the Lessee from the sale thereof, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and
   (c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; said shut-in royalty payment shall be deemed tendered by Lessee to Lessor upon the date that Lessee deposits said royalty payment into the U.S. Mail system or any other recognized mail service; provided that if this lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipeline below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool, communitize or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of Hydrocarbons, individually or in the aggregate, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut-in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut-in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, communitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time

WY-

to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall thereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, an event of "**Force Majeure**" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force Majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonable within Lessee's control. If Lessee's performance is affected by an event of Force Majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of Force Majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of Force Majeure.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. **Preferential Right**. If, during the term of this lease, Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute this lease as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

X Patrick Johnson
Patrick Johnson

ACKNOWLEDGEMENT

STATE OF WYOMING)
) ss.
COUNTY OF SUBLETTE)

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGEMENT -- INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 30th day of October 2003, personally appeared **Patrick Johnson**, to me known to be the identical person, described in and who executed the within and foregoing instrument of writing and acknowledged to me that he duly executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Notary Public

My commission expires: 5/17/06.

[redacted] [redacted] [redacted]

PLEASE
SIGN & RETURN

BRM (03) PRODUCERS 88-PAID UP

RECORDED Nov. 25 2003 11:30 AM
IN BOOK 125046 PAGE 719
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

OIL AND GAS LEASE

301062

AGREEMENT, made and entered into the 1st day of November, 2003, by and between **Grace B. Anderson,** a widow, P.O. Box 88, Pinedale, Wyoming 82941 hereinafter called **Lessor** (whether one or more) and **Anschutz Pinedale Corporation**, 555 Seventeenth Street, Suite 2400, Denver, Colorado 80202 hereinafter called **Lessee:**

WITNESSETH, that the Lessor, for and in consideration of **Ten and more ($10.00) DOLLARS** cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the **County of Sublette, State of Wyoming** described as follows, to-wit:

Township 32 North, Range 108 West, 6th PM
Section 22: S1/2SE1/4
Section 26: a 121.23 acre tract in the N1/2N1/2 described in that certain Quitclaim Deed recorded at Book 3 of Quitclaim Deeds, Page 21.
Section 27: W1/2 LESS AND EXCEPT a 5.0 acre tract described in that certain Quitclaim Deed recorded at Book 1 of Quitclaim Deeds, Page 610.
Section 27: N1/2NE1/4 LESS AND EXCEPT a sixty (60) foot right-of-way for a road along the South boundary of said N1/2NE1/4 as described in that certain Quitclaim Deed recorded at Book 3 of Quitclaim Deeds, Page 21.
Section 34: NW1/4

Together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing **752.63** acres, more or less.

1. It is agreed that this lease shall remain in force for a term of **Five (5)** years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled, communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking or other operations for restoring production on the lease premises, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled, communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling, reworking or other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of a dry hole. If Hydrocarbons shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a **PAID-UP LEASE**. For the consideration set forth above, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. **Royalty Payment**. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:
   (a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be **twelve and one-half percent (12.5%)** of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity;
   (b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be **twelve and one-half percent(12.5%)** of the proceeds realized by the Lessee from the sale thereof, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and
   (c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; said shut-in royalty payment shall be deemed tendered by Lessee to Lessor upon the date that Lessee deposits said royalty payment into the U.S. Mail system or any other recognized mail service; provided that if this lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipeline below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool, communitize or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of Hydrocarbons, individually or in the aggregate, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut-in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut-in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, communitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time

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to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall thereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, an event of "**Force Majeure**" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force Majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonable within Lessee's control. If Lessee's performance is affected by an event of Force Majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of Force Majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of Force Majeure.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. **Preferential Right.** If, during the term of this lease, Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute this lease as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Grace B. Anderson
Grace B. Anderson

ACKNOWLEDGEMENT

STATE OF WYOMING)
) ss.
COUNTY OF SUBLETTE)

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGEMENT -- INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 31st day of October 2003, personally appeared **Grace B. Anderson**, 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 notary seal the day and year last above written.

Notary Public

My commission expires:
My Commission Expires Oct. 6, 2004

BRM (03) PRODUCERS 88-PAID UP

OIL AND GAS LEASE

301063

RECORDED Nov. 25 2003 11:30AM
IN BOOK 126 045 PAGE 721
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

AGREEMENT, made and entered into the 5th day of November, 2003, by and between **Floyd E. Bousman,** a single man at P.O. Box 98, Boulder, Wyoming 82923 hereinafter called **Lessor** (whether one or more) and **Anschutz Pinedale Corporation**, 555 Seventeenth Street, Suite 2400, Denver, Colorado 80202 hereinafter called **Lessee**:

WITNESSETH, that the Lessor, for and in consideration of **Ten and more ($10.00) DOLLARS** cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the **County of Sublette, State of Wyoming** described as follows, to-wit:

Township 32 North, Range 108 West, 6th PM
Section 11: NE1/4
Section 22: N1/2

Together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 480.0 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of **Five (5)** years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled, communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking or other operations for restoring production on the lease premises, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled, communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling, reworking or other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of a dry hole. If Hydrocarbons shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a **PAID-UP LEASE**. For the consideration set forth above, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. **Royalty Payment**. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:
   (a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be **fifteen percent (15%)** of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity;
   (b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be **fifteen percent (15%)** of the proceeds realized by the Lessee from the sale thereof, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and
   (c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; said shut-in royalty payment shall be deemed tendered by Lessee to Lessor upon the date that Lessee deposits said royalty payment into the U.S. Mail system or any other recognized mail service; provided that if this lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipeline below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool, communitize or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of Hydrocarbons, individually or in the aggregate, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut-in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut-in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, communitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time

to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall thereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, an event of "**Force Majeure**" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force Majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonable within Lessee's control. If Lessee's performance is affected by an event of Force Majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of Force Majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of Force Majeure.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. **Preferential Right**. If, during the term of this lease, Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute this lease as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

X Floyd E. Bousman

Floyd E. Bousman

ACKNOWLEDGEMENT

STATE OF WYOMING)
) ss.
COUNTY OF SUBLETTE)

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGEMENT -- INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 5th day of November 2003, personally appeared Floyd E. Bousman, to me known to be the identical person, described in and who executed the within and foregoing instrument of writing and acknowledged to me that he duly executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Notary Public

My commission expires: 5/17/06.

[redacted] [redacted] [redacted]

ASSIGNMENT OF OVERRIDING ROYALTY
(Producing Interests)

STATE OF WYOMING §
§
COUNTY OF SUBLETTE § KNOW ALL MEN BY THESE PRESENTS:

RECITALS:

1. On August 15, 1991, WILLIAM H. MARTIN and KAREN V. MARTIN, as Settlors, executed and entered into a document entitled "The Martin Living Trust Agreement" by which the Settlors created a revocable trust, of which WILLIAM H. MARTIN and KAREN V. MARTIN were the Trustees (the "Living Trust").

2. WILLIAM H. MARTIN and KAREN V. MARTIN conveyed certain oil, gas and other mineral interests to the Living Trust.

3. WILLIAM H. MARTIN died on April 26, 2002, and pursuant to the Living Trust, KAREN V. MARTIN is now the duly appointed, qualified and serving sole successor trustee of the trust.

4. Under the terms of the Living Trust, upon the death of WILLIAM H. MARTIN, the trust estate is divided into two separate trusts, the Survivor Trust and the Marital Trust, both of which KAREN V. MARTIN is also the sole trustee.

5. KAREN V. MARTIN, as Trustee of the Living Trust, now desires to distribute, in equal shares, to herself as Trustee of the Survivor Trust and as Trustee of the Marital Trust, the property described below.

6. KAREN V. MARTIN, as Trustee of the Survivor Trust and the Marital Trust also desires to convey all of the following described property to KAREN V. and WILLIAM H. MARTIN ENERGY, LTD., a Texas Limited Partnership.

IN CONSIDERATION OF THE PREMISES, KAREN V. MARTIN, as Trustee of the Martin Living Trust dated August 15, 1991, as amended, has DISTRIBUTED, GIVEN, GRANTED, CONVEYED and DELIVERED, and by these presents does DISTRIBUTE, GIVE, GRANT, CONVEY and DELIVER, equally, unto KAREN V. MARTIN, as Trustee of the Marital Trust created by the Living Trust (the "Marital Trust"), and KAREN V. MARTIN, as Trustee of the Survivor Trust created by the Living Trust (the "Survivor Trust"), whose addresses are 400 W. Illinois, Suite 1120, Midland, Texas 79701, the following described property:

> All of the undivided interest of the Living Trust in and to all oil, gas and other mineral rights, interests and estates (a) described on Exhibit "A" attached hereto, and/or (b) in and under the lands described on Exhibit "A" attached hereto, including, without limitation, all fee mineral interests, royalty interests, overriding royalty interests, oil, gas and/or mineral leasehold interests and other oil, gas and/or mineral interests of any kind or character therein, together with (i) all rights of ingress and egress at all times for the purpose of mining, drilling, exploring, operating and developing said rights, interests and estates for oil, gas and other minerals, and removing the same therefrom, and (ii) all personal property and equipment used or obtained in connection with such rights, interests and estates (the "Distributed Mineral Interests").

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SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

Further, KAREN V. MARTIN, as Trustee of the Marital Trust and as Trustee of the Survivor Trust has DISTRIBUTED, GIVEN, GRANTED, CONVEYED AND DELIVERED, and by these presents does DISTRIBUTE, GIVE, GRANT, CONVEY and DELIVER unto KAREN V. and WILLIAM H. MARTIN ENERGY, LTD., a Texas Limited Partnership ("Grantee"), whose address is 400 W. Illinois, Suite 1120, Midland, Texas 79701, all of the undivided interest of the Marital Trust and the Survivor Trust in and to the Distributed Mineral Interests.

This Mineral Conveyance is executed subject to any rights now existing in any lessee or assigns under any valid and subsisting oil and gas lease heretofore executed and now of legal record covering the foregoing minerals, it now being understood and agreed that said Grantee shall have, receive and enjoy the herein granted undivided interests in and to all bonuses, rents, royalties and other benefits which may accrue thereunder from and after the effective date hereof, precisely as if the Grantee herein had been at the date of making said lease or leases the owner of similar undivided interests in and to the lands described herein, and said Grantee had joined as lessor therein.

This Mineral Conveyance is executed without warranty of title, express or implied.

TO HAVE AND TO HOLD the above described property, together with all and singular the rights, privileges and appurtenances thereunder or in any wise belonging to the said Grantee herein, its successors and assigns forever.

EXECUTED this 14th day of November, 2003, to be effective as of June 1, 2003.

Karen V. Martin

KAREN V. MARTIN, as Trustee of the Martin Living Trust dated August 15, 1991, as amended, and as Trustee of the Marital Trust and the Survivor Trust created thereby

STATE OF TEXAS §

COUNTY OF MIDLAND §

This instrument was acknowledged before me on the 14th day of November, 2003, by KAREN V. MARTIN, as Trustee of the Martin Living Trust dated August 15, 1991, as amended, and as Trustee of the Marital Trust and the Survivor Trust created thereby.

NOTARY PUBLIC STATE OF TEXAS
Carolyn Hartzoge
My Commission Expires
May 18, 2007

Carolyn Hartzoge

Notary Public – State of Texas

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EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS FROM THE MARTIN LIVING TRUST TO KAREN V. and WILLIAM H. MARTIN ENERGY, LTD., DATED EFFECTIVE JUNE 1, 2003, COVERING LANDS LOCATED IN SUBLETTE COUNTY, WYOMING.

APCI#	Lease Name	Lessor	Lessee	Date	Recorded	Description
01553		USA W-59393	Karen V. Martin	07/01/77	92/217	Township 27 North, Range 112 West, 6th P.M.
07097	Federal 11-24 (Bird Canyon)					Sec. 13: E/2 NW/4, from the surface to 10,000 feet.
07098	Federal 13-13 (Bird Canyon)					Sec. 13: E/2 NW/4, from below 10,000 feet.
03474	Figure Four Fed 13-3					Sec. 13: E/2 SW/4, all depths.
05733	Federal 2-24					Sec. 24: NE/4 NW/4, all depths.
01713		USA W-62117	R. Ken Williams	02/01/78		Township 27 North, Range 111 West, 6th P.M.
02376	Federal 10-28					Section 28: N/2, N/2 SW/4,SE/4 SW/4, SE/4
	Federal 20-28					
	Federal 30-28					
	Federal 40-28					
02061		USA W-68454	Edward H. Judson	09/01/79		Township 27 North, Range 111 West, 6th P.M.
02376	Federal 10-28					Section 28: SW/4 SW/4
	Federal 20-28					
	Federal 30-28					
	Federal 40-28					

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ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS:

THAT McMurry Limited Partnership, a Wyoming general partnership, with an address of P.O. Box 50790, Casper, Wyoming 82605 (hereinafter referred to as "Assignor"), for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby sell, convey, transfer, assign and deliver, without warranty of title, express or implied, all of Assignor's right, title and interest in and to any overriding royalty on all of the oil, gas and other hydrocarbon substances that may be produced and saved and marketed from or attributable to lands set out in and covered by the oil and gas lease, and any segregations, extensions or renewals thereto, described in Exhibit "A" attached hereto and made a part hereof, unto McMurry Limited Liability Company, a Wyoming limited liability company, with an address of P.O. Box 50790, Casper, Wyoming 82605 (hereinafter referred to as "Assignee").

To have and to hold the overriding royalty interest herein conveyed unto Assignee, its heirs, successors, and assigns, forever, subject to the terms and conditions of the oil and gas lease described in Exhibit "A", and all other matters of record. Duplicate original copies of this Assignment may be executed for purposes of recording in the real property records of Sublette County, Wyoming, and filing with the Wyoming Office of the Bureau of Land Management. In no event, however, shall any such duplicate assignment be construed as creating interests which are in addition to those set forth above.

IN WITNESS WHEREOF, this assignment is executed this 11 day of November, 2003, to be effective as between the parties as of May 1, 2002.

W.N. McMurry, General Partner,
McMurry Limited Partnership

STATE OF WYOMING)
) ss.
COUNTY OF NATRONA)

The foregoing instrument was acknowledged before me this 17th day of November, 2003, by W.N. McMurry, General Partner, McMurry Limited Partnership.

My commission expires: 10/7/07

Witness my hand and official seal.

JODI RAMSOUR Notary Public
County of Natrona State of Wyoming
My commission Expires October 7, 2007

Notary Public

J:\ROSAS\McMurry\Assn to McMurry LLC\McMurry LP AssnBLM06270

301071

RECORDED Nov. 25 2003 2:30 PM
IN BOOK 125 046 PAGE 726
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Soden

[redacted] [redacted] [redacted]

Exhibit A

Attached to and made a part of that certain Assignment of Overriding Royalty Interest dated effective May 1, 2002, by and between McMurry Limited Partnership, as Assignor and McMurry Limited Liability Company, as Assignee.

Book-Page	Lessor	Lease Date	Exp. Date	Legal Description
12-106	USA W-06270	6/1/51	HBP	T31N R109W Sec 3: Lots 1,2,3,4, S/2N/2, S/2

728

RATIFICATION OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

THAT WHEREAS, under date of the 17th day of May, 2001, a certain oil and gas lease was made, executed, and delivered by Kathleen A. Miller, a single woman, as Lessor(s), to Hanson & Strahn, Inc., whose address is PO Box 3020, Cheyenne, WY 82003, as Lessee, covering the following described lands in Sublette County, State of Wyoming, to wit:

Township 33 North, Range 111 West, 6th P.M.
Section 04: Lots 3(40.06), 4(40.00), S1/2NW1/4, SW1/4
Township 34 North, Range 111 West, 6th P.M.
Section 06: Lots 1(39.60), 2(39.71), 3(39.83), 4(37.16), 5(37.28), 6(37.32), 7(37.38), S1/2NE1/4, SE1/4NW1/4, E1/2SW/14, W1/2SE/14
Section 07: Lot 1(37.42), NE1/4NW1/4
Section 27: W1/2SE1/4, SE1/4SE1/4
Section 34: N1/2NE1/4
Township 34 North, Range 112 West, 6th P.M.
Section 01: Lot 1(40.01), SE1/4NE1/4, E1/2SE1/4

Containing 1,305.77 acres, more or less;

said lease being recorded in Book 118 of Oil and Gas at Page 645 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 Ten Dollars ($10.00+) 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 to said lessee, its successors and assigns, and as to said land, do hereby agree and declare that said lease is now in full force and effect; that payment has been duly made of the entire bonus consideration and all of the delay rentals; 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 the undersigned may hereafter acquire by way of reversion or otherwise.

We do hereby agree and declare that said oil and gas lease in all of its terms and provisions is binding on 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.

EXECUTED this ____ day of October, 2003.

x Kathleen A Miller
Kathleen A. Miller

STATE OF Wyoming)
) ss
COUNTY OF Sublette)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 10th day of ~~October~~ November 2003, personally appeared, Kathleen A. Miller, a single woman, to me known to be the identical person(s) described in and who executed the within and foregoing instrument of writing and acknowledged to me that she 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 hereinabove written.

My commission expires: Jan 4, 2004

SEAL:

KAREN S. WENZ - NOTARY PUBLIC
COUNTY OF SUBLETTE STATE OF WYOMING
MY COMMISSION EXPIRES JAN. 4, 2004

x Karen S Wenz

address PO Box 4375
Marbleton WY 83113

301076

RECORDED Nov. 25 2003 3:40pm
IN BOOK 125 046 PAGE 728
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

RATIFICATION OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

THAT WHEREAS, under date of the 17th day of May, 2001, a certain oil and gas lease was made, executed, and delivered by Mathew D. Miller and Lisa R. Miller, husband and wife, as Lessor(s), to Hanson & Strahn, Inc., whose address is PO Box 3020, Cheyenne, WY 82003, as Lessee, covering the following described lands in Sublette County, State of Wyoming, to wit:

Township 33 North, Range 111 West, 6th P.M.
Section 04: Lots 3(40.06), 4(40.00), S1/2NW1/4, SW1/4
Township 34 North, Range 111 West, 6th P.M.
Section 06: Lots 1(39.60), 2(39.71), 3(39.83), 4(37.16), 5(37.28), 6(37.32), 7(37.38), S1/2NE1/4, SE1/4NW1/4, E1/2SW/14, W1/2SE/14
Section 07: Lot 1(37.42), NE1/4NW1/4
Section 27: W1/2SE1/4, SE1/4SE1/4
Section 34: N1/2NE1/4
Township 34 North, Range 112 West, 6th P.M.
Section 01: Lot 1(40.01), SE1/4NE1/4, E1/2SE1/4

Containing 1,305.77 acres, more or less;

said lease being recorded in Book 118 of Oil and Gas at Page 653 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 Ten Dollars ($10.00+) 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 to said lessee, its successors and assigns, and as to said land, do hereby agree and declare that said lease is now in full force and effect; that payment has been duly made of the entire bonus consideration and all of the delay rentals; 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 the undersigned may hereafter acquire by way of reversion or otherwise.

We do hereby agree and declare that said oil and gas lease in all of its terms and provisions is binding on 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.

EXECUTED this ____ day of October, 2003.

X _____
Lisa R. Miller

X _____
Mathew D. Miller

STATE OF FLORIDA)
) ss
COUNTY OF Brevard)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 7th day of October, 2003, personally appeared, Mathew D. Miller and Lisa R. Miller, 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 hereinabove written.

My commission expires: 11/11/04

SEAL:

SUSAN A. GLAMORE
Notary Public - State of Florida
My Commission Expires Nov 11, 2004
Commission # CC971174

X _____
Address 6370 N. Wickham Rd
Melbourne FL 32940

301077

RECORDED Nov. 25 2003 3:40 PM
IN BOOK 125 Opt 6 PAGE 729
FEES $ 8.00 _____ COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By _____

RATIFICATION OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

THAT WHEREAS, under date of the 17th day of May, 2001, a certain oil and gas lease was made, executed, and delivered by Robert M. Miller and Tara L. Miller, husband and wife, as Lessor(s), to Hanson & Strahn, Inc., whose address is PO Box 3020, Cheyenne, WY 82003, as Lessee, covering the following described lands in Sublette County, State of Wyoming, to wit:

Township 33 North, Range 111 West, 6th P.M.
Section 04: Lots 3(40.06), 4(40.00), S1/2NW1/4, SW1/4
Township 34 North, Range 111 West, 6th P.M.
Section 06: Lots 1(39.60), 2(39.71), 3(39.83), 4(37.16), 5(37.28), 6(37.32), 7(37.38), S1/2NE1/4, SE1/4NW1/4, E1/2SW/14, W1/2SE/14
Section 07: Lot 1(37.42), NE1/4NW1/4
Section 27: W1/2SE1/4, SE1/4SE1/4
Section 34: N1/2NE1/4
Township 34 North, Range 112 West, 6th P.M.
Section 01: Lot 1(40.01), SE1/4NE1/4, E1/2SE1/4

Containing 1,305.77 acres, more or less;

said lease being recorded in Book 118 of Oil and Gas at Page 649 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 Ten Dollars ($10.00+) 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 to said lessee, its successors and assigns, and as to said land, do hereby agree and declare that said lease is now in full force and effect; that payment has been duly made of the entire bonus consideration and all of the delay rentals; 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 the undersigned may hereafter acquire by way of reversion or otherwise.

We do hereby agree and declare that said oil and gas lease in all of its terms and provisions is binding on 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.

EXECUTED this ____ day of October, 2003.

x _____
Tara L. Miller

x _____
Robert M. Miller

STATE OF Wyoming)
) ss
COUNTY OF Sublette)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 10th day of October, 2003, personally appeared, Robert M. Miller and Tara L. Miller, 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 hereinabove written.

My commission expires: NOV. 08, 2003

SEAL:

AMBER HAMMER - NOTARY PUBLIC
COUNTY OF SUBLETTE STATE OF WYOMING
MY COMMISSION EXPIRES NOV. 08, 2003

x _____

address 372 Kalestraw
Marbleton WY 83113

301078

RECORDED Nov. 25 2003 3:40 PM
IN BOOK 125 OF 6 PAGE 730
FEES $8.00 _____ COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By _____

RATIFICATION OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

THAT WHEREAS, under date of the 17th day of May, 2001, a certain oil and gas lease was made, executed, and delivered by Shad Z. Roberts and Patricia M. Roberts, husband and wife, as Lessor(s), to Hanson & Strahn, Inc., whose address is PO Box 3020, Cheyenne, WY 82003, as Lessee, covering the following described lands in Sublette County, State of Wyoming, to wit:

Township 33 North, Range 111 West, 6th P.M.
Section 04: Lots 3(40.06), 4(40.00), S1/2NW1/4, SW1/4
Township 34 North, Range 111 West, 6th P.M.
Section 06: Lots 1(39.60), 2(39.71), 3(39.83), 4(37.16), 5(37.28), 6(37.32), 7(37.38), S1/2NE1/4, SE1/4NW1/4, E1/2SW/14, W1/2SE/14
Section 07: Lot 1(37.42), NE1/4NW1/4
Section 27: W1/2SE1/4, SE1/4SE1/4
Section 34: N1/2NE1/4
Township 34 North, Range 112 West, 6th P.M.
Section 01: Lot 1(40.01), SE1/4NE1/4, E1/2SE1/4

Containing 1,305.77 acres, more or less;

said lease being recorded in Book 118 of Oil and Gas at Page 719 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 Ten Dollars ($10.00+) 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 to said lessee, its successors and assigns, and as to said land, do hereby agree and declare that said lease is now in full force and effect; that payment has been duly made of the entire bonus consideration and all of the delay rentals; 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 the undersigned may hereafter acquire by way of reversion or otherwise.

We do hereby agree and declare that said oil and gas lease in all of its terms and provisions is binding on 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.

EXECUTED this ____ day of October, 2003.

x Patricia M Roberts
Patricia M. Roberts

x Shad Z Roberts
Shad Z. Roberts

STATE OF Wyoming)
) ss
COUNTY OF Sublette)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 12th day of ~~October~~ November, 2003, personally appeared Shad Z. Roberts and Patricia M. Roberts, 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 hereinabove written.

My commission expires: 5/14/06

SEAL:

x [signature]
address Pinedale Wyoming

301079

RECORDED Nov. 25 2003 3:40pm
IN BOOK 125 O+G PAGE 731
FEES $ 8.00 [signature] COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By [signature]

Producers 88
Rocky Mountain 1989
(Paid-Up Rev 1996)
Hanson & Strahn, Inc. (2000)

PAID-UP OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 6th day of October, 2003, by and between Herbert Lawrence Parker, also known as Herbert L. Parker, and Regine Hawes Parker, husband and wife, of PO Box 287, Daniel, WY 83115 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:

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

RECORDED Dec 3 2003 9:22AM
IN BOOK 250 G PAGE 732
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Soden

301268

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 28.52 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 sulfide, 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 times 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 pipeline 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 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 of 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 at lessors address 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 the 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 other 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 this lease.

17. 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.

18. 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.

Regine Hawes Parker

Herbert Lawrence Parker, aka Herbert L. Parker

STATE OF Florida
COUNTY OF Martin } ss.

INDIVIDUAL

On this 10th day of October, 2003, before me personally appeared Herbert Lawrence Parker, also known as Herbert L. Parker, and Regine Hawes Parker, 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 10th day of October, 2003.

My commission expires:
November 19, 2005

OFFICIAL NOTARY SEAL
NANCY J PAPADAKOS
COMMISSION NUMBER
DD068856
MY COMMISSION EXPIRES
NOV. 19,2005

Nancy J. Papadakos
Notary Public for the State of Florida
residing at 8111 SE Helen Ter. Hobe Sound, FL 33455

STATE OF Florida
COUNTY OF Martin } ss.

CORPORATE

On this 10th day of October, 2000, 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 _____, 2000.

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 October 6, 2003, by and between Herbert Lawrence Parker, aka Herbert L. Parker, and Regine Hawes Parker, husband and wife, as Lessor, and Hanson & Strahn, Inc., as Lessee, covering the following described lands in Sublette County, Wyoming:

Township 34 North, Range 111 West, 6th P.M.
Section 07: A tract of land containing 28.52 acres, more or less, located in Lots 2 and 3, more particularly described as follows:
Begin at the West one-quarter corner of said Section 7;
thence North along the section line 1319.44 feet to the one-sixteenth corner;
thence South 89°46'52" East 1021.98 feet; thence South 27°25'28" West 490.40 feet;
thence South 43°36'01" West 464.72 feet; thence South 01°32'06" East 204.45 feet;
thence South 10°37'08" West 198.63 feet; thence South 15°08'30" East 152.85 feet;
thence South 09°52'17" East 61.92 feet; thence South 04°00'16" West 395.04 feet;
thence South 10°54'09" West 103.07 feet; thence South 28°37'34" West 106.33 feet;
thence South 36°44'55" West 109.36 feet; thence South 53°09'26" West 199.28 feet;
thence South 67°53'07" West 186.49 feet; thence North 00°02'51" East 930.97 feet to the point of beginning.

containing 28.52 acres, more or less.

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

21. This lease is made without warranty of any kind, express, implied or statutory except that Lessor warrants that title to the minerals covered by this lease is free and clear of any liens and encumbrances created by, through or under Lessor, and agrees that 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.

22. This oil and gas lease is made subject to that certain Letter Agreement dated October 6, 2003, by and between the parties hereto, their successors and assigns.

Signed for purposes of identification.

By: _____
Regine Hawes Parker

_____
Herbert Lawrence Parker, aka Herbert L. Parker

[redacted] [redacted] [redacted]

PLEASE
SIGN & RETURN

BRM (03) PRODUCERS 88-PAID UP

CORRECTIVE OIL & GAS LEASE
OIL AND GAS LEASE

AGREEMENT, made and entered into the 18th day of July, 2003, by and between **Mary Lu Matylinski, a married woman dealing in her sole and separate property** whose post office address is 203 NW High Street, Goldendale, Washington 98620 hereinafter called **Lessor** (whether one or more) and **Anschutz Pinedale Corporation**, 555 Seventeenth Street, Suite 2400, Denver, Colorado 80202 hereinafter called Lessee:
WITNESSETH, that the Lessor, for and in consideration of **Ten and more ($10.00) DOLLARS** cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the **County of Sublette, State of Wyoming** described as follows, to-wit:

301300

RECORDED Dec. 4 2003 2:30 PM
IN BOOK 125 O+G PAGE 735
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Souter

All in Township 32 North, Range 108 West, 6th P.M.

Section 4: SE1/4NW1/4, E1/2SW1/4

Section 9: SE1/4, E1/2W1/2, S1/2NE1/4, less and except that tract deeded to Upper Green River Cemetery District situated in part in the W1/2NE1/4SW1/4, more particularly described in Quit Claim Deeds Book 5, Page 544.

Section 10: SW1/4NW1/4, W1/3SE1/4NW1/4, W1/2SW1/4, W1/3E1/2SW1/4

This is a Corrective Oil & Gas Lease to correct a mistake made in that certain Oil & Gas Lease recorded in the records of Sublette County, Wyoming at Book 125 O&G, Page 309 wherein those lands above described as Section 4: E1/2SW1/4 were mistakenly described as Section 4: E1/2SE1/4.

Together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing **671.40** acres, more or less.

1. It is agreed that this lease shall remain in force for a term of **Five (5)** years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled, communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking or other operations for restoring production on the lease premises, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled, communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling, reworking or other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of a dry hole. If Hydrocarbons shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a **PAID-UP LEASE**. For the consideration set forth above, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. **Royalty Payment**. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:
   (a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be **twelve and one-half percent (12.5%)** of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity;
   (b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be **twelve and one-half percent (12.5%)** of the proceeds realized by the Lessee from the sale thereof, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and
   (c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; said shut-in royalty payment shall be deemed tendered by Lessee to Lessor upon the date that Lessee deposits said royalty payment into the U.S. Mail system or any other recognized mail service; provided that if this lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipeline below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool, communitize or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of Hydrocarbons, individually or in the aggregate, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut-in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut-in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive

on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, communitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall thereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, an event of "**Force Majeure**" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force Majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonable within Lessee's control. If Lessee's performance is affected by an event of Force Majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of Force Majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of Force Majeure.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. **Preferential Right**. If, during the term of this lease, Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute this lease as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

X Mary Lu Matylinski
Mary Lu Matylinski

ACKNOWLEDGEMENT

STATE OF WASHINGTON)
) ss.
COUNTY OF KLICKITAT)

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGEMENT -- INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 14th day of November 2003, personally appeared Mary Lu Matylinski, 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 notary seal the day and year last above written.

LETTY S. MESECHER
NOTARY PUBLIC
STATE OF WASHINGTON
COMMISSION EXPIRES
FEBRUARY 9, 2006

My commission expires

Letty Mesecher
Notary Public

[redacted] [redacted] [redacted]

BRM (03) PRODUCERS 88-PAID UP

PLEASE
SIGN & RETURN

CORRECTIVE OIL & GAS LEASE
OIL AND GAS LEASE

AGREEMENT, made and entered into the 18th day of July, 2003, by and between **Carrol D. McIntosh, a married man dealing in his sole and separate property** whose post office address is 7597 NE 1st Street, Redmond, Oregon 97756 hereinafter called **Lessor** (whether one or more) and **Anschutz Pinedale Corporation**, 555 Seventeenth Street, Suite 2400, Denver, Colorado 80202 hereinafter called **Lessee**:

WITNESSETH, that the Lessor, for and in consideration of **Ten and more ($10.00) DOLLARS** cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the **County of Sublette, State of Wyoming** described as follows, to-wit:

301301

RECORDED Dec. 4 2003 at 2:30 PM
IN BOOK 125 O+G PAGE 737
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, WYOMING
By Kathleen

All in Township 32 North, Range 108 West, 6th P.M.

Section 4: SE1/4NW1/4, E1/2SW1/4

Section 9: SE1/4, E1/2W1/2, S1/2NE1/4, less and except that tract deeded to Upper Green River Cemetery District situated in part in the W1/2NE1/4SW1/4, more particularly described in Quit Claim Deeds Book 5, Page 544.

Section 10: SW1/4NW1/4, W1/3SE1/4NW1/4, W1/2SW1/4, W1/3E1/2SW1/4

This is a Corrective Oil & Gas Lease to correct a mistake made in that certain Oil & Gas Lease recorded in the records of Sublette County, Wyoming at Book 125 O&G, Page 307 wherein those lands above described as Section 4: E1/2SW1/4 were mistakenly described as Section 4: E1/2SE1/4.

Together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing **671.40** acres, more or less.

1. It is agreed that this lease shall remain in force for a term of **Five (5)** years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled, communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking or other operations for restoring production on the lease premises, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled, communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling, reworking or other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of a dry hole. If Hydrocarbons shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a **PAID-UP LEASE**. For the consideration set forth above, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. **Royalty Payment**. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:
   (a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be **twelve and one-half percent (12.5%)** of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity;
   (b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be **twelve and one-half percent (12.5%)** of the proceeds realized by the Lessee from the sale thereof, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and
   (c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; said shut-in royalty payment shall be deemed tendered by Lessee to Lessor upon the date that Lessee deposits said royalty payment into the U.S. Mail system or any other recognized mail service; provided that if this lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipeline below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool, communitize or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of Hydrocarbons, individually or in the aggregate, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut-in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut-in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive

on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, communitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall thereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, an event of "**Force Majeure**" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force Majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonable within Lessee's control. If Lessee's performance is affected by an event of Force Majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of Force Majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of Force Majeure.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. **Preferential Right.** If, during the term of this lease, Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute this lease as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

X Carrol D. McIntosh
Carrol D. McIntosh

ACKNOWLEDGEMENT

STATE OF Oregon)
) ss.
COUNTY OF Deschutes)

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGEMENT -- INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 18th day of Nov. 2003, personally appeared Carrol D. McIntosh, to me known to be the identical person, described in and who executed the within and foregoing instrument of writing and acknowledged to me that he duly executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Linda Smith
Notary Public

My commission expires: 5-31-2005

OFFICIAL SEAL
LINDA SMITH
NOTARY PUBLIC- OREGON
COMMISSION NO. 343899
MY COMMISSION EXPIRES MAY 31, 2005

[redacted] [redacted] [redacted]

ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, Roy H. Dubitzky, Trustee of the Roy H. Dubitzky Trust dated June 28, 1986, 6663 S. Prescott Way, Littleton, CO 80120, hereinafter called ASSIGNOR, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, does hereby grant, bargain, sell, transfer, assign and convey unto: See The Attached Exhibit "A", hereinafter called ASSIGNEE, his/its heirs and assigns, 100.0% of Assignor's overriding royalty interests of all oil, gas and other minerals produced, saved and marketed under the terms of the oil and gas lease(s) more particularly set forth and described on the attached Exhibit " B ", attached to and made a part hereof.

A. The overriding royalty interest herein transferred is payable out of and only out of the oil and gas produced, saved and marketed, pursuant to the terms and provisions of the above described oil and gas lease(s).

B. This assignment of overriding royalty is made without warranty of title, either express or implied.

C. If Assignor's interest of record in the above described oil and gas lease(s) is less than the entire interest, or if said oil and gas lease covers less than the entire fee or record title, then the above overriding royalty interest shall be reduced proportionately.

IN WITNESS WHEREOF, Assignor has executed and delivered this assignment of overriding royalty interest as of this 1st day of November, 2003.

Witness;

W. Clifton Ruckle

Roy H. Dubitzky, Trustee of the Roy H. Dubitzky Trust dated June 28, 1986.

Roy H. Dubitzky, Trustee

STATE OF COLORADO)
)
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 1st day of November, 2003, by Roy H. Dubitzky as Trustee of the Roy H. Dubitzky Trust dated June 28, 1986.

Witness my hand and notarial seal.

Jaxcene L. Heinze

My Commission Expires: 1/4/04

JAXCENE L. HEINZE NOTARY PUBLIC STATE OF COLORADO

301303

RECORDED Dec. 4 2003 3:10 PM
IN BOOK 125 OF G PAGE 739
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

EXHIBIT "A"

Attached to and made a part of that certain Assignment
of Overriding Royalty dated November 1st, 2003 from the
Roy H. Dubitzky Trust dated June 28, 1986, Roy H. Dubitzky, Trustee

1.	Dan Rodger Dubitzky 8350 Oddfellows Road NE Bainbridge Island, WA 98110	1/3
2.	Jane Ann Dubitzky 520 South 5th AVE Bozeman, MT 59715	1/3
3.	Mary Gail Dubitzky 3028 Shetland Drive Pleasnat Hill, CA 94523	1/3

[redacted] [redacted] [redacted]

EXHIBIT "B"

Attached to and made a part of that certain Assignment of Overriding Royalty dated November 1st, 2003 from the Roy H. Dubitzky Trust dated June 28, 1986, Roy H. Dubitzky, Trustee, to Dan Rodger Dubitzky, et al.

All Lands Located In T 30 N, R 108 W, Sublette County, WY

1. Lessor: USA WYW-06933
   Section 5: All
   7: NE

2. Lessor: USA WYW-015314
   Section: 8: S/2
   9: S/2
   17: N/2

3. Lessor: USA WYW-016161
   Section 12: All

4. Lessor: USA WYW-143655
   Section: 1: Lot 1, SENE

5. Lessor: USA WYW-018039
   Section 3: SWSE
   17: SESE
   18: NENE

6. Lessor: USA WYW-015316
   Section 3: SW
   4: All

7. Lessor: USA WYW-016162
   Section 1: Lots 2-4, SWNE, S/2, S/2NW
   2: All
   3: Lots 1-4, S/2N/2, N/2SE, SESE

8. Lessor: USA WYW-06283
   Section 7: Lots 1, 2, E/2NW

9. Lessor: USA WYW-144994
   Section 8: N/2

10: Lessor: USA WYW-06934
   Section 7: Lots 3, 4, E/2SW, SE

11: Lessor: USA WYW-118156
   Seciton 17: SW, N/2SE, SWSE
   18: Lots 1-4, W/2NE, SENE, E/2W/2, SE

742

Producers 88
Rocky Mountain 1989
(Paid-Up Rev 1996)
Hanson & Strahn, Inc. (2000)

PAID-UP OIL AND GAS LEASE

RECORDED Oct. 11 2003 3:40 PM
IN BOOK 125 O+G PAGE 742
FEES $ 23.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Carla Rose

302415

THIS AGREEMENT, made and entered into this 6th day of October, 2003, by and between The Carl G. Brown Jr. Family Partnership, a California Limited Partnership, PO Box M, San Mateo, CA 94402 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:

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 1,223.115 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 sulfide, 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 times 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 pipeline 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 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 of 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, except for claims arising out of Lessee's or Lessee's employees', agents', contractors' or sub-contractors activities on or otherwise effecting the leased premises.

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 _____ at lessor's address _____ 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 the 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 other 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, streams, creeks and rivers located on the leased premises 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 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.

14. 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 materially 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 materially 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 this lease.

15. 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.

16. 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.

The Carl G. Brown, Jr. Family Partnership, a California Limited Partnership

By Thomas R. Brown

Thomas R. Brown, General Partner

STATE OF Wyoming }
COUNTY OF Sublette } ss. INDIVIDUAL

On this 10 day of Oct., 2003, before me personally appeared Thomas R. Brown, General Partner of Carl G. Brown, Jr. Family Partnership to me known to be the person(s) 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 10 day of Oct., 2003.

My commission expires:
12/12/06

Susan J. Hanson
Notary Public for the State of Wyoming
residing at Pinedale

SEAL:

SUSAN J. HANSON – NOTARY PUBLIC
COUNTY OF SUBLETTE
STATE OF WYOMING
My Commission Expires Dec. 12, 2006

STATE OF _____ }
COUNTY OF _____ } ss. CORPORATE

On this _____ day of _____, 2002, 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 _____, 2002.

My commission expires:

_____

SEAL:

Notary Public for the State of _____
residing at _____

[redacted]

Exhibit "A"

Attached to and made a part of that certain oil and gas lease dated October 6, 2003, by and between The Carl G. Brown, Jr. Family Partnership, a California limited partnership, PO Box M., San Mateo, CA 94402, as Lessor, and Hanson & Strahn, Inc., whose address is PO Box 3020, Cheyenne, WY 82003-3020, as Lessee, covering the following described lands in Sublette County, Wyoming:

Township 34 North, Range 111 West, 6th P.M.
Section 05: S1/2S1/2
Section 07: SE1/4, SE1/4NE1/4,
Section 08: N1/2, SW1/4, NW1/4SE1/4, less and except a tract of land described by metes and bounds in Deed recorded Book 6, Page 290, in the Sublette County Clerk and Recorder's office.
Section 17: W1/2NW1/4
Section 18: NE1/4, NW1/4SE1/4
Section 19: A tract of land containing 85.35 acres, more or less, located in Lot 1, Lot 2, NE1/4SW1/4, and the W1/2SE1/4, as more particularly described in that certain Quitclaim Deed recorded in Book 15, Page 362, in the Sublette County Clerk and Recorder's office.

Containing 1,223.115 acres, more or less, hereinafter referred to as the "Leased Premises".

In the event of any conflict between the terms of this Exhibit and the printed Lease, the terms set out in this Exhibit shall control.

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

21. After the expiration of the primary term this lease may not be maintained in force by the payment of shut-in royalty for any period in excess of twenty-four (24) consecutive months.

22. Prior to the construction of any roads, bridges, culverts or other access routes over the leased premises for oil and gas operations, and prior to the location of any pipelines, tank battery installations, or installation of other equipment on the leased premise Lessee shall consult with surface owner, or its designee, as to their location and placement, and shall, when reasonable, comply with Lessor's wishes as to the location of the same. Lessee shall use all reasonable and prudent efforts during its operations to protect the surface, and all riparian, wetlands, rivers and streams form all forms of contamination, arising out of Lessee's operations.

23. In the event that production facilities are established on the leased premises, Lessee agrees to use every reasonable effort to camouflage any such production facility from the viewshed of the Lessor's home located in the NE1/4NW1/4 of Section 19, Township 34 North, Range 111 West, 6th P.M. To camouflage any production facilities within said viewshed, Lessee shall utilize whatever means are practicable to "visibly subordinate" the facilities to the characteristic landscape as viewed by the average public observer. Such means may include, but shall not be limited to the following: 1) burying pipelines; 2) using low-relief structures; 3) using camouflage shapes and colors for any facilities; 4) utilizing berms; 5)utilizing camouflage screens; 6) planting trees or other concealing vegetation; 7) utilizing any enclosure which is mutually acceptable to Lessor and Lessee. Any camouflage alternative selected shall be approved by Lessor prior to the construction or installation of such alternative. This approval will not be unreasonably withheld. Failure of Lessor to provide a written response to Lessee within ten (10) days of receipt of Lessee's selected camouflage alternative, shall be deemed to be approval of such proposal.

24. Lessee, and its assigns or agents, shall have the right to locate and build access roads across the leased premises, and to each well site contemplated hereunder and shall have the right to move derricks, drilling tools, vehicles and all other machinery and equipment reasonably necessary or incident to the drilling, testing, completion, and operation of an oil and/or gas well at the Drill Site and Production location. Access roads shall not exceed thirty (30) feet in width, and shall be built on or near the same grade as any existing road which currently accesses the Lands. If necessary, culverts will be installed so as not to affect drainage on the Lands.

25. Lessee shall remove, segregate and stockpile topsoil from lands to be disturbed by Lessee's operations. Lessee agrees to stockpile the topsoil and to use the same in the restoration of the Drill Site, Production Site and access roads. In the event that production is established on the Lands, or further operations are contemplated, then the stockpiled topsoil shall be seeded or otherwise sealed with appropriate cover to prevent erosion and loss of topsoil. Lessee shall limit all drill site locations on the leased premises to no more than three and one-half (3 ½) acres in size, and all production well sites located on the leased premises shall not exceed one and one-half (1 ½) acres in size, inclusive of all tanks and well facilities, unless otherwise agreed to by Lessor. Lessee agrees to reclaim any wellsite within one hundred eighty (180) days (weather permitting) after drilling completion (release of rig from the drill site location if the well is a dry hole), or within one hundred eighty (180) days (weather permitting) after termination of production.

[redacted] [redacted] [redacted]

26. Upon completion of drilling operations, any and all well locations and access roads, if not to be used for subsequent operations, shall be restored to the original contour of the land, as nearly as is practicable, and shall be reseeded in the same grasses as existed prior to being disturbed by lessee's operations, or at the request of Lessor, said lands shall be reseeded in accordance with the reclamation standards of the Bureau of Land Management.

28. The rights granted hereunder by Lessor to Lessee for the purposes of exploring by geophysical methods shall not include the right to enter onto the surface of said lands for the purposes of conducting seismic activity, or other geophysical operation from April 1st to October 1st each year, unless agreed to by the surface owner of the lands leased hereunder.

29. All surface pits or retaining pits, including overflow pits, constructed by Lessee during operations on the Land shall be sufficiently lined to prevent contamination of any and all water, in, on, and under the subject Lands. During drilling operations on the Lands, all drilling mud, salt water, toxic fluids, or deleterious substances, shall be stored or placed in containers constructed in a manner so that such substances cannot contaminate the water supplies or lands of the Lessor. If the Wyoming Oil and Gas Conservation Commission determines that any pit is located in area with high potential for communication between the pit contents and surface water or shallow ground water, then Lessee shall follow any rules, regulations or requirements of the Wyoming Oil and Gas Conservation Commission intended to insure the protection of fresh water, including but not limited to, running a closed system, lining the pit, installing monitoring systems and/or providing additional reporting. In areas where ground water is less than twenty feet (20') below the surface, a closed system shall be utilized for well drilling operations. Upon completion of drilling operations all pits shall be restored pursuant to the standards and regulations of the Wyoming Oil and Gas Conservation Commission, the Bureau of Land Management, or any governmental authority having jurisdiction of the same.

30. In all wells drilled on the Lands, a sufficient amount of surface casing shall be set and cemented to properly protect fresh water formations that are now used as a source of water supply, or may be reasonably contemplated as a source of water supply in the future. "Sufficient amount of surface casing" as used in the paragraph, shall mean that amount of surface casing required to reach the deepest depth recommended by any governmental authority having jurisdiction to protect fresh water formations.

31. This lease covers all coal bed methane rights. However, Lessee shall not develop any coal bed formations for the production of coal bed methane, without Lessor's expressed written consent.

32. Subject to the other provisions herein contained, at the expiration of the primary term, this lease shall terminate as to all lands which are not located within a "drill site 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 drill site spacing unit is defined as a participating area within a federal exploratory unit or 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. Absent an order or ruling sanctioned by a governmental authority having jurisdiction, a drill site spacing unit shall mean the acreage pertaining to such well as set forth in Chapter 3, Section 2, of the Wyoming Oil and Gas Conservation Commission's Rules and Regulations. If at or within one hundred eighty (180) days prior to the 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 eighty (180) 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. This provision shall supercede and take precedence over any language to the contrary contained in any federal exploratory unitization agreement in which part or all of the leased premises is committed.

33. With respect to any participating area in a Federal Exploratory Unit as referred to in paragraph #32, Lessor agrees that Lessee is free to unitize this lease but the terms of this lease relating to any extension of this lease beyond the primary term of this lease by drilling operations, shut-in provisions, or otherwise shall prevail, including all provisions of this lease relating to surface use and development.

34. Lessee agrees that it shall comply with all applicable governmental regulations for operations conducted on any wetlands or riparian areas.

35. Lessee, or Lessee's assigns or agents, shall not conduct seismic or geophysical operations on the leased premises without first advising Lessor and entering into an agreement with Lessor as the surface owner which compensates Lessor at the market rate for access and surface damages. This agreement shall be negotiated by the parties in good faith within 30 days and Lessor's approval of such agreement shall not be unreasonably withheld.

Exhibit "A", page 3.

36. Lessee is aware that the access easement used by Lessor for ingress and egress to the leased premises from the south over the lands of James Ranches, Inc. may not be available to Lessee for mineral operations due to objections of James Ranches, Inc. The acquisition of any access easement for mineral development purposes over said lands from James Ranches, Inc. shall be at the sole cost of the Lessee.

37. No water pumped or produced from any well located on the leased premises shall be discharged onto the leased premises except as the same shall be fully contained in a slush or mud pit.

38. All drill sites shall have three feet berms around the slush and mud pits to protect against any flow of water or other fluids from the well site unless prohibited by applicable governmental regulations.

39. There shall be no use of the leased premises for recreational purposes by the Lessee or Lessee's agents, employees or permitees.

40. This lease is subject to that certain Letter Agreement between the parties hereto, dated October 6, 2003.

41. Lessor shall have the right to audit Lessee's financial and production records regarding any mineral production on or from the leased premises on an annual basis. Lessee shall make its records, as are reasonably necessary for said audit available upon request, at the location they are maintained during normal business hours. Any such audit shall be performed by a qualified professional and all information provided by Lessee shall be maintained on a confidential basis.

42. Lessor and Lessor's agents shall have access to all drilling or production sites or facilities, upon reasonable notice, to inspect said sites or facilities for compliance with the terms of this lease. Lessor's access shall conform with lessee's safety procedures and Lessor shall be accompanied by Lessee or Lessee's representative at all times. Such access shall be at Lessor's sole risk, cost and expense.

43. Except for Lessor's access described above in section 43, Lessee shall indemnify and hold Lessor harmless, including but not limited to related reasonable attorney's fees and costs, from any and all claims arising out of Lessee's or Lessee's employees', agents', permittees', contractors' or sub-contractors' operations on or related to the leased premises or this lease.

44. Lessee shall maintain and have in force during the term of this lease insurance in sufficient amounts to cover all of its obligations arising from this lease and agreement, or identical self insurance programs, and shall specifically maintain liability insurance programs for its activities on the leased premises in an amount not less than $10,000,000.00 in the aggregate and per occurrence.

45. The Lessee shall not construct on the leased premises any compressor station of any type, any central tank storage facility or any metering station or facility primarily intended for substances produced other than on the leased premises.

46. Any dispute arising under this lease shall be resolved by submitting the matter to binding arbitration pursuant to the procedures of the American Arbitration Association (AAA).

47. Any permission, consent or approval required from Lessor prior to any action by Lessee shall only be effective when given in writing and Lessor shall respond to Lessee's request in writing within ten (10) calendar days from receipt of the same. Failure of Lessor to provide a written response within ten (10) calendar days shall be deemed to be approval of any such request by Lessee. All requests from Lessee to Lessor for permission, consent or approval shall be sent to Thomas R. Brown, Chairman, California Casualty Management Co., PO Box M, San Mateo, CA 94402 and to Ralph E. Wood, Wood Law Office, PO Box 130, Pinedale, WY 82941.

48. Under no circumstances shall any minerals or other materials be removed in connection with this lease by any surface mining method within the meaning of Section 170(h)(5)(B) of the Internal Revenue Code and the regulations promulgated thereunder.

49. Lessee shall not assign this lease or any portion of this lease to a third party with a net worth of less than one hundred million dollars without first obtaining the express written consent of Lessor, which shall not be unreasonably withheld.

50. This lease is made without warranty of any kind, express, implied or statutory except that Lessor warrants that title to the minerals covered by this lease is free and clear of any liens and encumbrances created by, through or under Lessor, and agrees that Lessee, at its option, shall have the right at any time to

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

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.

Signed for purposes of identification:

The Carl G. Brown, Jr. Family Partnership, a
California limited partnership

By: Thomas R Brown
Thomas R. Brown, General Partner

AFFIDAVIT

301416

RECORDED Dec. 11 2003 3:40PM
IN BOOK 125 OR 6 PAGE 748
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

STATE OF Wyoming)
) ss
COUNTY OF Sublette)

Thomas R. Brown, being first duly sworn, deposes and says:

That a certain Warranty Deed is recorded in the Sublette County Clerk and Recorder's office in Book 35 Deeds, Page 407, on September 1, 1995, which is dated August 1, 1995, and is by and between Carl G. Brown, Jr., as Trustee of the Brown Family Revocable Trust, dated April 21, 1992, as it may be amended, as Grantor, and The Brown Family Partnership, a California limited partnership, of PO Box M, San Mateo, CA 94402, as Grantee, that purported to convey the lands described below.

That a certain Warranty Deed is recorded in the Sublette County Clerk and Recorder's office in Book 35 Deeds, Page 655, on December 15, 1995, which is dated November 7, 1995, that is by and between Carl G. Brown, Jr., as Trustee of the Brown Family Revocable Trust, dated April 21, 1992, as it may be amended, as Grantor, and The Carl G. Brown Jr. Family Partnership, a California limited partnership, as Grantee, which conveyed the lands described below; and that prior to the recitation of the names of the grantor and grantee as parties to the conveyance, the following statement appears: "This Warranty Deed is being recorded solely to correct the name of the Grantee on the Warranty Deed recorded as No. 253770 in Book 35 Deeds, Page 407, on September 1, 1995."

Township 34 North, Range 111 West, 6th P.M.
Section 05: S1/2S1/2
Section 06: SE1/4SE1/4
Section 07: E1/2, E1/2SW1/4, SE1/4NW1/4
Section 08: N1/2, SW1/14, NW1/4SE1/4
Section 17: W1/2W1/2
Section 18: E1/2, E1/2W1/2
Section 19: W1/2NE1/4, E1/2NW1/4

Excepting therefrom a tract of land in the NE1/4SW1/4 Section 08, Township 34 North, Range 111 West, 6th P.M., Sublette County, Wyoming, more particularly described as follows:

Beginning at a point 110 feet East of the SE corner of the NE1/4SWS1/4, Section 8, Township 34 North, Range 111 West of the 6th P.M., thence West 50 feet; thence N. 39° 38' W., 461 feet; thence N. 17° 00' East, 150 feet, thence N. 55° 00' E., 180 feet; thence N. 67° 00' E., 165. 9 feet; thence South 666.4 feet to the point of beginning;

And excepting therefrom a tract of land in the NE1/4SW1/4, NW1/4SE1/4, and the S1/2NE/14 of Section 8, Township 34 North, Range 111 West, Sublette County, Wyoming, more particularly described as follows:

Beginning at the SE Corner of said NE1/4SW1/4; thence N.65° 00' W., 500 feet; thence N. 45°00' W., 400 feet; thence N. 45° 00 E., 400 feet, thence N. 70° 00' E., 1000 feet; thence N. 63° 00' E., 1120 feet; thence S. 44° 00' E., 120 feet; thence S. 50° 40' W., 316 feet, more or less to the NE Corner of the said NW1/4SE1/4, thence S. 34° 12' W, 308.39 feet; thence S. 64°00' W., 500 feet, thence S. 72° 20' W., 500 feet; thence S. 67° 00' W., 124.1 feet; thence due South 666.4 feet; thence due West 110 feet, more or less, to the point of beginning.

(Hereinafter referred to as the "Subject Lands")

That Affiant had personal knowledge of the provisions of the Brown Family Revocable Trust, dated April 21, 1992, and was a partner of the Carl G. Brown, Jr. Family Partnership, and that Affiant had personal knowledge at the time that Carl G. Brown, Jr. executed the aforementioned deeds, that it was the intent of Carl G. Brown, Jr. to convey the Subject Lands to the Carl G. Brown, Jr. Family Partnership, a California limited partnership.

That "The Brown Family Partnership" that was named as the grantee in the warranty deed recorded Book 35 Deeds, Page 407, was the result of a scrivener's error, and it was the intent of the Grantor therein, to convey the Subject Lands to The Carl G. Brown, Jr. Family Partnership, a California limited partnership, whose address was PO Box M, San Mateo, CA 94402.

That the postal address PO Box M, San Mateo, CA 94402, is a postal address that was utilized by The Brown Family Revocable Trust dated April 21, 1992, and by the Carl G. Brown, Jr. Family Partnership, a California limited partnership.

That to Affiant's best knowledge and belief there has never been a legal entity named The Brown Family Partnership, whose address was PO Box M, San Mateo, CA 94402;

[redacted] [redacted] [redacted]

Affiant's knowledge of these facts is derived from personal acquaintance with Carl G. Brown, Jr., his father, and from personal knowledge of the provisions of the The Brown Family Revocable Trust, dated April 21, 1992, and as a one of the Partners of the Carl G. Brown, Jr. Family Partnership, a California limited partnership.

The above statements are true to the best of Affiant's knowledge and belief.

Further affiant saith not.

EXECUTED, This 10 day of October, 2003.

Thomas R Brown

Thomas R. Brown

Subscribed and sworn to before me on this 10 day of Oct, 2003.

Susan J Hanson

Notary Public

My Commission expires: 12/12/06

SEAL

SUSAN J. HANSON – NOTARY PUBLIC
COUNTY OF SUBLETTE
STATE OF WYOMING
My Commission Expires Dec. 12, 2006

STATE OF Wyoming
COUNTY OF Sublette SS.

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGMENT – INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 10 day of Oct, 2003, before me personally appeared Thomas R. Brown, to me known to be the identical person(s) described in and who executed the within and foregoing instrument of writing and acknowledged to me that he duly executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires 12/12/06

Susan J Hanson

Notary Public

Address: Pinedale WY

SEAL:

SUSAN J. HANSON – NOTARY PUBLIC
COUNTY OF SUBLETTE
STATE OF WYOMING
My Commission Expires Dec. 12, 2006

AFFIDAVIT

301417

RECORDED Dec. 11 2003 3:40 PM
IN BOOK 125 Q+G PAGE 750
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scott

STATE OF Wyoming)
) ss
COUNTY OF Sublette)

Thomas R. Brown, being first duly sworn, deposes and says:

That a certain Warranty Deed is recorded in the Sublette County Clerk and Recorder's office in Book 31 Deeds, Page 450, on April 20, 1992, which is dated April 2, 1992, that is by and between Carl G. Brown, Jr., as Grantor, and Carl G. Brown, Jr., Trustee, or the Successor Trustee, of The Brown Family Revocable Trust, created under Trust Agreement dated April 2, 1992, as it may be amended, as grantee, which conveyed the lands described below.

That a certain Warranty Deed is recorded in the Sublette County Clerk and Recorder's office in Book 35 Deeds, Page 407, on September 1, 1995, which is dated August 1, 1995, that is by and between Carl G. Brown, Jr., as Trustee of the Brown Family Revocable Trust, dated April 21, 1992, as it may be amended, as Grantor, and The Brown Family Partnership, a California limited partnership, as Grantee, which conveyed the lands described below.

That a certain Warranty Deed is recorded in the Sublette County Clerk and Recorder's office in Book 35 Deeds, Page 655, on December 15, 1995, which is dated November 7, 1995, that is by and between Carl G. Brown, Jr., as Trustee of the Brown Family Revocable Trust, dated April 21, 1992, as it may be amended, as Grantor, and The Carl G. Brown Jr. Family Partnership, a California limited partnership, as Grantee, which conveyed the lands described below. This Deed was recorded solely to correct the name of the Grantee on the Warranty Deed recorded as No. 253770 in Book 35 Deeds, Page 407, on September 1, 1995.

Township 34 North, Range 111 West, 6th P.M.
Section 05: S1/2S1/2
Section 06: SE1/4SE1/4
Section 07: E1/2, E1/2SW1/4, SE1/4NW1/4
Section 08: N1/2, SW1/14, NW1/4SE1/4
Section 17: W1/2W1/2
Section 18: E1/2, E1/2W1/2
Section 19: W1/2NE1/4, E1/2NW1/4

Excepting therefrom a tract of land in the NE1/4SW1/4 Section 08, Township 34 North, Range 111 West, 6th P.M., Sublette County, Wyoming, more particularly described as follows:

Beginning at a point 110 feet East of the SE corner of the NE1/4SWS1/4, Section 8, Township 34 North, Range 111 West of the 6th P.M., thence West 50 feet; thence N. 39° 38' W., 461 feet; thence N. 17° 00' East, 150 feet, thence N. 55° 00' E., 180 feet; thence N. 67° 00' E., 165. 9 feet; thence South 666.4 feet to the point of beginning;

And excepting therefrom a tract of land in the NE1/4SW1/4, NW1/4SE1/4, and the S1/2NE/14 of Section 8, Township 34 North, Range 111 West, Sublette County, Wyoming, more particularly described as follows:

Beginning at the SE Corner of said NE1/4SW1/4; thence N.65° 00' W., 500 feet; thence N. 45°00' W., 400 feet; thence N. 45° 00 E., 400 feet, thence N. 70° 00' E., 1000 feet; thence N. 63° 00' E., 1120 feet; thence S. 44° 00' E., 120 feet; thence S. 50° 40' W., 316 feet, more or less to the NE Corner of the said NW1/4SE1/4, thence S. 34° 12' W, 308.39 feet; thence S. 64°00' W., 500 feet, thence S. 72° 20' W., 500 feet; thence S. 67° 00' W., 124.1 feet; thence due South 666.4 feet; thence due West 110 feet, more or less, to the point of beginning.

(Hereinafter referred to as the "Subject Lands")

That the names of the Trusts referred to in each instrument, The Brown Family Revocable Trust, dated April 2, 1992, and The Brown Family Revocable Trust, dated April 21, 1992, are one and the same Trust.

That the discrepancy in the dates of the Trusts recited in said deeds was the result of a scrivener's error, and that Carl G. Brown, Jr., as Trustee in each deed, was acting as Trustee of the same Trust, The Brown Family Revocable Trust, dated April 21, 1992.

That regardless of the discrepancy in the dates recited for the Trusts in said deeds, The Brown Family Revocable Trust, dated April 2, 1992, which was named as the Grantee in Book 31, Page 450, and The Brown Family Revocable Trust, dated April 21, 1992, which was named as the Grantor in Book 35, Page 407, and The Brown Family Revocable Trust, dated April 21, 1992, which was named as the Grantor in Book 35, Page 655, all refer to one and the same Trust;

And that all of the interest in the Subject Lands that was owned by The Brown Family Revocable Trust, dated April 21, 1992, has been conveyed, transferred and delivered to the Carl G. Brown, Jr. Family Partnership, a California Limited Partnership.

[redacted] [redacted] [redacted]

Affiant's knowledge of these facts is derived from personal acquaintance with Carl G. Brown, Jr., his father, and from personal knowledge of the provisions of The Brown Family Revocable Trust, dated April 21, 1992.

That the above statements are true to the best of Affiant's knowledge and belief.

Further affiant saith not.

EXECUTED, This 10 day of October, 2003.

Thomas R. Brown

Thomas R. Brown

Subscribed and sworn to before me on this 10 day of Oct., 2003.

Susan J. Hanson
Notary Public

My Commission expires: 12/12/06

SEAL

SUSAN J. HANSON – NOTARY PUBLIC
COUNTY OF SUBLETTE — STATE OF WYOMING
My Commission Expires Dec. 12, 2006

STATE OF Wyoming
COUNTY OF Sublette } ss.

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGMENT – INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 10 day of Oct, 2003, before me personally appeared Thomas R. Brown, to me known to be the identical person(s) described in and who executed the within and foregoing instrument of writing and acknowledged to me that he duly executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires 12/12/06

Susan J. Hanson
Notary Public

Address: Pinedale WY

SEAL:

SUSAN J. HANSON – NOTARY PUBLIC
COUNTY OF SUBLETTE — STATE OF WYOMING
My Commission Expires Dec. 12, 2006

752

AFFIDAVIT OF POSSESSION

STATE OF Wyoming)
) ss
COUNTY OF Sublette)

301418

RECORDED Dec. 11 2003 3:40 PM
IN BOOK 125 OR 6 PAGE 752
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

That I, Thomas R. Brown, General Partner of The Carl G. Brown, Jr. Family Partnership, a California limited partnership, of lawful age, being first duly sworn according to law, upon my oath depose and state:

That The Carl G. Brown, Jr. Family Partnership, a California limited partnership, is the owner of the land described below and that The Carl G. Brown, Jr. Family Partnership, a California limited partnership, and its predecessors in title have been in actual, open, continuous, notorious, exclusive, peaceable and undisputed possession of the following described premises for more than twelve (12) years immediately preceding the date hereof, and that it holds possession of the land in the following manner: Actual Occupancy;

That no person is at this time asserting any claim to said land adverse to The Carl G. Brown, Jr. Family Partnership, a California limited partnership;

Township 34 North, Range 111 West, 6th P.M.
Section 05: S1/2S1/2
Section 06: SE1/4SE1/4
Section 07: E1/2, E1/2SW1/4, SE1/4NW1/4
Section 08: N1/2, SW1/14, NW1/4SE1/4
Section 17: W1/2W1/2
Section 18: E1/2, E1/2W1/2
Section 19: W1/2NE1/4, E1/2NW1/4

Excepting therefrom a tract of land in the NE1/4SW1/4 Section 08, Township 34 North, Range 111 West, 6th P.M., Sublette County, Wyoming, more particularly described as follows:

Beginning at a point 110 feet East of the SE corner of the NE1/4SWS1/4, Section 8, Township 34 North, Range 111 West of the 6th P.M., thence West 50 feet; thence N. 39° 38' W., 461 feet; thence N. 17° 00' East, 150 feet, thence N. 55° 00' E., 180 feet; thence N. 67° 00' E., 165. 9 feet; thence South 666.4 feet to the point of beginning;

And excepting therefrom a tract of land in the NE1/4SW1/4, NW1/4SE1/4, and the S1/2NE/14 of Section 8, Township 34 North, Range 111 West, Sublette County, Wyoming, more particularly described as follows:

Beginning at the SE Corner of said NE1/4SW1/4; thence N.65° 00' W., 500 feet; thence N. 45°00' W., 400 feet; thence N. 45° 00 E., 400 feet, thence N. 70° 00' E., 1000 feet; thence N. 63° 00' E., 1120 feet; thence S. 44° 00' E., 120 feet; thence S. 50° 40' W., 316 feet, more or less to the NE Corner of the said NW1/4SE1/4, thence S. 34° 12' W, 308.39 feet; thence S. 64°00' W., 500 feet, thence S. 72° 20' W., 500 feet; thence S. 67° 00' W., 124.1 feet; thence due South 666.4 feet; thence due West 110 feet, more or less, to the point of beginning.

That the above statements are true to the best of Affiant's knowledge and belief.

Further Affiant saith not.

The Carl G. Brown, Jr. Family Partnership, a California limited partnership

By: Thomas R. Brown
Thomas R. Brown, General Partner

Subscribed and sworn to before me this 10 day of Oct, 2003.

My Commission expires: 12/12/06

Susan J. Hanson
Notary Public:

SUSAN J. HANSON – NOTARY PUBLIC
COUNTY OF SUBLETTE STATE OF WYOMING
My Commission Expires Dec. 12, 2006

STATE OF Wyoming)
) ss
COUNTY OF Sublette)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 10, day of Oct., 2003, personally appeared, Thomas R. Brown, General Partner of The Carl G. Brown, Jr. Family Partnership, a California limited partnership to me known to be the identical person___ described in and who executed the within and foregoing instrument of writing and acknowledged to me that he 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 hereinabove written.

My commission expires: 12/12/06

Susan J. Hanson
Notary Public

SEAL:

SUSAN J. HANSON – NOTARY PUBLIC
COUNTY OF SUBLETTE
STATE OF WYOMING
My Commission Expires Dec. 12, 2006