

THIS AGREEMENT made this Fourth

day of June

1980

Thelma Turner & ROBERT D. TURNER (HUSBAND & WIFE)

1. name (whether one or more), whose address is: 528 South Cole Street, Indianapolis, Indiana 46241

and Amoco Production Company.

LEWIS, WITNESSETH:

L. Lessor in consideration of Ten and no/100
10.00

Dollar

_____ in hand paid, the royalties herein provided and of the agreements of Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil and gas, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon and on, over and across lands owned or claimed by Lessor adjacent and contiguous thereto, to produce, save, take care of, treat, transport, and own said products, and housing its employees, the following described land in _____

Eureka _____ County, Nevada

to wit:

Township 27 North, Range 52 East M.D.M.

Section 8: N¹/₂ NE¹/₄

Section 9: SW $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$

Section 15: S₄ SE₄

Section 22: N¹ NE¹

2. Without reference to the commencement, prosecution or cessation at any time of drilling or other development operations, and/or to the discovery, development or cessation at any time of production of oil or gas and without further payments than the royalties herein provided, and notwithstanding as oil or gas is produced from said land or land with which said land is pooled hereunder.

3. The royalties to be paid by Lessee are: (a) on oil, one-eighth of that produced and saved from said land, the same to be delivered at the wells or to the credit of Lessor into the pipe line to which the wells may be connected; Lessee may from time to time purchase any royalty oil in its possession, paying the market price therefor prevailing for the field where produced on the date of purchase; (b) on gas, one-eighth of the value of the gas, as determined by the market price thereof prevailing for the field where produced on the date of purchase, less the cost of transportation of the gas to the point of sale; (c) on other gaseous substances produced from said land, and sold or used off the premises or for the extraction of gasoline or other product therefrom, the market value of such substances as determined by the market price thereof prevailing for the field where produced on the date of sale; provided that on gas sold at the wells the royalty shall be one-eighth of the amount realized from such sale; while there is a gas well on which said lease is in effect, Lessee may pay as royalty, on or before ninety (90) days after the date of sale of the gas, the amount realized from such sale; and after the termination and it will be considered that gas is being produced from this lease in paying quantities, Lessee shall have free use of oil, gas, coal and water from said land, except water from Lessor's wells, for all operations hereunder, and the royalty on oil and gas shall be computed after deducting any so used.

and gas, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease, or any portion thereof as to oil, gas, or either of them with other land, lease or leases in the immediate vicinity thereof to the extent, hereinafter stipulated, when in Lessee's judgment it is necessary or advisable to do so in order to develop and operate said leased premises in compliance with the spacing rules of the appropriate local governmental authority, or other lawful authority, in order to do so. In the judgment of Lessee, promote the conservation of oil and gas in and under and that may be produced from said premises. Units pooled for oil hereunder shall include all acreage owned by Lessee and units pooled for gas hereunder shall not substantially exceed in area 640 acres each with a tolerance of 10% thereof; provided, however, that if authority having jurisdiction prescribe or permit the creation of units larger than those specified, units thereafter created may conform said units to those prescribed by governmental regulations. Lessee under the provisions hereof may pool or combine acreage covered by this lease, or any portion thereof, with other land, lease or leases, more strata and as to gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the units included therein into which the lease is pooled or combined as to any other stratum or strata, and off units need not conform as to area with gas units. The pooling unit, or units, shall not exhaust the rights of the Lessee hereunder to pool this lease or portions thereof into other units. Lessee shall file for record in the appropriate public office a copy of this instrument designating the pooled acreage and describing and designating the pooled acreage as a pooled unit. Lessee may at its election exercise its pooling option by executing and recording a supplemental instrument completing an oil well on the leased premises, and the pooled unit may include, but it is not required to include, land or leases upon which no operations have been commenced. Operations for producing oil or gas from the pooled unit shall commence on or before the date of completion of the first well therefrom. If, in paying quantities has theretofore been completed or upon which operations for the drilling of a well for oil or gas have been commenced, production of oil or gas from any part of the pooled unit, which includes all or a portion of the land covered by this lease regardless of whether such operations are being conducted prior to the execution of this instrument or after the execution of this instrument or the instrument designating the pooled unit, shall be considered as operations for drilling or production of oil or gas from the pooled unit, whether or not the well or wells be located on the premises covered by this lease, and the entire acreage constituting such unit or units, as herein provided, shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if the same were a single tract of land. For the purpose of computing the royalties to which owners of royalties and payments out of production and each of them, shall be entitled on production of oil or gas from either of them, from the pooled unit, there shall be allocated to the land covered by this lease and included in said unit a pro rata portion of the oil and gas, or either of them, produced from the pooled unit which the number of surface acres included in the pooled unit bears to the total number of surface acres included in the pooled unit. Royalties hereunder shall be computed on the portion of production from the pooled unit which is allocable to the land covered by this lease and included in the unit just as though such production had been produced from a gas pooled unit and production from an oil well will be considered production from the lease or oil pooled unit from which it is producing and not as production from a gas pooled unit and production from a gas well will be considered as production from the lease or gas pooled unit from which it is producing and not from an oil pooled unit.

8. If at the expiration of the primary term oil or gas is not being produced on said land, or from land pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon, or shall have completed a dry hole thereon within 60 days prior to the end of the primary term, the lease shall remain in force as long as operations are being conducted or drilling or reworking operations are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil or gas so long thereafter as oil or gas is produced from said land, or from land pooled therewith. If, after the expiration of the primary term of this lease and after oil or gas is produced from said land, or from land pooled therewith, it should cease from any cause, this lease shall not terminate if Lessee commences operations for drilling or reworking within 60 days after the cessation of production, and if it results in the production of oil or gas so long thereafter as such operations are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil or gas so long thereafter as oil or gas is produced from said land, or from land pooled therewith. Any pooled unit in which the leased premises are situated at any time before the completion of a dry hole or the cessation of production on said unit. In the event a well is drilled during the term of this lease and is completed and put to production on or before the expiration of the term of this lease, the leased premises shall, nevertheless, Lessee agrees to drill such offset wells as it may deem necessary or desirable, and to complete and put to production the same or similar circumstances. Lessee may at any time execute and deliver to Lessor or place of record a release or releases covering any portion or portions of the same or similar circumstances. Lessee may thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

6. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by Lessor, Lessee will bury all pipe lines below ordinary plow depth.

7. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns but no change or division in ownership of the land or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee; and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U. S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.

5. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part. In the event Lessor considers that operations are not being conducted in accordance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, in default, shall have sixty (60) days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument. After the discovery of oil or gas in paying quantities in which to commence the compliance with the obligations imposed by virtue of this instrument, but in discharging this obligation it shall in no event be required to drill more than one oil per forty (40) acres of the area retained hereunder and capable of producing oil in paying quantities and one well per 640 acres plus an acreage tolerance not to exceed 10% of 640 acres of the area retained hereunder and capable of producing gas in paying quantities.

2. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land either in whole or in part, and in event Lessee does so, it shall be allocated to such lien with the right to enforce same and apply royalties accruing hereon to the extent satisfying same. Without impairment of Lessee's right under the warranty in event of failure of title, it is agreed that if Lessee owns an interest in the oil or gas under said land less than the entire fee simple estate, then the royalties to be paid Lessor shall be reduced proportionately. Should any one or more of the parties named as Lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

10. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing oil or gas therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended, and Lessee shall not be liable in damages for failure to comply therewith; and this lease shall be extended while and so long as Lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas from the leased premises; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

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

Thelma Turner

Thelma Turner

Lessor

Robert A. Turner

Lessor

Ta Identification Number

63-508-J- Tax Identification Number Book 84 Page 353

INDIVIDUAL ACKNOWLEDGMENT

STATE OF
County of Marion ss.

The foregoing instrument was acknowledged before me this 13th day of June 1980 by Thelma Turner and Robert D. Turner

MARY E. LEMONDS, Notary Public
My Commission Expires 11-20-82
County of Residence: Marion

Mary E. Lemonds
Notary Public



INDIVIDUAL ACKNOWLEDGMENT

STATE OF _____ ss.
County of _____

The foregoing instrument was acknowledged before me this _____ day of _____ 19____ by _____

My Commission expires _____, 19____ Notary Public

Producers 88 Rev. (5 Year Lease) (2-46) With 640 Acres Pooling Provision	No. _____	Oil and Gas Lease	FROM	TO	Dated _____, 19____	No. Acres _____	County _____	Term _____	This instrument was filed for record on the _____ day of _____, 19____	at _____ o'clock _____ M., and duly recorded in Book _____, Page _____ of the _____ records of this office.	County Clerk _____	By _____, Deputy	When recorded return to _____	What recorded return to AMOCO PRODUCTION COMPANY Amoco Building Denver, Colorado 80202

INT. DIV. OPS.
IND. NAT'L. BANK

80 JUN 16 PM 12:54

RECORDED AT REQUEST OF
EUREKA COUNTY, NEVADA
WILLIS A. DERRICK, RECORDER
FILE NO. 1516
FEE \$ 1.00
80 JUL 24 11:05
BOOK 84 PAGE 353

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