

THIS AGREEMENT made this Twentyfourth day of June, 1980 between
Floyd C. Slagowski and Charlene S. Slagowski; Husband and Wife
Pine Valley Route, Carlin, Nevada 89822

Lessor (whether one or more), and Amoco Production Company

Lessee, WITNESSETH:

1. Lessor in consideration of Ten dollars and no/100 Dollars
 (\$ 10.00)

in hand paid, of the royalties herein provided, and of the agreement 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, and the constituents thereof, laying pipe lines, building tanks, power stations, telephone lines and other structures thereon to produce, save, take care of, treat, transport and own said products, and housing its employees, the following described land in Eureka County, Nevada, to wit:

Township 28 North, Range 52 East M.D.M.

Section 8: W $\frac{1}{2}$, S $\frac{1}{2}$ SE $\frac{1}{4}$
 Section 16: W $\frac{1}{2}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$
 Section 17: E $\frac{1}{2}$, NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$
 Section 20: NE $\frac{1}{4}$ NE $\frac{1}{4}$
 Section 21: NW $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$,
 Section 22: N $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$
 Section 23: Lot 6 (40.74), 7(40.46), 8(40.59), N $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$,
W $\frac{1}{2}$ SE $\frac{1}{4}$
 Section 24: Lot 7(40.41), 8(39.12), N $\frac{1}{2}$ SW $\frac{1}{4}$

In addition to the land above described, Lessor hereby grants, leases and lets exclusively unto Lessee to the same extent as if specifically described herein all lands owned or claimed by Lessor which are adjacent, contiguous to or form a part of the lands above particularly described, including all oil, gas, and their constituents underlying lakes, rivers, streams, roads, easements and rights-of-way which traverse or adjoin any of said lands. For rental payment purposes, the land included within this lease shall be deemed to contain

2,401.32 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall be for a term of XX years from this date (called "primary term") and as long thereafter as oil or gas is produced from said land hereunder, or drilling or reworking operations are conducted thereon.

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, including casinghead gas or other hydrocarbon substance, produced from said land and sold or used off the premises or in the manufacture of gasoline or other products therefrom, the market value at the well of one-eighth of the gas so sold or used, provided that on gas sold at the wells the royalty shall be one-eighth of the amount realized from such sale. Lessee shall have free use of oil, gas, and water from said land, except water from Lessor's wells, springs, or reservoirs, for all operations hereunder, and the royalty on oil and gas shall be computed after deducting any so used. If a well capable of producing gas in paying quantities is completed on the above described land and is shut in, this lease shall continue in effect for a period of one year from the date such well is shut in. Lessee or any assignee may thereafter, in the manner provided herein for the payment or tender of delay rentals, pay or tender to Lessor as royalty, on or before one year from the date such well is shut in, an amount equal to the rental, and, if such payment or tender is made, this lease shall continue in effect for a further period of one year. In like manner and upon like payments or tenders annually made on or before each anniversary of shut-in date of such well this lease shall continue in effect for successive periods of twelve (12) months each.

4. If operations for drilling are not commenced on said land as hereinafter provided, on or before one year from this date, the lease shall then terminate as to both parties, unless on or before such anniversary date Lessee shall pay or tender to Lessor or to the credit of Lessor in First National Bank of Nevada Bank of

Pike, Nevada (which bank and its successors are Lessor's agent and shall continue as the depository for all rentals payable hereunder regardless of changes in ownership of said land or the rentals either by conveyance or by the death or incapacity of Lessor) the sum of Two Thousand Four Hundred and One and 32/100 Dollars

(S. 2,401.32) (herein called rental) which shall cover the privilege of deferring commencement of operations for drilling for a period of twelve (12) months. In like manner and upon like payments or tenders annually the commencement of operations for drilling may be further deferred for successive periods of twelve (12) months each during the primary term. The payment or tender of rental herein referred to may be made in currency, draft or check at the option of the Lessee; and the depositing of such currency, draft or check in any post office, properly addressed to the Lessor, or said bank, on or before the rental paying date, shall be deemed payment of such rental as herein provided. If such bank (or any successor bank) should fail, liquidate or be succeeded by another bank, or for any reason fail or refuse to accept rental, Lessee shall not be held in default for failure to make such payment or tender of rental until thirty (30) days after Lessor shall deliver to Lessee a proper recordable instrument, naming another bank as agent to receive such payments or tenders. The down cash payment is consideration for this lease according to its terms and shall not be allocated as mere rental for a period. Lessee may at any time execute and deliver to Lessor or to the depository above named or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered, and thereafter the rentals payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

If Lessee shall, on or before any rental date, make a bona fide attempt to pay or deposit rental to a Lessor entitled thereto under this lease according to Lessee's records or to a Lessor who, prior to such attempted payment or deposit, has given Lessee notice, in accordance with the terms of this lease hereinafter set forth, of his right to receive rental, and if such payment or deposit shall be erroneous in any regard (whether deposited to persons other than the parties entitled thereto as shown by Lessee's records, in an incorrect amount, or otherwise), Lessee shall be unconditionally obligated to pay to such Lessor the rental properly payable for the rental period involved, but this lease shall be maintained in the same manner as if such erroneous rental payment or deposit had been properly made, provided that the erroneous rental payment or deposit be corrected within thirty (30) days after receipt by Lessee of written notice from such Lessor of such error accompanied by any documents and other evidence necessary to enable Lessee to make proper payment.

5. Should any well drilled on the above described land during the primary term before production is obtained be a dry hole, or should production be obtained during the primary term and thereafter cease, then and in either event, if operations for drilling an additional well are not commenced or operations for reworking a well are not pursued on said land on or before the first rental paying date next succeeding the cessation of production or drilling or reworking on said well or wells, then this lease shall terminate unless Lessee, on or before said date, shall resume the payment of rentals. Upon resumption of the payment of rentals, Section 4 governing the payment of rentals, shall continue in force just as though there had been no interruption in the rental payments. If during the last year of the primary term and prior to the discovery of oil or gas on said land Lessee should drill a dry hole thereon, or if after discovery of oil or gas before or during the last year of the primary term the production thereon should cease during the last year of said term from any cause, no rental payment or operations are necessary in order to keep the lease in force during the remainder of the primary term. If, at the expiration of the primary term, Lessee is conducting operations for drilling a new well or reworking an old well, this lease nevertheless shall continue in force as long as such drilling or reworking operations continue, or if, after the expiration of the primary term, production on this lease shall cease, this lease nevertheless shall continue in force if drilling or reworking operations are commenced within sixty (60) days after such cessation of production; if production is restored or additional production is discovered as a result of any such drilling or reworking operations, conducted without cessation of more than sixty (60) days, this lease shall continue as long thereafter as oil or gas is produced and as long as additional drilling or reworking operations are had without cessation of such drilling or reworking operations for more than sixty (60) consecutive days.

6. Lessee, at its option, is hereby given the right and power to pool or combine the land covered by this lease, or any portion thereof, as to oil and gas, or either of them, with any other land, lease or leases when in Lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said premises, such pooling to be into a well unit or units not exceeding forty (40) acres, plus an acreage tolerance of ten per cent (10%) of forty (40) acres, for oil, and not exceeding one hundred and forty (140) acres, plus an acreage tolerance of ten per cent (10%) of one hundred and forty (140) acres, for gas, except that larger units may be created to conform to any spacing or well unit pattern that may be prescribed by governmental authorities having jurisdiction. Lessee may pool or combine acreage covered by this lease, or any portion thereof, as above provided, as to oil or gas in any one or more strata, and units so formed need not conform in size or area with the unit or units into which the lease is pooled or combined as to any other stratum or strata and oil units need not conform as to area with gas units. The pooling in one or more strata shall not exhaust the right of the Lessee hereunder to pool this lease or portions thereof into other units. Lessee shall execute in writing and place of record an instrument or instruments identifying and describing the pooled acreage. The entire acreage so pooled into a unit shall be treated for all purposes, except the payment of royalties, as if it were included in this lease, and drilling or reworking operations thereon or production of oil or gas therefrom, or the completion thereon of a well as a shut-in gas well, shall be considered for all purposes, except the payment of royalties, as if such operations were on or such production were from or such completion were on land covered by this lease, whether or not the well or wells be located on the premises covered by this lease. In lieu of the royalties elsewhere herein specified, Lessor shall receive from a unit so formed, only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein bears to the total acreage so pooled in the particular unit involved. Should any unit as originally created hereunder contain less than the maximum number of acres hereinabove specified, then Lessee may at any time thereafter, whether before or after production is obtained on the unit, enlarge such unit by adding additional acreage thereto, but the enlarged unit shall in no event exceed the acreage content hereinabove specified. In the event an existing unit is so enlarged, Lessee shall execute and place of record a supplemental declaration of unitization identifying and describing the land added to the existing unit, provided that if such supplemental declaration of unitization is not filed until after production is obtained on the unit as originally created, then and in such event the supplemental declaration of unitization shall not become effective until the first day of the calendar month next following the filing thereof. In the absence of production Lessee may terminate any unitized area by filing of record notice of termination.

7. Lessee shall have the right at any time without Lessor's consent to surrender all or any portion of the leased premises and be relieved of all obligation as to the acreage surrendered. 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, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said land without Lessor's consent. The Lessee agrees to promptly pay to the owner thereof any damages to growing crops caused by or resulting from any operations of Lessee.

8. The rights of either party hereunder may be assigned, in whole or in part, and the provisions hereof shall extend to the heirs, successors and assigns of the parties hereto, but no change or division in ownership of the land, rentals, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee. No change in the ownership of the land, or any interest therein, shall be binding on Lessee until Lessee shall be furnished with a certified copy of all recorded instruments, all court proceedings and all other necessary evidence of any transfer, inheritance, or sale of said rights. In event of the assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportionable among the several leasehold owners ratably according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. In case Lessee assigns this lease, in whole or in part, Lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

9. All express or implied covenants of this lease shall be subject to all Federal, State and County 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 herewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation, or if prevented by an act of God, of the public enemy, labor disputes, inability to obtain material, failure of transportation, or other cause beyond the control of Lessee.

11. during the term of this lease, oil or gas is discovered upon the leased premises, but Lessee is prevented from producing the same by reason of any of the causes set out in this Section, this lease shall nevertheless be considered as producing and shall continue in full force and effect until Lessee is permitted to produce the oil or gas, and as long thereafter as such production continues in paying quantities or drilling or reworking operations are continued as elsewhere herein provided.

10. Lessor hereby warrants and agrees to defend the title of 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 subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in event of failure of title, it is agreed that if Lessor owns an interest in said land less than the entire fee simple estate, then the royalties and rentals to be paid Lessor shall be reduced proportionately.

11. Lessors hereby release and waive all rights of homestead.

12. In the event that Lessor, during the primary term of this lease, receives a bona fide offer which Lessor is willing to accept from any party offering 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 the lease becoming effective upon expiration of this lease, 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 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 according to 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 Section. Should Lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify Lessor in writing by mail or telegram prior to expiration of said 15-day period. Lessee shall promptly thereafter furnish to Lessor the new lease for execution on behalf of Lessor(s) 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 only to approval of title according to the terms thereof. Upon receipt thereof, Lessor(s) shall promptly execute said lease and return same along with the endorsed draft to Lessee's representative or through Lessor(s) bank of record for payment.

All or the provisions of this lease shall inure to the benefit of and be binding upon the parties hereto, their heirs, administrators, successors and assigns.

This agreement shall be binding on each of the above named parties who sign the same, regardless of whether it is signed by any of the other parties.

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

13. Subject to attached addendum.

Lloyd C. Slagowski
Lloyd C. Slagowski
Lessor
Tax I.D. Number

Charlene S. Slagowski
Charlene S. Slagowski
Lessor
Soc. Sec. No.
or Tax I.D. No.

No.	OIL AND GAS LEASE	FROM	TO	Date	Section	Township	Range	Term	No. of Acres	County, Nevada	STATE OF NEVADA	County of	This instrument was filed for record on the	day of	at	M. and duly recorded	page	of the	In book	records of this office.	By	Register of Deeds	Deputy	When Recorded	Return To
				19																					

When recorded return to
AMOCO PRODUCTION COMPANY
AMOCO Building 80202
Denver, Colorado

STATE OF NEVADA

County of

ss.

Nevada Acknowledgment
(Individual)

On this _____ day of _____, A.D. 19____, personally appeared before me, a Notary Public, _____, a single person, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that _____ executed the above instrument. Witness my hand and notarial seal the day and year hereinabove written.

My Commission expires

Notary Public for the State of _____
Residing at _____

STATE OF NEVADA

County of ELKO

ss.

Nevada Acknowledgment
(Husband and Wife)

On this 19th day of August, A.D. 1980, personally appeared before me, a Notary Public, Lloyd C. Slagowski and Charlene S. Slagowski, husband and wife, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the above instrument.

Witness my hand and notarial seal the day and year hereinabove written.

My commission expires

Notary Public for the State of _____
Residing at _____

STATE OF NEVADA

County of

ss.

Nevada Acknowledgment
(Corporation)

On this _____ day of _____, A.D. 19____, personally appeared before me, a Notary Public, _____, known to me as _____, President of _____, and who acknowledged that _____ executed the above instrument freely and voluntarily and for the uses and purposes therein mentioned.

My commission expires

Notary Public for the State of _____
Residing at _____

ADDENDUM

Attached to and made part of Oil and Gas Lease dated June 24, 1980, by and between Floyd C. Slagowski and Charlene S. Slagowski, husband and wife, Pine Valley Route, Carlin, Nevada 89822 and Amoco Production Company.

A-1: This lease is expressly limited to oil and gas and hydrocarbon substances recoverable in solution with oil or gas and recoverable only through a well bore. This lease expressly does not include coal, shale, lignite, minerals, geothermal steam, hot water, hot brines, thermal energy, gases (except oil, gas and said hydrocarbon substances) or minerals in solution in water or steam or recoverable in connection therewith through a well bore, and Lessor expressly reserves the right to sell, lease, mine, drill or otherwise transfer, dispose of, recover and market all minerals, coal, shale, lignite, geothermal steam, hot water, hot brines, thermal energy, gases (other than oil, gas and hydrocarbon substances included in this lease) and minerals or solutions. These rights and estates reserved shall include the use of the surface as necessary to investigate, explore for, locate, mine, drill for, extract, produce, remove, market, process or produce on the land and sell the substances herein reserved.

A-2: The parties hereby agree that the rights reserved by the Lessor in paragraph A-1 will not interfere with any operations while a well is being drilled, or with any producing wells or associated facilities on the lease which are necessary to maintain prudent operations.

A-3: In the event Lessee enters upon the lands of Lessor and drills a well which is not productive and which well is plugged and abandoned by Lessee, Lessee shall restore the lands occupied by it and the forage that was on the lands as nearly as is reasonably possible to their condition prior to entry by Lessee. In addition, Lessee shall pay Lessor fair market value of any crop damaged or destroyed by Lessee.

A-4: Notwithstanding any provision of the printed lease to the contrary, the location of all drill sites, structures, buildings, camps, equipment, fences, facilities, transmission lines, power lines, pipe lines, utility lines, ditches, drains, culverts, gates, ponds, roads, poles, pipes and other improvements used, constructed or placed on the leased premises shall be approved by Lessor prior to commencing such construction, placement or use. Lessor agrees not to unreasonably withhold such approval.

A-5: Upon termination of this lease in any manner, or if a well is abandoned, the Lessee agrees: to re-level the surface of the land involved; to fill all abandoned sump holes and excavations made by Lessee; to remove derricks, tanks, tank supports and other structures and property of the Lessee thereon; to remove all cement blocks; foundations and footings which have been placed on the leased premises and any and all other supports placed by Lessee, or permitted by Lessee to be placed on said leased premises; to replant

any lands disturbed by Lessee to the forage or crops which were growing thereon before Lessee's use; to repair and restore all ditches, fences and other improvements on the lands in any way disturbed by Lessee.

A-6: Lessee agrees to indemnify and hold harmless Lessors from and against any and all claims, suits, damages, costs, losses, liability and expenses arising or growing out of injuries to or death of persons or loss of or damage to property or loss or pollution of water or water zones in any manner directly or indirectly resulting from or caused by operations under this lease on the leased premises, or adjacent thereto, or the existence of wells, structures, facilities, pipe lines, utility lines, power lines, transmission lines, hot water, steam, gas derricks, tanks or appurtenances thereof, or other items used or placed on the lands by Lessee or resulting from Lessee's use, occupancy of or activities on the lands.

A-7: Notwithstanding any other provision contained in this lease to the contrary, Lessor does not warrant, either express or implied, the rights, title, estate or possessory interest granted to Lessee under this lease. It is understood that the rights and privileges granted to Lessee hereunder are subject to the extent of Lessor's ownership and any and all existing mortgages, deeds of trust, liens, rights of way, easements, oil, gas, mineral and other reservations contained in patents, deeds or other instruments and all other documents of record in the Elko County Recorder's Office, Elko, Nevada, as of the date of this lease, and all matters set out in Exhibit A attached hereto.

A-8: If any lien, encumbrance or security interest is filed against any of the real or personal property of the Lessor, caused or incurred by the Lessee, Lessee shall, within thirty (30) days after such filing, remove the same from the Lessor's property. The Lessee shall give the Lessor seven (7) days advance written notice of all construction, repairs, (other than repairs of an emergency nature), drilling and other activities Lessee intends to do or cause to be done which could result in a mechanic's or materialmen's lien being filed against the Lessor's property so that Lessor can timely file a written Notice of Non-Responsibility pursuant to N.R.S. 108.234.

A-9: At the expiration or any other termination of this lease, Lessee shall peaceably deliver possession of the premises to the Lessor and reconvey all leased property to the Lessor by properly executed quitclaim deed in form suitable for recording in the Elko County Recorder's Office.

A-10: The Lessee shall keep the Lessor's property free and clear of all rubbish, garbage, litter and abandoned items of property brought to or placed upon the Lessor's property by the Lessee or any of Lessee's agents, employees, contractors, sub-contractors or assigns.

A-11: Any storage on the Lessor's property of vehicles, materials and other property of the Lessee shall be done only upon such locations as are approved in advance by Lessor. Lessor shall not unreasonably withhold such approval.

A-12: Lessee shall promptly repair all damage to fences, gates and cattle guards on the leased premises and in the grazing areas utilized by the Lessor arising

out of use of the leased premises under this lease or the actions or activities of the Lessee on the leased premises.

A-13: The parties understand and agree that the leased premises are used primarily by the Lessor for ranching and raising of livestock, which is more important to them than the activities of the Lessee under this lease. Accordingly, Lessor reserves the right to the use of the surface of all leased lands for all ranching and livestock producing purposes and expressly reserves and excepts from this lease all water rights of Lessors and waters being used by Lessors and all rights, privileges, preferences, licenses and permits to graze livestock upon the public lands and National Forests. Lessee agrees to conduct its operations upon the leased premises in such manner as to cause the least possible amount of interference with and damage to the ranching and livestock operations of the Lessor. It is agreed that if the acts, omissions, or operations of the Lessee, or any person or entity acting by, through or under it, result in the pollution of any of the domestic, irrigation or livestock waters used by the Lessor, or damage any areas of the Lessor's meadows or other farming or crop producing areas or other lands of the Lessor other than those Lessor has expressly given prior approval to the Lessor for use in drilling operations, or result in the loss, injury or death of more than percent of the Lessor's livestock in any one calendar year, the Lessor shall have the right to terminate this lease if the condition is not cured within thirty (30) days after notice is provided in Paragraph A-16.

A-14: The Lessee understands that water rights are of paramount interest to the Lessor. Accordingly, Lessee agrees that it shall not attempt to use, apply for or appropriate any waters or water rights which would conflict with the Lessor's water rights or in any way diminish their present water rights or reduce any ground water that may not or hereafter be available to them for development and appropriation for domestic, irrigation or stockwater use. Lessee agrees that it shall not in any way pollute any ground or surface waters useable or being used by the Lessor or any other persons using the same water sources. Lessee further agrees that no oil, gas, minerals, brine, fluid or surplus water which is not suitable for domestic, irrigation or stockwater purposes shall not be disposed of on Lessor's lands or grazing areas with Lessor's express prior written consent, nor shall such oil, gas, minerals, brine, fluid or surplus water be reinjected into a fresh water zone and if reinjected it shall be reinjected into the zone from which it came following which the Lessee shall cement off or otherwise seal off the zones to prevent their entry into ground or surface water sources which are useable for domestic, agricultural or stockwatering purposes. Lessee agrees that it shall not, without prior approval of the Lessor, interfere with or damage the Lessor's ditches, wells, or irrigation systems and irrigation methods.

A-15: Lessee agrees that it shall, if requested by the Lessor, fence off any of the Lessee's facilities, storage areas, drill sites, sumps, ditches, camps, housing areas, or other structures or developments on the leased lands with a livestock fence built to Bureau of Land Management standards in the area with such gates and cattle guards as Lessor shall specify. The Lessor shall designate the area which shall be no more than reasonably necessary to protect Lessor's livestock from the Lessee's activities and the fence lines shall be as designated by the Lessor.

Construction of these facilities shall be completed by Lessee within thirty (30) days after Lessor's request, subject to weather and availability of labor and materials.

A-16: Upon the violation by the Lessee of any of the terms, covenants or conditions of this lease, and the failure of Lessee to remedy the default within thirty (30) days after written notice from Lessor to Lessee specifying the default, then, at the option of the Lessor, this lease shall forthwith cease and terminate and all rights of the Lessee in and to said land shall be at an end as to all said lands, except that the Lessee shall have the right to retain and hold under this lease the area surrounding each well producing or being drilled and any such well contained therein and all the working interest production therefrom with respect to which it is not in default, subject to payment of all royalties, rentals and other sums herein provided. The waiver by Lessor of any breach of any covenant or condition hereof shall not be a waiver of any other or subsequent breach hereof, nor of any other covenant or condition hereof.

8.00
FE 139655
AT REQUEST OF
Amoco Production Co.
80 OCT 6 P 4: 20

RECORDED 333 544
JERRY D. REYNOLDS
ELKO CO. RECORDER

INDEXED

DATED August 26, 1980.

Lessee:

Amoco Production Company

W. R. Francis

Lessor:

Charles S. Slagowski
Charles S. Slagowski

JT/tle
SA950
062480

STATE OF COLORADO)
COUNTY OF DENVER) ss.

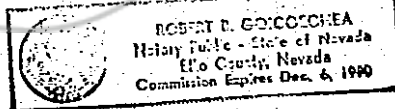
On 27 August, 1980, personally appeared before me, a Notary Public, W. R. Francis who acknowledged to me that he executed the above instrument.

My commission expires
2/25/82

W. R. Francis
NOTARY PUBLIC

STATE OF NEVADA)
COUNTY OF ELKO) ss.

On August 19, 1980, personally appeared before me, a Notary Public Floyd C. Slagowski and Charles S. Slagowski who acknowledged to me that they executed the above instrument.



Robert B. Goicochea
NOTARY PUBLIC



RECORDED AT REQUEST OF
Amoco Production Company
BOOK 88 PAGE 305

80 OCT 27 A10:20

OFFICIAL RECORDS
ESSEX COUNTY, NEVADA
WILLIS A. DEPAOLI, RECORDER
FILE NO. 77232
FEE \$ 9.00

BOOK 88 PAGE 311

When recorded return to COMPANY
AMOCO PRODUCTION COMPANY
Amoco Building
Denver, Colorado 80202