

OIL AND GAS LEASE

THIS AGREEMENT made this 26 th day of March, 1982 between
Carol Crisp, a married woman dealing in her own personal property, nee Carol Kentroti
2300 Laredo Road, Sacramento, Ca. 95825

Lessor (whether one or more), and Jerry Ryan. 1509 Denver Club Bldg., Denver, Colorado. 80202

Lessee, WITNESSETH:

1. A series of coordination of one or more

1.00 or more

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 27 North, Range 51 East. MDB&M

Section 13: A parcel of land located in the NE¼ of the section more particularly described as follows:

Commencing at the East ¼ corner of said Section 13, thence N 60° 01' W 2630.54 feet to corner #1, the point of beginning, thence N 1325.50 feet to corner #2, a point on the Section line between Sections 12 and 13, thence E 1939.23 feet to corner #3, a point on the northwesterly Right-of-way line of Nevada State Highway #2, thence S 34° 50' W along said Right-of-way line 1614.85 feet to corner #4, thence W 1016.84 feet to corner #1, the point of beginning, containing 44.9 acres, more or less.

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 of, 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. Subject to the other provisions herein contained, this lease shall be for a term of 10 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.

[illegible]

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 Wells Fargo Bank of

Country Club Branch, Sacramento, California

[illegible]

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 whom, prior to such attempted payment or deposit, has given Lessee notice, in accordance with the terms of this lease hereinafter set forth, of his right to receive rental, and if such payment or deposit shall be erroneous in any regard (whether deposited in the wrong depository, paid to persons other than the parties entitled thereto as shown by Lessor'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.

[illegible][illegible]

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 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 separate portion of the land, the assignee hereunder shall be apportionable among the several leasehold owners ratably according to the surface area of each, and default in rental payment by one leaseholder 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.

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. An offer 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 of 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.

Carol Crisp
Carol Crisp

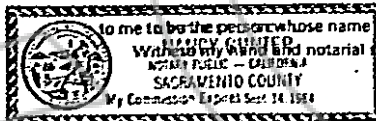
Sec. Sec. No. SS#
or Tax ID. No. SS#

No. _____	OIL AND GAS LEASE	FROM _____	TO _____	Date _____, 19____	Section _____ Township _____ Range _____	No. of Acres _____	Term _____	County, Nevada _____	ss. _____	This instrument was filed for record on the _____ day of _____, 19____, at _____ o'clock _____ M., and duly recorded in book _____ page _____ of the _____ of the _____	Register of Deeds _____	By _____	When Recorded _____	Return To _____
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STATE OF ~~NEVADA~~ CALIFORNIA
County of SACRAMENTO ss.

Nevada Acknowledgment
(Individual)

On this 29th day of MARCH, A.D. 1982, personally appeared before me, a Notary Public, Carol Crisp, nee Carol Kentroti, a single person, known



to me to be the person whose name subscribed to the within instrument, and acknowledged to me that she executed the above instrument at the day and year hereinabove written.

My Commission expires SEPTEMBER 14, 1984

Nancy Guiter
Notary Public for the State of CALIFORNIA
Residing at 2301 WATT AVE SACRAMENTO CA 95825

STATE OF NEVADA
County of _____ ss.

Nevada Acknowledgment
(Husband and Wife)

RECORDED AT REQUEST OF
Jerry Ryan & Co.
BOOK 102 PAGE 248

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OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
WILLIS A. BLAIR, RECORDER
FILE # 84183
FEE \$ 5.00

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