

88956 UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Office NEVADA

Serial No. 32089

Fill in on (reverse)
of your ability to bid
and ask to bid.

OFFER TO LEASE AND LEASE FOR OIL AND GAS
(Sec. 17 Noncompetitive Public Domain Lease)

The undersigned hereby offers to lease all or any of the lands described in item 2 that are available for lease, pursuant and subject to the terms and provisions of the Act of February 25, 1920 (41 Stat. 437, 30 U. S. C. sec. 181), as amended, hereinafter referred to as the Act and to all reasonable regulations of the Secretary of the Interior now or hereafter in force, when not inconsistent with any express and specific provisions herein, which are made a part hereof.

Mr. Mc-MORAN - FREEPORT Oil Co.
Mrs. Freeport Oil Company
I. Miss
(First Name, Middle Initial, Last Name)
P. O. Box 61922
(Number and Street)
New Orleans, Louisiana 70161
(City, State, ZIP Code)

Mount Diablo

2. Land requested: State	Nevada	County	White Pine & Eureka	T.	23-N	R.	55-E	Meridian
Section 19:	ALL	Section 29:	ALL					
Section 20:	ALL	Section 30:	ALL					
Section 21:	ALL	Section 31:	ALL					
Section 22:	ALL	Section 32:	ALL					
Section 27:	ALL	Section 33:	ALL					
Section 28:	ALL	Section 34:	ALL					

All Sections as described in Protraction Diagram No. 162

Total Area 7,540.00 Acres

3. Land included in lease: State	County	T.	R.	Meridian
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This lease embraces the land described in item 2.

NOT IN A KNOWN GEOLOGIC
STRUCTURE ON DATE OF
USGS REPORT

(Offeror does not fill in this block) Total Area 7540.00 Acres Rental retained \$ 7540.00

4. Amount remitted: Filing fee \$10, Rental \$ 7,540.00 Total \$ 7,550.00

BOOK 63 PAGE 124

5. Undersigned certifies as follows:
- (a) Offeror is a citizen of the United States. Native born Naturalized Corporation or other legal entity (specify what kind): A Delaware Corporation (See Corporate Qualification File No. W-56943 at the Bureau of Land Management Office in Cheyenne, Wyoming.)
 - (b) Offeror's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 248,080 chargeable acres in leases, offers to lease and leases in the same State, or 300,000 chargeable acres in leases, offers to lease and leases in each leasing district in Alaska.
 - (c) Offeror accepts as a part of this lease, to the extent applicable, the stipulations provided for in 43 CFR 3103.2.
 - (d) Offeror is 21 years of age or over (or if a corporation or other legal entity, is duly qualified as shown by statements made or referred to herein).
 - (e) Offeror has described all surveyed lands by legal subdivisions, all lands covered by protracted surveys by appropriate subdivisions thereof, or all unsurveyed lands not covered by protracted surveys by metes and bounds, and further states that there are no settlers on unsurveyed lands described herein.
6. Offeror is is not the sole party in interest in this offer and lease, if issued. (If not the sole party in interest, statements should be filed as prescribed in Item 6 of the Special Instructions.)
7. Offeror's signature to this offer shall also constitute offeror's signature to, and acceptance of, this lease and any amendment thereto that may cover any land described in this offer open to lease application at the time the offer was filed but omitted from this lease for any reason, or signature to, or acceptance of, any separate lease for such land. The offeror further agrees that (a) this offer cannot be withdrawn, either in whole or in part, unless the withdrawal is received by the land office before this lease, an amendment to this lease, or a separate lease, whichever covers the land described in the withdrawal, has been signed in behalf of the United States, and (b) this offer and lease shall apply only to lands not within a known geologic structure of a producing oil or gas field.
8. If this lease form does not contain all of the terms and conditions of the lease form in effect at the date of filing, the offeror further agrees to be bound by the terms and conditions contained in that form.
9. It is hereby certified that the statements made herein are complete and correct to the best of offeror's knowledge and belief and are made in good faith.

Offeror duly executed this instrument this 14th day of February, 19 81

By: James H. Fritzell
(Lessee signature)
James H. Fritzell, Sr. Vice President
(Attorney-in-fact)

This lease for the lands described in item 3 above is hereby issued, subject to the provisions of the offer and on the reverse side hereof.

Subject to the attached stipulations

THE UNITED STATES OF AMERICA
By: William K. Shaw Acting
Chief, Branch of Lands & Minerals Operations
(Title)
JUL 15 1981
(Date)

Effective date of lease AUG 0 1 1981

THIS OFFER MAY BE REJECTED AND RETURNED TO THE OFFEROR AND WILL AFFORD THE OFFEROR NO PRIORITY IF IT IS NOT PROPERLY FILLED IN AND EXECUTED OR IF IT IS NOT ACCOMPANIED BY THE REQUIRED DOCUMENTS OR PAYMENTS.

18 U. S. C. sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

This form may be reproduced provided that the copies are exact reproductions on one sheet of both sides of this official form. In accordance with the provisions of 43 CFR 3102.120

Section 1. Scope of lease. The lease is granted to the lessee and his heirs and assigns... The lease shall be subject to the provisions of the laws of the State of New York...

Sec. 2 The lessor agrees... The lessor agrees to execute and deliver to the lessee a lease for the term of years specified in the lease...

(a) Covenants and conditions... The lessee shall not do anything which would be injurious to the land or which would be a nuisance to the neighbors...

(b) Rent... The lessee shall pay to the lessor a net rent of \$100.00 per acre per annum... The rent shall be paid in advance on the first day of each year...

(c) Taxes and assessments... The lessee shall pay all taxes and assessments levied on the land... The lessor shall pay all taxes and assessments levied on the lessor's interest...

(d) Easements and rights of way... The lessee shall have the right to use any easements and rights of way shown on the plat... The lessor shall have the right to use any easements and rights of way shown on the plat...

(e) Insurance... The lessee shall maintain and keep in force fire and theft insurance on the land... The lessor shall maintain and keep in force fire and theft insurance on the lessor's interest...

(f) Assignment and sublease... The lessee shall not assign or sublease the land... The lessor shall not assign or sublease the lessor's interest...

(g) Remedies... The lessor shall have the right to sue for specific performance of the lease... The lessee shall have the right to sue for specific performance of the lease...

(h) Severability... If any provision of this lease is held to be invalid, the remaining provisions shall survive... If any provision of this lease is held to be invalid, the remaining provisions shall survive...

(i) Entire agreement... This lease constitutes the entire agreement between the parties... This lease constitutes the entire agreement between the parties...

(j) Force majeure... In the event of a force majeure event, the lease shall be terminated... In the event of a force majeure event, the lease shall be terminated...

(k) Notices... All notices shall be given in writing to the lessor... All notices shall be given in writing to the lessor...

(l) Assignment of benefits... The lessor shall assign the benefits of this lease to the lessee... The lessor shall assign the benefits of this lease to the lessee...

(m) Waiver... The lessor waives all claims against the lessee... The lessor waives all claims against the lessee...

(n) Counterparts... This lease may be executed in counterparts... This lease may be executed in counterparts...

(o) Governing law... This lease shall be governed by the laws of the State of New York... This lease shall be governed by the laws of the State of New York...

(p) Miscellaneous... The lessor and lessee agree to the terms and conditions of this lease... The lessor and lessee agree to the terms and conditions of this lease...

Section 2. The lessor agrees... The lessor agrees to execute and deliver to the lessee a lease for the term of years specified in the lease...

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(q) Miscellaneous... The lessor and lessee agree to the terms and conditions of this lease... The lessor and lessee agree to the terms and conditions of this lease...

Section 3. The lessor agrees... The lessor agrees to execute and deliver to the lessee a lease for the term of years specified in the lease...

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INSTRUCTIONS

1. The offer must be made in writing... 2. The offer must be made to the lessee... 3. The offer must be made to the lessor...

4. The offer must be made to the lessee... 5. The offer must be made to the lessor... 6. The offer must be made to the lessee...

7. The offer must be made to the lessee... 8. The offer must be made to the lessor... 9. The offer must be made to the lessee...

10. The offer must be made to the lessee... 11. The offer must be made to the lessor... 12. The offer must be made to the lessee...

13. The offer must be made to the lessee... 14. The offer must be made to the lessor... 15. The offer must be made to the lessee...

16. The offer must be made to the lessee... 17. The offer must be made to the lessor... 18. The offer must be made to the lessee...

19. The offer must be made to the lessee... 20. The offer must be made to the lessor... 21. The offer must be made to the lessee...

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34. The offer must be made to the lessee... 35. The offer must be made to the lessor... 36. The offer must be made to the lessee...

37. The offer must be made to the lessee... 38. The offer must be made to the lessor... 39. The offer must be made to the lessee...

40. The offer must be made to the lessee... 41. The offer must be made to the lessor... 42. The offer must be made to the lessee...

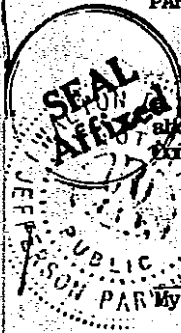
43. The offer must be made to the lessee... 44. The offer must be made to the lessor... 45. The offer must be made to the lessee...

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49. The offer must be made to the lessee... 50. The offer must be made to the lessor... 51. The offer must be made to the lessee...

52. The offer must be made to the lessee... 53. The offer must be made to the lessor... 54. The offer must be made to the lessee...

STATE OF LOUISIANA)
) SS
PARISH OF ORLEANS)



On MAY 12, 1983 personally appeared before me,
Notary public, James R. Frizell, who acknowledged that he executed the
above instrument as his free and voluntary act on behalf of Freeport Oil
Company whose name was changed by merger to McMoran-Freeport Oil Company.

Walter D. Sanchez
Notary Public

At Death
My commission expires:

224586

FEE \$7.00 FILE #224586
FILED FOR RECORD
AT THE REQUEST OF
McMoran Exploration Co.

'83 JUN -7 110:16

RECORDED BY 63 PAGES 123/126
LISA BRANTRECK
WHITE PINE COUNTY RECORDER

RECORDED AT REQUEST OF
McMoran-Freeport Oil Co.
BOOK 113 PAGE 491

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FFS \$ 7.00