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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

H-47928

OFFER TO LEASE AND LEASE FOR OIL AND GAS

The undersigned reverses 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 (0.0.5. S.C. 181 et seq.), the Mineral Leasing Act of Acquired Lands (30.0.5.C. 351-359); the Attorney General's Opinion of April 2, 1941 (40.0)P. Atts. Gen. 41). Signatory certifies compliance with qualifications concerning Federal coal lease holdings provided in Sec. 2(a)(2)(4) of the Mineral Leasing Act.

•	Evelyn D. Ruc	ckstuhl				. \
icreet	11870 Sherbird	onk				\ \
City. State. Zip Code	Baton Rouge,	LA 70815		er gerege		\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \
This offer-lease is for a Ch Surface managing agency		X PUBLIC	DOMAIN LANDS	Unit Project	UIRED LANDS (percent U.S.	unterest
Legal description of land re	equested.	•	,			
r 24 !!.	R 54	E . Meridia	" Hount Di	at 10 State 1	evada Com	Fureka
sec. sec. sec.	3, SW:;	ኤ, SLSE'.; Cia. No. 10	Winkly, Sign			
Sec.	15, A11; 22, E! ME%, N 27, N;, N;S!	ngina. Sisua.	SE!;	sec. 34, 1:E	., U' U' ., E' SE! Total acres	applied for
Amount remitted: Filing	7°.	00	Rental fee \$	4111,00	Total 5	4116.
	AS ITEM 2	Mendu	1	State	County NOT IN A KNOWN CEOLOGICAL STRU Total acres Rental retai	in tease 2110
as geophysical exploration used and maintain necessar	and the exclusive right to ty improvements thereupon the terms, conditions, and try herealter promulgated v case: tutive lease (ten years)	for the term indicated b	etow, subject to renew this lease, the Secret th lease rights granted	al or extchsion in accordant ry of the Interior's regular or specific provisions of the THE UNITED STATES by Level Ciriof, Over	och issued granting the none summing the lands described in the cash the appropriate leasing into and briggal orders in effect least. OF AMERICA Ch. of Lands 5 Operations	militarit. Right granted at
Competitive lesse (five	yean)		36- RRRR	EFFECTIVE DATE OF	LEASE MAY 0 1 19	88

4. (a) Undersigned certifies that (1) offeror is a crizen of the United States or of any State of Tempory thereof, (2) all parties hidding an interest in the offer are in conditional with 43 CFR 3100 and the leaving authorities, (3) offeror's chargeable interests, direct and indirect in either public domain or acquired lands do not exceed 100 kHz acres in oil and gas sprints or 240 kHz acres in options and leaves in the same State, or WH 000 acres in cleanes and 200 kHz acres in leaves on the same State, or WH 000 acres in cleanes and 200 kHz acres in options and leaves in the same State, or WH 000 acres in cleanes and 200 kHz acres in leaves of the same state in which the Lands covered by this ofter are leaves of the same state in which the Lands covered by this ofter are leaves of the same state in which the Lands covered by this ofter are leaves of the withdrawal is considered and as amendment or separate leave that may include any land described in this ofter-spen to leaving at the time this ofter was filled but similar for any reason from this leave. The offeror further agrees that this offer cannot be withdrawal is required by whitevals give the withdrawal is represented in the withdrawal is relief to the withdrawal is relief to an behalf of the United States.

The offer cannot be withdrawal is that Section on behalf of the United States.

This offer will be rejected and will afford offeror no priority if a is not properly completed and executed in accordance with the regulations, or if it is not accompanied by the required symmets. If L.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: flustious or fraudulent latements or representations as to any matter within its jurisdiction.

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LEASE TERMS

c. 1. Remais—Rentals shall be paid to proper office of lessor in ad natual rental rates per acre or fraction thereof are.

- (a) Simultaneous noncompetitive lease, \$1 (0) for the first 5 years, thereafter, \$3 (0), (b) Regular moncompetitive lease, \$1 (0), (c) Competitive lease, \$2 (0), or (d) Other, see attachment.

If all or part of a noncompetitive leasehold is determined to be within a known geological tructure or a favorable petroleum geological province, annual rental shall become \$2.00, againing with the lease year following nuture of usus determination However, a feace that would thereuse be subject to rental of more than \$2.00 shall continue to be subject to the higher rental thereuse be subject to rental of more than \$2.00 shall continue to be subject to the higher rental to the part of the

If this least on principal terms of more than 32 to that to an approved cooperative or unit plan whish includes a well capable of producing leased rewarders, and the plan contains a provision for illocation of production, royalties shall be paid on the production allocated to this lease thomewer, annual remails shall continue to be due at the rate specified in (a), (b), (c), (c) or (d) or those lands not within a participating area.

Failure to pay annual remai, if due, on or before the anniversary date of this lease not 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

Sec. 2 ,Royalties—Royalties shall be paid to proper office of lessor. Royalties shall be puted in accordance with regulations on production removed or sold. Royalty rates are

- (a) Simultaneous noncompetitive lease, 12'n %, (b) Regular noncompetitive lease, 12'n %; (c) Competitive lease, see attachment; or (d) Other, see attachment.

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 lesser notice and an opportunity to be heard. When paid in value, royaltes 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 merchantolic condition on the premises where produced without cost to lessor. Lesses shall not be required to held such production in storage beyond the last day of the month following the month in which production occurred, now hall lessee be held labele for loss or destriction of royalty oil or other products in storage from causes beyond the reasonable control of lessee.

in storage from causes beyond the reasonable control of lessee.

Minimum royally hall be due for any leave year after discovery in which royally payments aggregate less than \$1.00 per are. Lessee shall pay such difference at end of feare year. This minimum royally may be waived, suspended, or reduced, and the above royally rates may be reduced, for all or portions of this leave if the Secretary determines that such action is necessary to encourage the greatest ultimate recovery of the leaved resistences, or so otherwise justified. An interest charge shall be assessed on late ripally payments or undergramments meacontained with the Federal Oil and Gas Royalty Management Act of 1982 (FOGRMA) (90 Stat. 2447). Lessee shall be liable for royalty payments on oil and gas loss or wasted riven a feace 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 feasing authority.

Sec. 3. Bonds-Lessee shall file and maintain any bond required under regulati

Sec. 4. Diligence, rate of development unitization, and drainage—Lessee shall exercise reasonable diligence in developing and producing, and shall prevent unnecessary damage to loas 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 unit plan, field, or pool embracing these leased lands. Issues shall drill and produce with necessary to protect leased lands from drainage or pay compensatory royally for drainage in amount determinately lessor.

distributed by lessor.

Sec. 5. Documents, evidence, and imprection—Lessor shall file with proper office of lessor, not tater than 10 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 presenbe, lessor shall furnate detailed statements showing amounts and quality of all products remixed and suid, proceeds therefrom, and amount used for production purposes or unavoidably, lost, Lessor may be required to provide plast and schematic diagrams showing development work and improvements, and reports with respect to parties in interest, expenditures, and depreciation costs in the form presented by lessor, lessor shall keep a daily drilling record, a log, information on well surveys and texts, and a record of subsurface investigations and furnats expects to lessor when required Lessor shall keep open at all reasonable turnes for impaction by any authorized officer of lessor, the leased premues and all wells, improvements, machaney, and futures thereon, and all books, accounts, maps: and records relative to operations, meets, or investigations on or in the leased lands. Lessor shall maintain copies of all onitracts, sales agreements, accounting records, and documentation such as billings, invoices, or similar documentation that

supports costs claimed as manufacturing, preparation, and/or transportation shall be maintained in lessee's accounting offices for future studii by less tain required records for 6 years after they are generated or, if an audit or way, until released of the obligation to maintain such records by less

way, until released of the obligation to maintain such records by lession. During existence of this lesse, information obstanced under this section shall be closed to impection 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 manifests and where the maintain of the state of the state

unnecessary or unreasonable interference with rights of leases.

Prior to disturbing the surface of the leased lands, leases shall contact leasor to be apprise
of procedures to be followed and modifications or reclamation measures that may be no essay
Areas to be disturbed may require inventories or special studies to determine the extent of im
pacts to other resources. Leaser may be required to complete minor inventories or short term
special studies under guidelines provided by lessor. If in the conduct of operations, threatens,
or enabigired species, objects of histories or securities interest, or substantial animatis spated en
strommental effects are observed, leases shall immediately contact leasor. Leases shall cease any
operations that would result in the destruction of such species or objects.

Sc. 7. Mining operations—To the extent that impacts from mining operations would be substantially different or greater than those associated with normal drilling operations, lessed reserves the right to deny approval of such operations.

c. S. Extraction of helium—lessor reserves the option of extracting or having extracted lium from gas production in a mainter specified and by means provided by lessor at no penie or loss to lessee or owner of the gas. Lessee shall include in any contract or sale of the provisions of this section.

Sec. 9. Damages to property—Lessee shall pay lessor for damage to lessor's improvements and shall save and held lessor harmless from all claims for damage or harm to persons or property as a result of least operations.

Sc. 10. Protection of diverse interests and equal opportunity—Lessee shall pay when due all tases legally assessed and levied under laws of the State or the United States, accord all employees complete treedom of purchase, pay all wages at least toke each month in lawful money of the United States, mantain a value withing environment in accordance with standaul 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 usons 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 Lessing Act of 1920.

Lessee shall comply with Executive Order No. 11240 of September 28, 1905, as amended and regulation and relevant orders of the Secretary of Labor issued pursuant thereto. Seither lessee for 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 retain quishment, which shall be effective as of the date of filing, subject to the continued obligation of the lessee and surery to pay all accrued rentals and royalties.

Sec. 12. Delivery of premues—At such time as all or portions of this lease are returned to lessor, lesser 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 and deemed necessary by lessor for preservation of producible wells.

Sec. 13. Proceedings in case of detault—If lessee fails to comply with any provisions of this leave, and the neucompliance continues for 30 days after written notice thereof, this leave shall be subject to cancellation. Lessee shall also be subject to applicable provisions and penalties of FOKRSHA 96 Star. 2447). However, if this leave includes land known to contain valuable deposits of leaved resources, it may be cancelled only by judicial proceedings. This provision shall not be construed to prevent the exercise by lessor of any other legal and equitable remedy including waver of the default. Any such remedy or waver shall not prevent later cancellation for the same default occurring at any other time.

So: 14. Hears and successors in interest—Each obligation of this lease shall extend to and binding upon, and every henefit hereof shall image to the heirs, executors, administrators, soccessors, benefit saries, or assigneeded the respective August Agrasis.

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