

11. Lessee shall comply with all laws and regulations of any Governmental body purporting to exercise taxing authority over the lands covered by this lease or the person of the lessor herein and in so complying lessee shall not be responsible for determining the legality, validity or constitutionality of any such law or regulation enacted or issued by any such Governmental body. In determining the residence of lessor for purposes of complying with such laws or regulations or lessee may rely upon the address of lessor herein set forth or upon the last known address of lessor. Neither any error in the determination of the residence or status of lessor nor an error in the payment of any sum of money due or payable to lessor under the terms of this lease which is made during the course of or as a result of lessee's good faith efforts to comply with any such laws or regulations shall terminate this lease or constitute grounds for any cause of action against lessor. All of lessor's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with any thereof is prevented or hindered by or is in conflict with Federal, State, County, or municipal laws, rules, regulations or Executive Orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse fluid, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, war, strikes, lockouts, riots or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease, provided, however, that delay rentals as herein provided shall not be suspended by reason of the suspension of operations and if that lease is extended beyond the primary term above stated by reason of such suspension, lessee shall pay an annual delay rental on the anniversary dates hereof in the manner and in the amount above provided.

12. Should any person, firm or corporation have an interest in the above-described land not leased to lessee, or should any one or more of the parties named above as lessors not execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

13. The undersigned lessors for themselves and their heirs, successors, and assigns, hereby expressly release and waive all rights under and by virtue of the homestead exemption laws of said state, insofar as the same may in any way affect the purposes for which this lease is made as recited herein.

IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written.

R. D. Damele
R. D. DAMELE
S.S. # [REDACTED]

Arlene W. Damele
ARLENE W. DAMELE
S.S. # [REDACTED]

14.

ACKNOWLEDGMENTS

ST
CO
MI
NY

STATE OF NEVADA
COUNTY OF Lander

On April 5, 1988 personally appeared
before me, a notary public, R. D. Damele,
who acknowledged that he executed the above instrument.

[Signature]
COUNTY CLERK
EX-OFFICIO CLERK of the SEVENTH JUDICIAL COURT
SEAL
Affixed

ST
CO
MI
NY

STATE OF NEVADA
COUNTY OF Lander

On April 5, 1988 personally appeared
before me, a notary public, Arlene W. Damele,
who acknowledged that she executed the above instrument.

[Signature]
COUNTY CLERK
EX-OFFICIO CLERK of the SEVENTH JUDICIAL COURT
SEAL
Affixed

No. Oil a
Dated April 5, 1988 No. Acres
Term This instrument the day of o/c
recorded in B records of this
By W/h

STATE OF)
COUNTY OF) m.
On this day of in the year before me, a Notary Public,
personally appeared
known to me to be the of the Corporation that is described in and that executed the within instrument and
acknowledged to me that such Corporation executed the same.
My commission expires: Notary Public.

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE DATED FEBRUARY 8, 1988, BETWEEN R. D. DAMELE AND ARLENE W. DAMELE, LESSORS, AND HANAGAN PETROLEUM CORPORATION, LESSEE.

DESCRIPTION

TOWNSHIP 26 NORTH, RANGE 50 EAST

- SECTION 1: SE $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$
- SECTION 11: NE $\frac{1}{4}$ NE $\frac{1}{4}$
- SECTION 12: E $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$
- SECTION 24: E $\frac{1}{2}$ SE $\frac{1}{4}$

TOWNSHIP 25 NORTH, RANGE 51 EAST

- SECTION 6: LOTS 3, 4, 5, 6, 7, SE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$
- SECTION 7: E $\frac{1}{2}$ NW $\frac{1}{4}$

TOWNSHIP 26 NORTH, RANGE 51 EAST

- SECTION 6: LOTS 3, 4, 5, 6, 7, SE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$
- SECTION 7: LOTS 1, 2, 3, 4
- SECTION 18: LOTS 1, 2, 3, 4
- SECTION 19: LOTS 1, 2, 3, 4
- SECTION 30: LOTS 1, 2, 3, 4, E $\frac{1}{2}$ SW $\frac{1}{4}$
- SECTION 31: NW $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ W $\frac{1}{2}$, LOT 4, SW $\frac{1}{4}$ SE $\frac{1}{4}$

14. Lessor hereby accepts as sufficient the bonus consideration given by lessee and agrees that no additional cash amount is required as bonus consideration for signing this lease. Lessee, however, agrees to pay lessor additional amounts in the event that lessee acquires additional leasehold interest in the lands described above from any other mineral owner within two (2) years from the date of this lease. The amount to be paid by lessee shall be equal to the difference between the per acre price paid to lessor herein for bonus consideration and the highest per acre price paid to any subsequent lessor times the number of gross acres leased from the subsequent lessor and proportionately reduced by the fractional interest lessor herein has in the subsequently leased tract.

RP
200



RECORDED AT THE REQUEST OF
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Hanagan Petroleum

OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
M.N. REBAL. AT. RECORDER

FILE NO. FEE \$

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