

OFFER TO LEASE AND LEASE FOR OIL AND GAS

The undersigned (reverse) 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 (30 U.S.C. 181 et seq.), the Mineral Lease Act for Acquired Lands (30 U.S.C. 351-359), the Attorney General's Opinion of April 2, 1941 (40 OP. Atty. Gen. 411), or the

Read Instructions Before Completing

1. Name **The Anschutz Corporation**

Street **555 17th Street, Suite 2400**

City, State, Zip Code **Denver, Colorado 80202**

2. This offer/lease is for: (Check Only One) PUBLIC DOMAIN LANDS ACQUIRED LANDS (perman U.S. interest)

Surface managing agency if other than BLM: _____ Unit/Project _____

Legal description of land requested:

T. 23N R. 55E Meridian **Mount Diablo** State **Nevada** County **White Pine & Eureka**
Protraction Diagram #162
Section 3: All Section 18: All
Section 4: All
Section 5: All
Section 6: All
Section 7: All
Section 8: All
Section 9: All
Section 15: N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$
Section 16: All
Section 17: All

Amount retained: Piling fee \$ **75.00** Rental fee \$ **6,824.00** Total \$ **6,899.00**

3. Land included in lease: DO NOT WRITE BELOW THIS LINE

T. _____ R. _____ Meridian _____ State _____ County _____

SAME AS ITEM 2

FEE \$6.00 FILE
FILED FOR RECORD #253421
AT THE REQUEST OF
The Anschutz Corporation
'88 JUL -6 P4:00

RECORDED IN BOOK 130 pgs. 324-325
LISA BLANCO RECK
WHITE PINE COUNTY RECORDER

NOT IN A KNOWN GEOLOGICAL STRUCTURE

Total acres in lease **6824.00**
Rental retained \$ **6824.00**

In accordance with the above offer, or the previously submitted simultaneous oil and gas lease application or competitive bid, this lease is issued granting the exclusive right to drill for, mine, extract, remove and dispose of all the oil and gas (except helium) in the lands described in item 3 together with the right to build and maintain necessary improvements thereupon for the term indicated below, subject to renewal or extension in accordance with the appropriate leasing authority. Rights granted are subject to applicable laws, the terms, conditions, and attached stipulations of this lease, the Secretary of the Interior's regulations and formal orders in effect as of lease issuance, and to regulations and formal orders hereafter promulgated where not inconsistent with lease rights granted or specific provisions of this lease.

Type and primary term of lease:

- Simultaneous noncompetitive lease (ten years)
- Regular noncompetitive lease (ten years)
- Competitive lease (five years)
- Other _____

THE UNITED STATES OF AMERICA
by *Naibela S. Bohl*
Chief, Branch of Lands and Minerals Operations (Signatory Officer)

JUN. 22 1988

EFFECTIVE DATE OF LEASE JUL 1 1988

*Formerly 3110-1, 2, 3, 3120-1, 7, 3130-4, 5, and 7)

NW-5672-F

...determined certificates... offeror is a citizen of the United States... offeror's chargeable...
(b) Understands and agrees that signature in this offer constitutes acceptance of this lease...
This offer will be rejected and will not be properly completed and executed in accordance with the regulations...
THE ANSCHUTZ CORPORATION
Lillian F. Lentz, Asst. V-P

Duly executed this 12th day of August 19 87

THE ANSCHUTZ CORPORATION
Lillian F. Lentz, Asst. V-P

LEASE TERMS

Sec. 1. Rentals—Rentals shall be paid to proper office of lessor in advance of each lease year.
(a) Simultaneous noncompetitive lease, \$1.00 for the first 3 years, thereafter, \$3.00;
(b) Regular noncompetitive lease, \$1.00;
(c) Competitive lease, \$2.00, or
(d) Other, see attachment.
If all or part of a noncompetitive leasehold is determined to be within a known geological structure...
Sec. 2. Royalties—Royalties shall be paid to proper office of lessor...
(a) Simultaneous noncompetitive lease, 12%;
(b) Regular noncompetitive lease, 12%;
(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...
Sec. 3. Bonds—Lessee shall file and maintain any bond required under regulations.
Sec. 4. Diligence, rate of development, unitization, and drainage—Lessee shall exercise reasonable diligence...
Sec. 5. Documents, evidence, and inspection—Lessee shall file with proper office of lessor...

...suffers costs claimed as manufacturing, preparation, and/or transportation costs...
During existence of this lease, information obtained under this section shall be closed to inspection...
Sec. 6. Conduct of operations—Lessee shall conduct operations in a manner that minimizes adverse impacts...
Sec. 7. Mining operations—To the extent that impacts from mining operations would be substantially different...
Sec. 8. Extraction of helium—Lessor reserves the option of extracting or having extracted helium...
Sec. 9. Damages to property—Lessee shall pay lessor for damage to lessor's improvements...
Sec. 10. Protection of diverse interests and equal opportunity—Lessee shall pay when due all taxes...
Sec. 11. Transfer of lease interests and relinquishment of lease—As required by regulations...
Sec. 12. Delivery of premises—At such time as all or portions of this lease are returned to lessor...
Sec. 13. Proceedings in case of default—If lessee fails to comply with any provisions of this lease...
Sec. 14. Heirs and successors in interest—Each obligation of this lease shall extend to and be binding upon...

RECORDED AT THE REQUEST OF

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The Anschutz Corp.

'88 AUG -2 P 1 22

OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
MIN. REB-LIAT. RECORDER

FILE NO. 120466

120466

WHEN RECORDED, PLEASE RETURN TO
THE ANSCHUTZ CORPORATION
2400 ANACONDA TOWER
DENVER, COLORADO 80202

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