

Form 3100-11
June 1980

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OFFER TO LEASE AND LEASE FOR OIL AND GAS

3-28-27-011-0032-00

125529

Serial No.

B-10570

The undersigned (hereinafter) 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, as amended and supplemented (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands of 1947, as amended (30 U.S.C. 351-354), the Attorney General's Opinion of April 2, 1941 (40 Op. Atty. Gen. 41), or the

READ INSTRUCTIONS BEFORE COMPLETING

1. Name
Street
City, State, Zip Code
Country

Amoco Petroleum Corporation

7600 E. Orchard Road
Englewood, CO 80111

2. This application/offer/lease is for: (Check only One)

PUBLIC DOMAIN LANDS

ACQUIRED LANDS (percent U.S. interest _____)

Surface managing agency if other than BLM:

Uca/Project

Legal description of land requested:

*Parcel No.: JV-11-01-70

*Sale Date (m/d/y): 11/1/88

*SEE ITEMS 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.

T. R. Section County

Amount required: Filing fee \$.75 (10)

Rental fee \$ 2240.00

Total acres applied for 2560.00
Total \$ 3915.00

DO NOT WRITE BELOW THIS LINE

3. Land excluded in lease:

T. R. Section County
19 N., 40 E., Mount Diablo Nevada Eureka
Sect. 8, all;
Sect. 9, all;
Sect. 16, all;
Sect. 17, all.

Total acres in lease 2560.00
Rental required \$ 3740.00

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 when not inconsistent with lease rights granted or specific provisions of this lease.

NOTE: This lease is issued to the high bidder pursuant to his/her duly executed bid or nomination form submitted under 43 CFR 3120 and is subject to the provisions of that bid or nomination and those specified on this form.

Type and primary term of lease:

Nonconsecutive lease (ten years)

THE UNITED STATES OF AMERICA

by Marcia A. Brad (Signing Officer)

Competitive lease (five years)

Chief Branch of Lands

NOV. 21 1988

Other _____

8-Mineral Operations

(Title)

DATE: NOV. 21 1988

(Date)

EFFECTIVE DATE OF LEASE

DEC 1 1988

(Continued on reverse)

Sec. 1. This proposed lease contract or offer is a citizen of the United States, an association of such citizens, a municipality, or a corporation organized under the laws of the United States or of any State or Territory, or (2) all parties holding an interest in the offer are in compliance with 43 CFR 1701 and the leasing authorities, (3) offeror is a chargeable interests, direct and indirect, either party to an acquired funds if and exceed 240,000 acres in Federal oil and gas leases in the same State, of which not more than 200,000 acres are held under option, or 300,000 acres in Federal oil and gas leases in other states in options to other leasing District in Alaska, (4) offeror is not considered a minor under the laws of the State in which the lands covered by this offer are located, further, no part of the lands covered by this offer is held under leasehold as provided in section 2(a)(2)(A) of the Mineral Leasing Act, (5) offeror has fulfilled all declaration requirements as required by section 17(c) of the Mineral Leasing Act, and (6) offeror is not in violation of section 41 of the Act.

Sec. 2. This proposed lease contract or offer constitutes acceptance of this lease, including all terms, conditions, and stipulations of which offeror has been given notice, and any amendment thereto, made in whole or in part, unless the withdrawal is received by the proper BLM State Office before this lease, an amendment to this lease, or a separate lease, whichever

is earlier. This withdrawal, if received in the withdrawal, has been signed on behalf of the United States.

Sec. 3. This will be reported and will afford offeror no priority if it is not properly completed and executed in accordance with the regulations, or if it is not accompanied by the required payment. Sec. 4. 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.

1st day of November

88

ANADARKO PETROLEUM CORPORATION
By: *[Signature]*

PHILIP E. FRIEDMAN, *[Signature]*, Attorney-in-fact
Agent and Attorney-in-Fact

LEASE TERMS

costs claimed as manufacturing, preparation, and/or transportation costs. All such records shall be maintained in lessee's accounting offices for future audit by lessor. Lessee shall maintain required records for 6 years after they are generated or, if an audit or investigation is underway, until released of the obligation to maintain such records by lessor.

During existence of this lease, information obtained under this section shall be closed to inspection 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 minimizes adverse impacts to the land, air, and water, to cultural, biological, visual, and other resources, and to other uses of the land. Lessee shall take reasonable measures deemed necessary by lessor to accomplish the intent of this section. To the extent consistent with lease rights granted, such measures may include, but are not limited to, modification to siting or design of facilities, timing of operations, and specification of interim and final reclamation measures. Lessee reserves the right to continue existing uses and to authorize future uses upon or in the leased lands, including the approval of easements or right-of-way. Such uses shall be conditioned so as to prevent unnecessary or unreasonable interference with rights of lessor.

Prior to disturbing the surface of the leased lands, lessor shall contact lessor to be apprised of procedures to be followed and modifications or reclamation measures that may be necessary.

Areas to be disturbed may require inventories or special studies to determine the extent of impacts to other resources. Lessee may be required to complete minor inventories or short term special studies under guidelines provided by lessor. If in the conduct of operations, threatened or endangered species, objects of historic or scientific interest, or substantial unanticipated environmental effects are observed, lessee shall immediately contact lessor. Lessor shall cease any operations that would result in the destruction of such species or objects.

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

Sec. 8. Extraction of helium—Lessee reserves the option of extracting or having extracted helium from gas production in a manner specified and by means provided by lessor at no expense or risk to lessor or owner of the gas. Lessee shall include in any contract of sale of gas the provisions of this section.

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

Sec. 10. Protection of diverse interests and equal opportunity—Lessee shall: pay when due all taxes legally assessed and levied under laws of the State or the United States; accord all employees complete freedom of purchase; pay all wages at least twice each month in lawful money of the United States; maintain a safe working environment in accordance with standard 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 lessor operates a pipeline, or owns controlling interest in a pipeline or a company operating a pipeline, which may be operated accessible to oil derived from these leased lands, lessor shall comply with section 28 of the Mineral Leasing Act of 1920.

Lessee shall comply with Executive Order No. 11246 of September 24, 1965, as amended, and regulations and relevant orders of the Secretary of Labor issued pursuant thereto. Neither lessor nor lessor's subcontractors shall maintain segregated facilities.

Sec. 11. Transfer of lease interests and relinquishment of lease—As required by regulations, lessor 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 relinquishment which shall be effective as of the date of filing, subject to the customary obligation of the lessee and surety to pay all accrued rentals and royalties.

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

Sec. 13. Proceedings in case of default—If lessee fails to comply with any provisions of this lease, and the non-compliance continues for 30 days after written notice thereof, this lease shall be subject to cancellation unless or until the leasehold contains a well capable of production of oil or gas in paying quantities, or the lease is committed to an approved cooperative or unit plan or communication agreement which contains a well capable of production of oil or gas in paying quantities. This provision shall not be construed to prevent the exercise by lessor of any other legal and equitable remedy, including waiver of the default. Any such remedy or waiver shall not preclude later cancellation for the same default occurring at any other time. Lessee shall be subject to applicable provisions and penalties of FOIRMA (30 U.S.C. 701).

Sec. 14. Hours and successors in interest—Each obligation of this lease shall extend to and be binding upon, and every benefit hereof shall accrue to the heirs, executors, administrators, successors, beneficiaries, or assigns of the respective parties hereto.

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RECORDING STAMP PAGE

AFFIXED TO FEDERAL LEASE _____

RECORDED AT THE REQUEST OF
BOOK 192 PAGE 131
Anadarko
88 DEC -9 P2 02

OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
M.N. REBALFAT, RECORDER
FILE NO. FILE # 908

125529

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