

Form 100-11
Use 1973

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

126338
WFO 58

Serial No.

N-49114

The undersigned (hereby) 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. 351-359), 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
Tenneco Oil Company
P. O. Box 3249
Englewood, CO 80155

2. This application/offer/lease is for: (Check only one) ☒ PUBLIC DOMAIN LANDS

☐ ACQUIRED LANDS (pursuant to U.S. Statute)

Surface managing agency if other than BLM:

Parcel No. NV-8-88-133

Unit/Project

Sale Date (m/d/y): 08 / 11 / 88

Legal description of land requested:

ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.

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This offer will be rejected 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 payments. 101.1(c). See 1001 makes it a crime for any person knowingly and willfully to make in any Department or agency of the United States any false, fictitious or fraudulent statements or representations or to omit material or information which is required to be furnished by the person in such statements or representations.

Duly executed this 29th day of August

TENNESSEE OIL COMPANY
BY: D. L. Motloch
D. L. MOTLOCH, ASST. SEC. for Attorney in fact

LEASE TERMS

(a) Noncompetitive lease: \$1.50 for the first 5 years, thereafter \$2.00.
 (b) Competitive lease: \$1.50, for primary term, thereafter \$2.00.
 (c) Other, see attachment.

Failure to pay annual rental, if due, on or before the anniversary date of this lease or 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 by lessee.

(b) Competitive lease, 42.9%.

Minimum royalty in case of rental of toolless than the rental which otherwise would be required, but that lease year shall be payable at the end of each lease year beginning on or after a discovery in paying quantities. This minimum royalty may be waived, suspended, or reduced, and the above royalty rates may be reduced, for all or portions of this lease if the Secretary determines that such action is necessary to encourage the greatest ultimate recovery of the leased resources, or is otherwise justified.

Sec. 3. Bonds - A bond shall be filed and maintained for lease operations as required under regulations.

Sec. 5. Documents, evidence, and inspection. Lessee shall tie with proper office of lessor, not later than ten 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 it may prescribe, lessor shall furnish detailed statements showing amounts and quality of products removed and sold, proceeds therefrom, and amounts used for production purposes or for unavailability lost. Lessor may be required to provide plots and schematic diagrams, showing development work and improvements, and reports with respect to production in metered, expenditures, and depreciation costs. In the event requested by lessor, Lessee shall keep a daily drilling record, a log, including all well surveys and tests, and a record of all subsequent investigations and furnish copies thereof upon request. Lessee shall support all reasonable claims for inspection by any authorized officer of lessor, on reasonable notice and at all wells and on reservoirs, machinery, and fixtures thereof, and all books and records, and records relative to operations, surveys, or investigations, and in the leased lands. Lessor shall maintain copies of all contracts, sales agreements, accounting records, and other documents, books, or records, or similar data relating thereto, in proper

During existence of this lease, information obtained under this section shall be closed to the public in accordance with the Freedom of Information Act (5 U.S.C. 552).

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

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, less weight shall be given to the right to deny approval of such operations.

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

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 a cessible to oil derived from these leased lands, it shall comply with section 28 of the Mineral Leasing Act of 1920.

Sec. 11. Transfer of lease interests and relinquishment of lease--As required by regulation

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 well(s) operated by lessor and, within a reasonable period of time, remove equipment and materials from the premises.

Improvements not deemed necessary by lessor for preservation of producible wells.

Sec. 13. **Proceedings in case of default.**—If lessee fails to comply with any provisions of lease, and the noncompliance continues for 30 days after written notice thereof, this lease be subject to cancellation unless or until the lessor holds contains a well capable of producing oil or gas, and the lessee is committed to an approved cooperative or

of oil or gas in paying quantities, or, the lease is committed to an approved cooperative unit plan or communitization agreement which contains a well capable of production of oil or gas in paying quantities. This provision shall not be construed to prevent the execution of a pooling or unitization agreement, or the assignment of interests in the lease.

by lessor of any other legal and equitable remedy, including waiver of the default. Any remedy or waiver shall not prevent later cancellation for the same default occurring at any time. Lessor shall be subject to applicable provisions and penalties of EOGMA (30 U.S.C. 1701-1705).

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

~~REF~~ 1.04 PAGE 029

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RECORDED AT THE REQUEST OF
Tenneco 011

BOOK PAGE
194 28

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OFFICIAL RECORDS
EUPORA COUNTY, NEVADA
M.N. REBALLETT, RECORDER

FILE NO. 126338 FEE \$ 7.00

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