OIL AND GAS LEASE

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THIS AGREEMENT, made and entered into the	10th 160 of	May	. 1989	by and between
MAYNARD ALVES and JACOLYN O.	ALVES, busband	and wife		
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ot_c/o Dean Ranch, Star Route, Crescent Valley, Nevada 89821 . bereen ulter called locate technotron one or engrel, and P.O. Box 2305 of Houston, Texas 77252 EXXON CORPORATION

Nevada___ State of TOWNSHIP 28 NORTH, RANGE 48 EAST, MOUNT DIABLO MERIDIAN Section 1: Lots 1(39.87), 2(39.61), 3(39.35), 4(39.09), 5112, 51 Section 11: All Section 12: SISWE, SWESEE Section 13: All Section 13: A11

TOWNSHIP 28 NORTH, RANGE 49 EAST, MOUNT DIABLO MERIDIAN

Section 7: Lots 1(34.04), 2(34.51), 3(34.99), 4(35.46), E3W3, E4 SEE RIDER ATTACHED HERETO AND MADE A PART HEREOF

Range XX 11 being the purpose and entent of lossor to lease Township XX and lessor this herein, lease, all of the lands or interests in lands owned by lessor which also in the lands allowe directived or which he in the section or section

and lessor these herein, lease, all of the lands or interests in lands owned by lessor which begins the lands closer described or other hierarchies and the section or sections herein section for sections herein section for sections herein section or sections herein section or sections herein section or sections have the section of sections and section of this lease, such lands of the section of sections are sections for other of them, is produced from the above electrified land or section of sections are sections for the section of sections in the section of sections of the sections of the section of the sections of the section of the sections of the section of the

contrisionally proseruted, and if production results therefrom, then as long thereafter as oil or gas is produced from the blance described tand.

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If no peri he commenced on cast land on or before one year from the tale hereof, this lease sholl feach to otherwise or ovaled in this paragraphs combined in the barrantees of ovaled in this paragraphs combined in the behalf, on or before such date, shall pay or tender to lessor, or to lessor's credit in the

Valley Bank of Nevada Realitat 605 Idaho Street, Elko, Nevada 89801 Net New House and the decreases that continue as the demonstrate repairing and the description of the right to recover tentests, the sum of

just as though these had been no interruption in rental payments.

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determination or the party or parties entitled to receive such payment.

If lespor owns, a less interest in the load covered by, this leave than the entire and underded five proper mineral entitie therein, then whether or such less referred to or distording herein, all rentals and royalists berein provided shot for parties only or the properties which his interest trains to the cohole and windowlds fee.

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Execute healthy searchest and agrees to addened the state to the bands herein described, but if the interest of fessor covered by this local is espready stated to be loss than the enterest of means a restorably stated to be loss than the owner let or means a restorably classes are searchly shall be limited to the interest to stated. Lessor are what he ight is do say that of any party claiming any interest is and form and exercise such rights as many to obstand thereby that losses shall not suffer any forfering right and including to head by restorably loss of the right as any time to pay for sersor, any interesting, takes or other line on said lands, in the owner of ideal, if a permant in the subsciption of the right at any time to pay from sersor, any interesting, takes or other line on said lands, in the owner of ideal, if a permant in the state of the right at any time to pay from sersor, any interesting, takes or other line on said lands, in the owner of ideal, if a permant in the loss of the right of the feds thereof, and any such payments most by force to its force in reduction of the right of the feds thereof, and any such payments most by force to its force in reduction of the right of the feds thereof, and any such payments most by force to its force in reduction of the right of the feds.

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This lease and at provisions thereof chall the contradue as and tending sease the parties and their respective successors and assigns. Reference herein to scale and waste the least and waste the parties are stated as the parties as the contraduct of the least and described in the least and assigns. Should be a former of the parties named above as forces and described in the least and assigns. The least are stated as the least and assigns are the least as the least and as the least as the least

Maynard Alves Jacolyn O. Alves S.S.# 11/2 mala SS. COUNTY OF ELLINE On the 17 40 . A.D., 19 89... before me, a Notary Public Maynard alves and Jacolyh O. Alves, husband and wife STEWART R. WILSON MOSCY PAINTE-SICH OF R Appointment Engarco 12/21.31 JAR ... ING SETTE STATE OF Lessee is hereby given the option to extend the primary term of this lesse for an additional _three (3) years from the expiration of the original primary term. This option may be exercised by Lessee at any time during the last year of the original primary term by paying the sum of 7.50 per net mineral acre to the parties entitled to delay rentals according to Lessee's records. This payment shall be based upon the number of net mineral acres then covered by this lesse, and all of the provisions of this lease relating to the payment of delay rentals shall apply equally to this payment including, but not limited to, the provisions regarding changes in ownership. If, at the time this payment is made, various parties are entitled to specific amounts of the delay rental according to Lessee's records, this payment may be divided between said parties and paid in the same proportion. Should this option be exercised as herein provided, it shall be considered for all purposes as though this tease originally provided for a primary term of \$1x (6) years , except that no delay rental payment shall be required to maintain this lease for the first Evelve (12) months of the extended term. In the event this lease is being maintained by any provision hereof at the expiration of the original primary term, Lessee shall have a period of thirty (30) days from the date this lease ceases to be so maintained within which to exercise this option. STATE OF ent was filed for record on the ... of the records of this office. AFTER RECORDING, RETURN TO:

RIDER

This Rider made a part of and attached hereto to that certain Oil and Gas Lease dated May 10, 1989, by and between MAYNARD ALVES and JACOLYN O. ALVES, husband and wife, Lessorss, and EXXON CORPORATION, Lessee.

Lessee agrees to pay the owner of the surface of the leased premises or to the surface tenant of record, as their interests may appear, a sum of money equal to the actual loss of value resulting from physical injury to free flowing springs, artesian wells, improvements, fences, crops or livestock located on the land, caused by the operations of Lessee under the terms of this lease. Such amount shall be the sole compensation due the surface owner or surface tenant for any damage or injury to said improvements, fences, crops, or livestock located on the land or for the use thereof. Lessee shall not be obligated to compensate the surface owner for any physical injury to said improvements, fences, crops or livestock located on the land which is promptly repaired or restored by Lessee to a condition of approximately equivalent value following completion of the activity which cause such injury.

Lessee agrees to consult with surface owner regarding the placement of all roads, pipelines, power lines, telephone lines and tank batteries and to locate all such items and other structures which it has a right to locate upon said land under the provisions of this lease at such locations as to reduce the interference with the surface use of said lands for farming and for ranching purposes insofar as it is reasonably practical to do so but it is understood that Lessee will not be prevented from exercising reasonable use of the surface in order to accomplish the purposes of this lease.

To accomplish that end, Lessee agrees to notify the surface owner, or to deliver written notice to the surface owner's last known address, of any proposed operation involving the construction of the aforementioned items. Such notice shall include a brief general description of the location of the proposed operation and road routes involved. The surface owner shall have ten (10) days from the date of actual personal notification or the date of mailing, whichever occurs earlier, to advise Lessee in writing of the surface owner's preferences as to routes and locations. Failure of the surface owner to advise Lessee in writing of the surface owner as the surface owner's acquiescence to Lessee's proposed location and routes.

The Lessee shall not allow its employees, agents, or independent contractors to remain overnight on Lessors' premises except in the course of conducting operations for the drilling of a well. Operations shall include, but shall not be limited to, any and all activities necessarily related to the drilling of a well, including site preparation and restoration, drilling, testing, equipping, building pipelines, tank batteries, and other activities related to exploration and development of the leased premises.

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Should Lessee, its agents or independent contractors find water during any of their drilling operations, Lessee will promptly notify Lessors as to the whereabouts of said water. Should Lessee, its agents or independent contractors, drill and case any well upon the leased premises, Lessors shall have the option to retain said well and casing upon termination of the lease.

In the event Lessors elect to take over a well bore, Lessors shall pay to Lessee salvage value of the well bore and following such payment, Lessee shall turn over the well bore to Lessors. In taking over the well bore, Lessors accept the well bore "as is" and without warranty or representation, express or implied, as to its quality, condition, or serviceability.

Lessors further warrant and agree Lessors will plug and abandon the well bore at Lessors' sole expense and risk in accordance with applicable law at such time plugging and abandonment is necessary. Lessors further agree to hold harmless and indemnify Lessee for any claims, liabilities, or causes of action arising out of Lessors' operation or use of said well bore after the date of transfer from Lessee to Lessors.

Signed for Identification:

Jacolyn O. Alves

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RECORDED AT THE REQUEST OF

Exxon Company, V. S. A.

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