



RECORDING DATA

*Patricia J. Damele*

*Charles N. Damele, Jr.*

Signed for Identification:

Attached hereto and by this reference made a part hereof that certain Oil and Gas Lease dated November 30, 1989 by and between Charles N. Damele, a/k/a Charles Damele, Jr., and Patricia J. Damele, husband and wife, Lessor, and The Gary-Williams Company, Lessee.

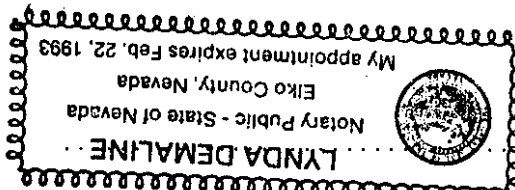
Notwithstanding anything contained herein to the contrary the royalty received by the Lessor shall not be reduced by any costs or expenses and shall be calculated at the total rate of oil, gas and/or gas-condensate produced and saved from any well on said lands.

Lessee agrees to hold Lessor harmless to any claims, actions or liability that might arise out of the actions of Lessee or its assigns on the described lands. It is hereby understood and agreed that the terms of this lease does not give the Lessee or its assigns any right to commit any of the Lessor's royalty interest to a Federal Unit.

(5) Lessor hereby agrees that this lease may be extended for an additional five years from the end of the initial five year primary term for the same bonus consideration initially paid. If the option to renew this lease is exercised, the bonus consideration will be placed into the depository bank herein named at or before the end of the first five year term. The rental clause will then apply to the remaining term of the second five years at the rate stated herein.

Lessee agrees that at the expiration of this lease that a Release of this lease will be placed of record in Eureka County, Nevada at the sole expense of Lessee.

EXHIBIT "A"



On this 12th day of Dec, 19 89, before me personally appeared Charles N. Damele, Jr., a/k/a Charles Damele, Jr., and Patricia J. Damele, husband and wife, known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that ~~he~~ they executed the same.

Notary Public  
*Lynda Demaline*  
 Residing at Eureka, Nev

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF Nevada }  
 COUNTY OF Eureka } ss.  
 Dec

# RATIFICATION AND RENTAL STIPULATION

KNOW ALL MEN BY THESE PRESENTS, That:

WHEREAS, the undersigned (whether one or more) owns an interest in the following described lands (herein called "said lands") in the County of Burke, State of Nevada, subject to the following described oil and gas lease (herein called "said lease"), to-wit:

Lands:	Township 24 North, Range 49 East, MDM
	Section 9: N $\frac{1}{2}$ NW $\frac{1}{4}$ , SE $\frac{1}{2}$ NW $\frac{1}{4}$ , SW $\frac{1}{2}$ NE $\frac{1}{4}$
	Section 10: SW $\frac{1}{2}$ SE $\frac{1}{4}$ , SE $\frac{1}{2}$ SW $\frac{1}{4}$
	Section 12: SW $\frac{1}{2}$ SE $\frac{1}{4}$
	Section 13: NE $\frac{1}{2}$ NW $\frac{1}{4}$ , SW $\frac{1}{2}$ NW $\frac{1}{4}$ , NW $\frac{1}{2}$ SW $\frac{1}{4}$
	Section 14: SE $\frac{1}{2}$ SE $\frac{1}{4}$
	Section 15: N $\frac{1}{2}$ NW $\frac{1}{4}$
	Section 23: NE $\frac{1}{2}$ NE $\frac{1}{4}$ , SW $\frac{1}{2}$ NE $\frac{1}{4}$ , W $\frac{1}{2}$ SE $\frac{1}{4}$
	Section 26: NE $\frac{1}{2}$ NW $\frac{1}{4}$ , W $\frac{1}{2}$ E $\frac{1}{2}$
	Section 35: E $\frac{1}{2}$ W $\frac{1}{2}$
	Township 24 North, Range 50 East, MDM
	Section 14: SE $\frac{1}{2}$ NW $\frac{1}{4}$ , SW $\frac{1}{2}$ NE $\frac{1}{4}$ , W $\frac{1}{2}$ SE $\frac{1}{4}$ , SW $\frac{1}{4}$
	Section 22: NE $\frac{1}{2}$
	Section 23: NW $\frac{1}{4}$

**Lessors:** Charles N. Damele, a/k/a Charles Damele, Jr., and Patricia J. Damele, husband and wife  
 Waysack, Eiko, Nevada 89801

**Lessee:** The Gary-Williams Company  
 Republic Plaza, 370 17th Street, Suite 5300, Denver, Colorado 80202

**Dated:** November 30, 1989

**Recorded:**

WHEREAS, the undersigned desires to ratify said lease and to stipulate as to the amount of any delay rentals which may become payable under the terms of said lease with respect to the interest of the undersigned in said lands;

NOW, THEREFORE, in consideration of the sum of One Dollar (\$1.00) and other valuable consideration, the receipt, adequacy and sufficiency of which are hereby expressly acknowledged by the undersigned, the undersigned hereby agree as follows:

1. If any delay rentals hereafter become payable under the terms of said lease, with respect to the interest in said lands now held by the undersigned, the amount of such delay rentals payable to the undersigned shall be as follows:

CREDIT TO	AMOUNT	DEPOSITORY BANK (City and State)
Charles N. Damele, a/k/a Charles Damele, Jr., and Patricia J. Damele, husband and wife Waysack Eiko, Nevada 89801	\$84.45	First Interstate Bank P. O. Box 471 Eiko, Nevada 89801 Account # [REDACTED]

and payment or tender of such amount in the manner specified in said lease will constitute full and proper compliance with the delay rental provisions of said lease so as to maintain said lease in full force and effect with respect to the entire interest now held by the undersigned in said lands, whatever such interest may be, during the entire period of time covered by such delay rental payment.

2. The undersigned hereby ratifies and confirms said lease as being in full force and effect in accordance with its terms and hereby acknowledges the timely payment and receipt in full of all payments of delay rentals heretofore payable under the provisions of said lease on account of the interest of the undersigned in said lands.

3. The undersigned further grants, leases and lets said lands to the Lessee named in said lease, or his successors and assigns, in accordance with the terms and provisions of said lease to the full extent of the undersigned's right, title and interest in said lands.

4. With respect to and for the purposes of this instrument and said lease, the undersigned hereby releases all rights of power and/or homestead in said lands.

5. This instrument shall be binding upon the undersigned and his heirs, personal representatives, successors and assigns.

EXECUTED this 1st day of December, 1989

*Charles N. Damele*  
 Charles N. Damele  
*Patricia J. Damele*  
 Patricia J. Damele

131433

EUREKA COUNTY, NEVADA  
M.N. REBALANCE RECORDS  
FILE NO. FEE \$ 0.08

OFFICIAL RECORDS  
RECORDED AT THE REQUEST OF  
BOOK 208 PAGE 125  
Kary Williams Co  
30 FEB -5 P3:30

RECORDING DATA

State of \_\_\_\_\_ County of \_\_\_\_\_ ss. \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, A. D. 19\_\_\_\_, before me personally appeared \_\_\_\_\_ to me personally known, who, being by me duly sworn, did say that he is the \_\_\_\_\_ of \_\_\_\_\_ and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this \_\_\_\_\_ day of \_\_\_\_\_, A. D. 19\_\_\_\_.

(SEAL) \_\_\_\_\_  
Notary Public.

My Commission expires \_\_\_\_\_

State of \_\_\_\_\_ County of \_\_\_\_\_ ss. \_\_\_\_\_

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, personally appeared \_\_\_\_\_, to me known to be the identical person, described in and who executed the within and foregoing instrument of writing and acknowledged to me that \_\_\_\_\_, duly executed the same as \_\_\_\_\_, free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires \_\_\_\_\_

Notary Public.

State of Nevada County of Elko ss. \_\_\_\_\_

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, 19 89, personally appeared Charles N. Damele, a/k/a Charles Damele, Jr., and Patricia J. Damele, husband and wife

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

Notary Public - State of Nevada  
My appointment expires Feb. 22, 1999.

\_\_\_\_\_

Notary Public.