

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0008
Expires January 31, 1986

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 Leasing Act for Acquired Lands (30 U.S.C. 351-359), the Attorney General's Opinion of April 2, 1941 (40 OP. Att. Gen. 41), XXXXX Signatory certifies compliance with qualifications concerning Federal coal lease holdings provided in Sec. 2(a)(2)(A) of M.L.A.

1. Name Seymour S. Smith
Street 7 South Dearborn Street
City, State, Zip Code Chicago, IL 60603

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

Legal description of land requested:
T. 22 N. 53 E. (Pro. Dia. No. 166) Sec. 31, All.
Meridian Mount Diablo
State Nevada
County Eureka

Amount remitted: Filing fee \$ 75.00
Rental fee \$ 640.00
Total \$ 715.00
Total acres applied for 640.00
Total acres in lease 640.00
Rental retained \$

3. Land included in lease:
DO NOT WRITE BELOW THIS LINE
T. _____ R. _____
Meridian _____
State _____
County _____
SAME AS ITEM 2
NOT IN A KNOWN GEOLOGICAL STRUCTURE

Total acres in lease 640.00
Rental retained \$ 640.00
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, purchase, and to regulations and formal orders hereafter promulgated when 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 _____
EFFECTIVE DATE OF LEASE APR 01 1987
by _____
Chief, Branch of Lands and Minerals Operations
(Date) MAR 26 1987
(Signing Officer)

NOTICE TO LESSEE

Provisions of the Mineral Leasing Act (MLA) of 1920, as amended by the Federal Coal Leasing Amendments Act of 1976, affect an entity's qualifications to obtain an oil and gas lease. Section 2(a)(2)(A) of the MLA, 30 U.S.C. 201(a)(2)(A), requires that any entity that holds and has held a Federal coal lease for 10 years beginning on or after August 4, 1976, and who is not producing coal in commercial quantities from each such lease, cannot qualify for the issuance of any other lease granted under the MLA. Compliance by coal lessees with Section 2(a)(2)(A) is explained in 43 CFR 3472.

In accordance with the terms of this oil and gas lease with respect to compliance by the initial lessee with qualifications concerning Federal coal lease holdings, all assignees and transferees are hereby notified that this oil and gas lease is subject to cancellation if: (1) the initial lessee as assignor or as transferor has falsely certified compliance with Section 2(a)(2)(A) or (2) because of a denial or disapproval by a State Office of a pending coal action, i.e., arms-length assignment, relinquishment, or logical mining unit, the initial lessee as assignor or as transferor is no longer in compliance with Section 2(a)(2)(A). The assignee or transferee does not qualify as a bona fide purchaser and, thus, has no rights to bona fide purchaser protection in the event of cancellation of this lease due to noncompliance with Section 2(a)(2)(A).

Information regarding assignor or transferor compliance with Section 2(a)(2)(A) is contained in the lease case file as well as in other Bureau of Land Management records available through the State Office issuing this lease.

OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
BOOK 213 PAGE 175
Logan & Smith
90 AUG 22 AM 12:23
EURKA COUNTY, NEVADA
M.N. REBALANCE, RECORDER
FILE NO. 700

133311

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