

DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OFFER TO LEASE AND LEASE FOR OIL AND GAS

FORM APPROVED  
OMB No. 1004-0008  
Expires January 31, 1986  
Serial No. N-46871

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), XXXX Signatory certifies compliance with qualifications concerning Federal land lease holdings provided in Sec. 2(a)(2)(A) of M.L.A.

Esther R. Smith

1. Name

7 South Dearborn Street

Street

Chicago, IL 60603

City, State, Zip Code

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

PUBLIC DOMAIN LANDS

ACQUIRED LANDS (percent U.S. interest \_\_\_\_\_)

Surface managing agency if other than BLM: \_\_\_\_\_

Legal description of land requested:

21 1/2 N., 54 E.,

Meridian

Mount Diablo

State

Nevada

County

Eureka

sec. 31, lots 1 thru 7, SE1/4NW1/4, SE1/4NE1/4, SE1/4SW1/4, SE1/4SE1/4

3. Land included in lease:

SAME AS ITEM 2

T.

R.

Meridian

State

County

DO NOT WRITE BELOW THIS LINE

Amount remitted: Filing fee \$

75.00

Rental fee \$

583.00

Total \$

582.21

Total acres applied for

582.21

NOT IN A KNOWN  
GEOLOGICAL STRUCTURE

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 issuance, 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

(Formerly 3110-1, 2, 3, 3120-1, 7, 3130-4, 5, and 7)

BOOK 2 | 3 PAGE | 81

EFFECTIVE DATE OF LEASE

OCT 01 1987

(Date)

and Minerals Operations

Chief, Branch of Lands

THE UNITED STATES OF AMERICA

SEP 28 1987

(Signing Officer)

Tear



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 181  
89 AUG 22 AM 11:23  
EUREKA COUNTY, NEVADA  
M.M. REBAL/EATL. RECORDER  
FILE NO. FEE \$ 7.00

133316

BOOK 213 PAGE 183