

149710
145891

FINANCING STATEMENT AND
MEMORANDUM OF OPERATING AGREEMENT

THE STATE OF NEVADA §
COUNTIES OF EUREKA, §
ELKO, NYE & WHITE PINE §
KNOW ALL MEN BY THESE PRESENTS:

1. This Financing Statement and Memorandum of Operating Agreement ("Memorandum") shall be effective concurrently with that certain Operating Agreement (the "Operating Agreement") dated March 2, 1993, by and between Foreland Corporation, as Operator ("Operator"), and the parties named on Exhibit "A," attached hereto and incorporated herein by reference, as Non-Operators ("Non-Operators"). The Operating Agreement is incorporated herein for all purposes by this reference to the same extent as if it had been set forth in full in the Memorandum. A complete copy of the Operating Agreement is on file in the offices of the Operator at the address shown on Exhibit "A."

2. EACH OF THE PARTIES WHO EXECUTES THIS INSTRUMENT IS DEEMED TO BE A DEBTOR AND A SECURED PARTY FOR THE PURPOSES OF THIS MEMORANDUM AND THE SECURITY INTERESTS PERFECTED HEREBY. THE ADDRESSES OF THE SECURED PARTIES AND THE DEBTORS ARE FULLY SET OUT IN EXHIBIT "A."

3. The Operating Agreement contains, among other provisions, the following provision as part of Article XV:

Notwithstanding anything to the contrary contained in this Operating Agreement, it is understood and agreed that:

(1) Each Non-Operator, to secure payment of its share of expenses incurred under this Operating Agreement, together with interest thereon at the rate provided in the Accounting Procedure (attached hereto as Exhibit "C"), grants to Operator a lien on all of its right, title, and interest now owned or hereafter acquired in the Contract Area, including, but not limited to, the oil, gas, and mineral leases, mineral estates, and other mineral interests described in Exhibit "A," as hereafter amended, modified, ratified, renewed, or extended; any properties now or hereafter pooled or unitized with any of the properties affected by such mineral interests; and all unsevered and unextracted oil, gas, and other hydrocarbons that may be produced, obtained, or secured from the lands covered and affected by such mineral interests.

(2) To further secure its share of expenses incurred under this Operating Agreement, together with interest thereon at the rate provided in the Accounting Procedure, each Non-Operator grants to Operator a security interest in all of its interest now owned or hereafter acquired in and to all other properties associated with or attributable to the Contract Area, including: (i) all equipment; (ii) all hydrocarbons severed and extracted from or attributable to the properties described in the Contract Area; (iii) all accounts (including, but not limited to, accounts resulting from the sale of such hydrocarbons), contract rights, and general intangibles arising in connection with the sale or other disposition of such hydrocarbons; (iv) fixtures; and (v) all proceeds and products of all such properties.

(3) Operator grants a like lien and security interest to the Non-Operators to secure payment of Operator's proportionate share of expenses. Each party paying its share of unpaid expenses pursuant to Article VII.B. hereof shall, to obtain reimbursement thereof, be subrogated to the security rights described in this Agreement.

4. This instrument is intended to be used as a financing statement. The minerals and the accounts which are subject to the security interests herein granted will be financed at the wellheads of the wells located in the Contract Area. This financing statement is to be filed for record in, among other places, the real estate records of the county where such properties are located. This instrument secures future advances and constitutes, among other things, a fixture filing.

5. This Memorandum may be executed in multiple counterparts, each of which shall constitute an original and all of which, when construed together, shall constitute one and the same instrument. The executed signature and acknowledgment pages of each counterpart may be joined together with a single copy of the body hereof for recording purposes.

6. The Operating Agreement establishes a contractual relationship between the parties for the exploration and development of the Contract Area. Nothing in the Operating Agreement shall be construed as creating a mining or other partnership or association or render a party liable for the debts and obligations of the other parties to the agreement. The liability of the parties shall be several, not joint or collective. Each party to the Operating Agreement shall be solely responsible for its debts and obligations and shall be liable for the cost of exploration and development of the Contract Area only to the extent of its interest as shown on Exhibit "A" attached hereto.

DATED this 3rd day of June, 1993, but effective as of the effective date of the Operating Agreement.

FORELAND CORPORATION

By: [Signature]
Title: Vice President

"OPERATOR"

EP OPERATING LIMITED PARTNERSHIP
by Enserch Exploration, Inc.,
Managing General Partner

By: [Signature]
JEFFREY B. CAMP
Regional Director

BERRY PETROLEUM COMPANY

By: _____
Title: _____

"NON-OPERATORS"

4. This instrument is intended to be used as a financing statement. The minerals and the accounts which are subject to the security interests herein granted will be financed at the wellheads of the wells located in the Contract Area. This financing statement is to be filed for record in, among other places, the real estate records of the county where such properties are located. This instrument secures future advances and constitutes, among other things, a fixture filing.

5. This Memorandum may be executed in multiple counterparts, each of which shall constitute an original and all of which, when construed together, shall constitute but one and the same instrument. The executed signature and acknowledgment pages of each counterpart may be joined together with a single copy of the body hereof for recording purposes.

6. The Operating Agreement establishes a contractual relationship between the parties for the exploration and development of the Contract Area. Nothing in the Operating Agreement shall be construed as creating a mining or other partnership or association or render a party liable for the debts and obligations of the other parties to the agreement. The liability of the parties shall be several, not joint or collective. Each party to the Operating Agreement shall be solely responsible for its debts and obligations and shall be liable for the cost of exploration and development of the Contract Area only to the extent of its interest as shown on Exhibit "A" attached hereto.

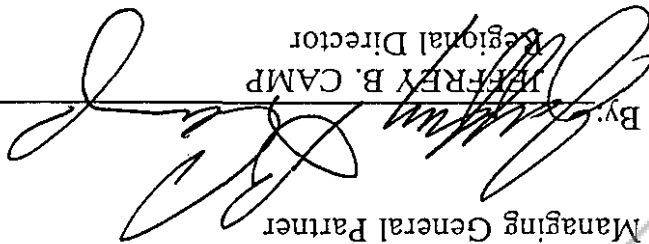
DATED this 23rd day of June, 1993, but effective as of the effective date of the Operating Agreement.

FORELAND CORPORATION

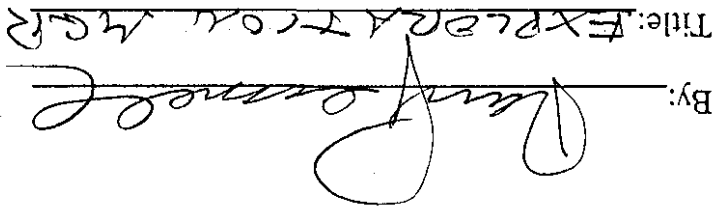
By: _____
Title: _____

"OPERATOR"

EP OPERATING LIMITED PARTNERSHIP
by Enserch Exploration, Inc.,
Managing General Partner

By: 
JEFFREY B. CAMP
Regional Director

BERRY PETROLEUM COMPANY

By: 
Title: EXPLORATION MGR

"NON-OPERATORS"

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AT RIGHT:
 Though the data requested here is not required by law, it could prevent fraudulent reattachment of this form.

STATE OF CALIFORNIA
 County of Kern
 before me, Janice L. Garner, Notary Public,
 DATE On 7-6-93
 personally appeared Ray Garner
 NAME(S) OF SIGNER(S)

proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Janice L. Garner
 SIGNATURE OF NOTARY

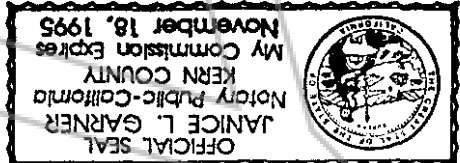
OPTIONAL SECTION
 TITLE OR TYPE OF DOCUMENT Inventory Statement/State of Nevada
 NUMBER OF PAGES _____ DATE OF DOCUMENT 6-23-93
 SIGNER(S) OTHER THAN NAMED ABOVE _____

OPTIONAL SECTION
 CAPACITY CLAIMED BY SIGNER
 Though statute does not require the Notary to fill in the data below, doing so may prove invaluable to persons relying on the document.

INDIVIDUAL
 CORPORATE OFFICER(S)
 TITLE(S) _____

PARTNER(S) LIMITED GENERAL
 ATTORNEY-IN-FACT
 TRUSTEE(S)
 GUARDIAN/CONSERVATOR
 OTHER: _____

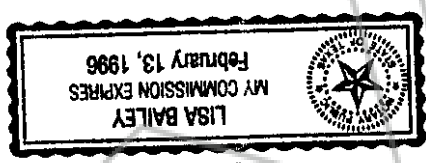
SIGNER IS REPRESENTING:
 NAME OF PERSON(S) OR ENTITY(IES) _____



BOOK 262 PAGE 452

BOOK 249 PAGE 259

Lisa Bailey
Notary Public



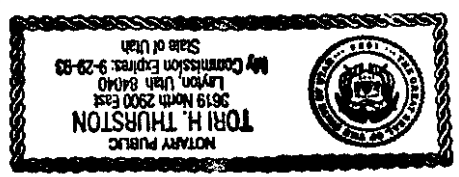
My commission expires:

On this 23rd day of June, 1993, personally appeared before me, a notary public in and for Dallas County, Texas, JEFFREY B. CAMP, known to me to be the person whose name is subscribed to the within instrument as the REGIONAL DIRECTOR of ENSERCH EXPLORATION, INC., a Delaware corporation, as Managing General Partner of EP OPERATING LIMITED PARTNERSHIP, and acknowledged to me that he executed the above instrument on behalf of ENSERCH EXPLORATION, INC., a Delaware corporation, as Managing General Partner of EP OPERATING LIMITED PARTNERSHIP, freely and voluntarily and for the uses and purposes therein mentioned.

STATE OF Texas
COUNTY OF Dallas

§
§
§

Tori H. Thurston
Notary Public

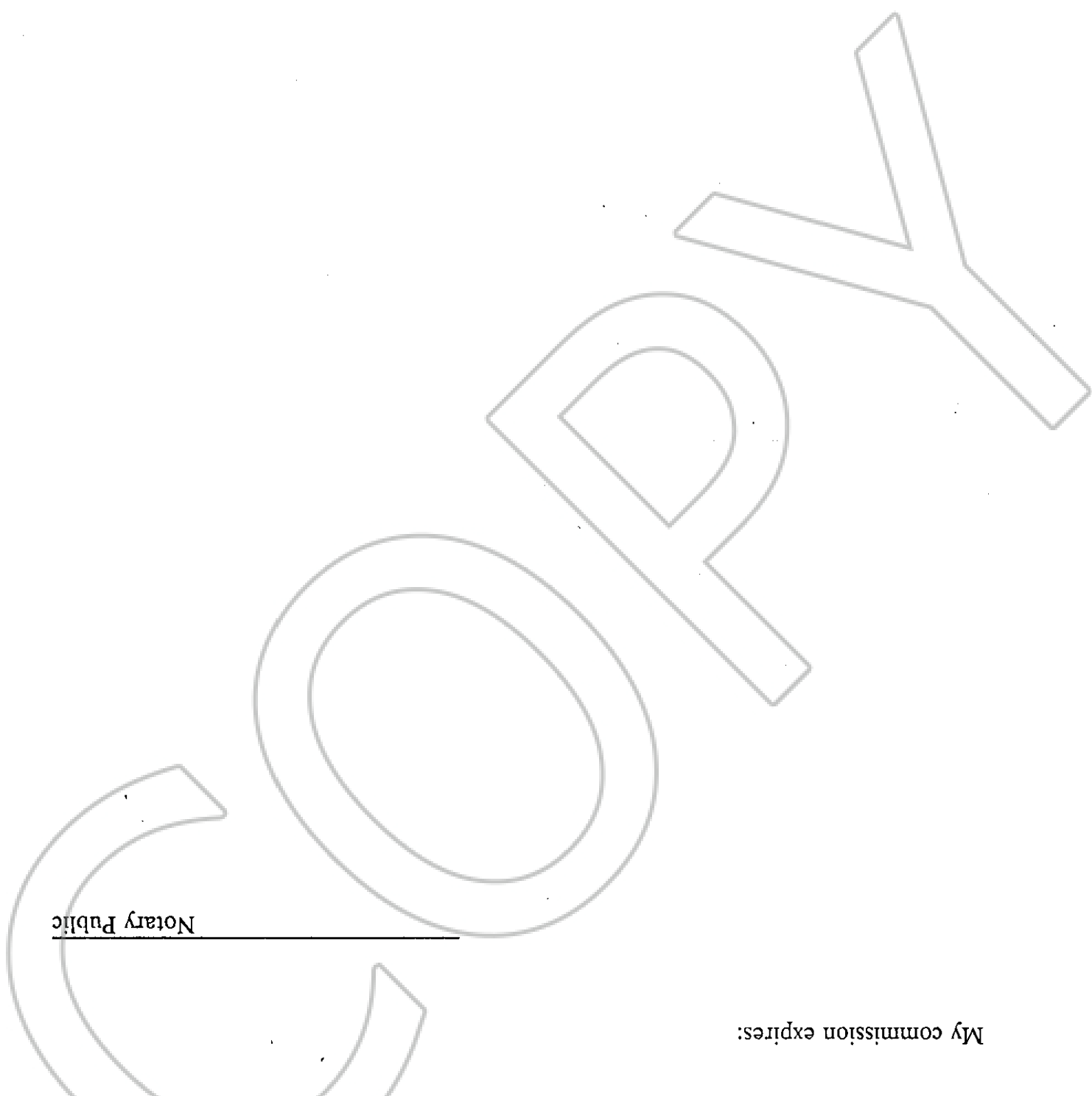


My commission expires:

On this 10th day of July, 1993, personally appeared before me, a notary public in and for County of Utah, State of Utah, known to me to be the person whose name is subscribed to the within instrument as the Vice President of FORELAND CORPORATION, a Utah corporation, and acknowledged to me that he executed the above instrument on behalf of Foreland Corporation, a Utah corporation, freely and voluntarily and for the uses and purposes therein mentioned.

STATE OF Utah
COUNTY OF Utah

§
§
§



Notary Public

My commission expires:

On this _____ day of _____, 1993, personally appeared before me, a notary public in and for County of _____, State of _____, known to me to be the person whose name is subscribed to the within instrument as the _____ of BERRY PETROLEUM COMPANY, a corporation, and acknowledged to me that he executed the above instrument on behalf of _____, a corporation, freely and voluntarily and for the uses and purposes therein mentioned.

S
S
S

STATE OF _____
COUNTY OF _____

EXHIBIT "A"

Attached to and made a part of that certain Financing Statement and Memorandum of Operating Agreement dated as of _____, 1993, between Foreland Corporation, EP Operating Limited Partnership, and Berry Petroleum Company.

LANDS AND INTERESTS

1. DESCRIPTION OF SUBJECT LANDS: CONTRACT AREA

The Contract Area shall consist of the lands described as follows:

LITTLE SMOKY VALLEY

Township 15 North, Range 53 East
Sections 1 through 30: All

Township 15 North, Range 54 East
Sections 1 through 30: All

Township 16 North, Range 53 East
Sections 1 through 36: All

Township 16 North, Range 54 East
Sections 1 through 36: All

Township 17 North, Range 53 East
Sections 7 through 36: All

Township 17 North, Range 54 East
Sections 7 through 36: All

ANTELOPE VALLEY

Township 16 North, Range 50 East
Sections 1 through 6: All

Township 16 North, Range 51 East
Sections 4 through 6: All

Township 17 North, Range 50 East
Sections 1 through 36: All

Township 17 North, Range 51 East
Sections 4 through 9: All

Sections 16 through 21: All
Sections 28 through 33: All

Township 18 North, Range 50 East
Sections 1 through 36: All

Township 18 North, Range 51 East
Sections 7 through 36: All

1. DESCRIPTION OF SUBJECT LANDS: CONTRACT AREA (cont)

ANTELOPE VALLEY (cont)

Township 19 North, Range 50 East
Sections 7 through 36: All

Township 19 North, Range 51 East
Sections 7 through 9: All
Sections 16 through 21: All
Sections 28 through 33: All

Township 20 North, Range 52 East
Sections 1 through 2: All
Sections 11 through 14: All
Sections 23 through 26: All
Sections 35 through 36: All

Township 20 North, Range 53 East
Sections 1 through 36: All

Township 20 North, Range 54 East
Sections 2 through 11: All
Sections 14 through 23: All
Sections 26 through 35: All

Township 21 North, Range 52 East
Section 1:
Section 12: All
Section 13: All
Section 24: All
Section 25: All
Section 36: All

Township 21 North, Range 53 East
Sections 1 through 36: All

Township 21 North, Range 54 East
Sections 2 through 11: All
Sections 14 through 23: All
Sections 26 through 35: All

Township 21 North, Range 52 East
Section 36: All

Township 21 North, Range 53 East
Sections 31 through 36: All

Township 21 North, Range 54 East
Sections 31 through 35: All

1. DESCRIPTION OF SUBJECT LANDS: CONTRACT AREA (cont)

DIAMOND VALLEY (cont)

Township 22 North, Range 52 East
Section 1:
Section 12:
Section 13:
Section 24:
Section 25:
Section 36:
All

Township 22 North, Range 53 East
Sections 1 through 36: All

Township 22 North, Range 54 East
Sections 2 through 11: All
Sections 14 through 23: All
Sections 26 through 35: All

Township 23 North, Range 52 East
Section 1:
Section 12:
Section 13:
Section 24:
Section 25:
Section 36:
All

Township 23 North, Range 53 East
Sections 1 through 36: All

Township 23 North, Range 54 East
Sections 2 through 11: All
Sections 14 through 23: All
Sections 26 through 35: All

Township 24 North, Range 52 East
Sections 1 through 2:
Sections 11 through 14: All
Sections 23 through 26: All
Section 36: All

Township 24 North, Range 53 East
Sections 1 through 36: All

Township 24 North, Range 54 East
Sections 2 through 11: All
Sections 14 through 23: All
Sections 26 through 35: All

Township 25 North, Range 52 East
Sections 1 through 2: All
Sections 11 through 14: All
Sections 23 through 26: All
Sections 35 through 36: All

1. DESCRIPTION OF SUBJECT LANDS: CONTRACT AREA (cont)

DIAMOND VALLEY (cont)

Township 25 North, Range 53 East
Sections 1 through 36: All

Township 25 North, Range 54 East
Sections 3 through 10: All
Sections 15 through 22: All
Sections 27 through 34: All
Sections 23 through 26: All
Sections 35 through 36: All

Township 26 North, Range 52 East
Sections 1 through 2: All
Sections 11 through 14: All
Sections 23 through 26: All
Sections 35 and 36: All

Township 26 North, Range 53 East
Sections 1 through 36: All

Township 26 North, Range 54 East
Sections 3 through 10: All
Sections 15 through 22: All
Sections 27 through 34: All

Township 27 North, Range 52 East
Sections 13 through 14: All
Sections 23 through 26: All
Sections 35 through 36: All

Township 27 North, Range 53 East
Sections 13 through 36: All

Township 27 North, Range 54 East
Sections 15 through 22: All
Sections 27 through 34: All

PINE VALLEY

Township 29 North, Range 52 East
Section 2: W $\frac{1}{2}$

Section 3: All
Section 4: All
Section 5: All
Section 8: E $\frac{1}{2}$
Section 9: NE $\frac{1}{4}$
Section 10: N $\frac{1}{2}$
Section 11: NW $\frac{1}{4}$

Township 30 North, Range 52 East
Sections 25 through 28: All
Sections 33 through 35: All

2. RESTRICTIONS, IF ANY, AS TO DEPTHS, FORMATIONS, OR SUBSTANCES

NONE.

3. PARTIES TO AGREEMENT; ADDRESS AND TELEPHONE FOR NOTICE

Foreland Corporation
1104 Country Hills Drive
Suite 307
Ogden, Utah 84401
Attn: Ken Ransom

EP Operating Limited Partnership
4849 Greenville Avenue
Suite 1200
Dallas, TX 75206-4186
Attn: J.B. Camp

Berry Petroleum Company
P. O. Bin X
Taft, CA 93268
Attn: Ray Pennell

4. INTERESTS OF PARTIES

Foreland Corporation
EP Operating Limited Partnership
Berry Petroleum Company

50.00%
33.33%
16.67%
100.00%

5. SUBJECT OIL AND GAS LEASES - LEGAL DESCRIPTIONS

FORELAND: PINE VALLEY ACREAGE

1. Offer to Lease and Lease for Oil and Gas N-42869, dated effective March 1, 1986, recorded in book 161 at page 302, Eureka County, Nevada, from the United States of America, Lessor, to Paul F. Sawyer, Lessee, insofar as said Lease covers the following described lands:

Township 29 North, Range 52 East, Mt. Diablo Meridian
Section 4: Lots 1, 2, S½NE¼, SE¼

Containing 319.44 acres m/l

Subject to:

- (a) Landowners royalty of 12½ percent;
- (b) Overriding royalty of 5 percent in favor of Paul F. Sawyer.

2. Oil and Gas Lease dated May 15, 1991, recorded in book 233 at page 328, Eureka County, Nevada, and in book 777, page 744, Elko County, Nevada, from Santa Fe Energy Resources, Inc., Lessor, to Foreland Corporation, et al., Lessees, insofar as said Lease covers the following described lands:

Township 29 North, Range 52 East, Mt. Diablo Meridian
Section 5: Lot 2
Section 11: NW¼

Township 30 North, Range 52 East, Mt. Diablo Meridian

Section 25: All
Section 27: SE¼
Section 33: All exc. 60 acre tract conveyed to William S. Gates

Containing 1459.80 acres m/l

Subject to:

- (a) Landowners royalty of 16.67 percent.

3. Oil and Gas sub-Lease dated August 1, 1991, recorded in book 233 at page 320, Eureka County, Nevada, and in book 777, page 752, Elko County, Nevada, from Santa Fe Energy Operating Partners, L.P., Lessor, to Foreland Corporation, et al., Lessees, insofar as said Lease covers the following described lands:

Township 29 North, Range 52 East, Mt. Diablo Meridian
Section 3: All
Section 9: NE¼

Township 30 North, Range 52 East, Mt. Diablo Meridian
Section 27: N $\frac{1}{2}$, SW $\frac{1}{4}$
Section 35: All
Containing 1927.91 acres m/1

Subject to: (a) Landowners royalty of 16.67 percent.

4. Offer to Lease and Lease for Oil and Gas N-43114, dated effective May 1, 1986, recorded in Book 161 at page 315, Eureka County, Nevada, from the United States of America, Lessor, to HNG Oil Company, Lessee, insofar as said lease covers the following described lands:

Township 30 North, Range 52 East, Mt. Diablo Meridian
Section 28 N $\frac{1}{2}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, NE $\frac{1}{2}$ SW $\frac{1}{4}$

Containing 440.00 acres m/1

Subject to:

(a) Landowners royalty of 12 $\frac{1}{2}$ percent;
(b) Overriding royalty of 5 percent in favor of Enron Oil and Gas Company (formerly HNG Oil Company).

5. Offer to Lease and Lease for Oil and Gas N-43782, dated effective August 1, 1986, recorded in Book 162 at page 015, Eureka County, Nevada, and in Book 571 at page 211, Elko County, Nevada, from the United States of America, Lessor, to W. G. Lasrich, Lessee, insofar as said lease covers the following described lands:

Township 30 North, Range 52 East, Mt. Diablo Meridian
Section 26: All
Section 34: All

Containing 1280.00 acres, m/1

Subject to:

(a) Landowners royalty of 12 $\frac{1}{2}$ percent;
(b) Overriding royalty of 5 percent in favor of W. G. Lasrich.

FORELAND: DIAMOND VALLEY ACREAGE

1. Offer to Lease and Lease for Oil and Gas N-47201, dated effective December 1, 1987, from the United States of America, Lessor, to Foreland Corporation, Lessee, insofar as said Lease covers the following described lands:

Township 25 North, Range 53 East, Mt. Diablo Meridian

Section 18: Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$
 Section 19: Lots 1, 2, E $\frac{1}{2}$ NW $\frac{1}{2}$
 Section 21: E $\frac{1}{2}$ (Pro. Dia. No. 164)
 Section 21: W $\frac{1}{2}$
 Section 22: All (Pro. Dia. No. 164)
 Section 23: All (Pro. Dia. No. 164)
 Section 24: All (Pro. Dia. No. 164)
 Section 25: All (Pro. Dia. No. 164)
 Section 26: All (Pro. Dia. No. 164)
 Section 27: All (Pro. Dia. No. 164)
 Section 28: E $\frac{1}{2}$ (Pro. Dia. No. 164)
 Section 28: W $\frac{1}{2}$
 Section 29: All
 Section 32: All
 Section 33: E $\frac{1}{2}$ (Pro. Dia. No. 164)
 Section 33: W $\frac{1}{2}$
 Section 34: All (Pro. Dia. No. 164)
 Section 35: All (Pro. Dia. No. 164)
 Section 36: All (Pro. Dia. No. 164)

Containing 9427.76 acres m/1

Subject to:

- (a) Landowners royalty of 12 $\frac{1}{2}$ percent;
- (b) Overriding royalty of 0.25 percent in favor of Terrascan Group, Inc.;
- (c) Overriding royalty of 0.25 percent in favor of Dennis L. Brouse.

2. Offer to Lease and Lease for Oil and Gas N-47198, dated effective December 1, 1987, from the United States of America, Lessor, to Foreland Corporation, Lessee, insofar as said Lease covers the following described lands:

Township 24 North, Range 53 East, Mt. Diablo Meridian

Section 17: N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$, S $\frac{1}{2}$ SE $\frac{1}{2}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$
 Section 18: Lots 1, 2, E $\frac{1}{2}$ NW $\frac{1}{2}$, NE $\frac{1}{4}$, NE $\frac{1}{2}$ SE $\frac{1}{4}$
 Section 19: E $\frac{1}{2}$ E $\frac{1}{2}$
 Section 20: All
 Section 21: All (Pro. Dia. No. 164)
 Section 22: All (Pro. Dia. No. 164)
 Section 23: All (Pro. Dia. No. 164)
 Section 24: All (Pro. Dia. No. 164)
 Section 25: All (Pro. Dia. No. 164)
 Section 26: All (Pro. Dia. No. 164)
 Section 27: All (Pro. Dia. No. 164)
 Section 28: All (Pro. Dia. No. 164)
 Section 29: E $\frac{1}{2}$ NE $\frac{1}{2}$, NE $\frac{1}{2}$ SE $\frac{1}{2}$, S $\frac{1}{2}$ SW $\frac{1}{2}$
 Section 30: NE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{2}$

Section 31: Lots 1, 2, 3, 4, E½W½, E½
Section 32: S½NE½, SE½, W½

Containing 8190.61 acres m/1

Subject to:

- (a) Landowners royalty of 12½ percent;
- (b) Overriding royalty of 0.25 percent in favor of Terrascan Group, Inc.;
- (c) Overriding royalty of 0.25 percent in favor of Dennis L. Brouse.

3. Offer to Lease and Lease for Oil and Gas N-49116, dated effective September 1, 1988, from the United States of America, Lessor, to Exxon Corporation, Lessee, insofar as said Lease covers the following described lands:

Township 26 North, Range 53 East, Mt. Diablo Meridian

Section 19: E½

Section 23: All

Section 24: All

Containing 1600.00 acres m/1

Subject to:

- (a) Landowners royalty of 12½ percent;
- (b) Overriding royalty of 2 percent in favor of Exxon Corporation.

4. Offer to Lease and Lease for Oil and Gas N-46325, dated effective June 1, 1987, from the United States of America, Lessor, to Reed Gilmore, Lessee, insofar as said Lease covers the following described lands:

Township 26 North, Range 53 East, Mt. Diablo Meridian

Section 1: Lots 1, 2, 3, 4, S½N½, S½

Section 2: Lots 1, 2, 3, 4, S½N½, S½

Section 3: Lots 1 through 10, S½NW½, SW½

Section 10: Lots 1, 2, 3, 4, W½E½, W½

Section 11: All

Section 12: All

Section 13: Lots 1, 2, 3, 4, N½S½, N½

Section 14: Lots 1 through 7, NE½SW½, N½SE½, E½NW½, NE½

Section 15: All

Township 27 North, Range 53 East, Mt. Diablo Meridian

Section 36: All

Containing 6273.42 acres m/1

Subject to:

- (a) Landowners royalty of 12% percent;
- (b) Overriding royalty of 5 percent in favor of Reed Gilmore.

5. Oil and gas lease dated May 3, 1988, recorded in book 178 at page 050, Eureka County, Nevada, from Daniel H. Russell and Roberta A. Russell, Lessors, to Foreland Corporation, Lessee, insofar as said lease covers the following described lands:

Township 23 North, Range 52 East, Mt. Diablo Meridian
 Section 36: SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$

Township 24 North, Range 52 East, Mt. Diablo Meridian

Section 12: E $\frac{1}{2}$ NE $\frac{1}{4}$
 Section 13: NE $\frac{1}{4}$, SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$
 Section 23: E $\frac{1}{2}$ E $\frac{1}{2}$, W $\frac{1}{2}$ SE $\frac{1}{4}$
 Section 24: All
 Section 25: N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$
 Section 26: E $\frac{1}{2}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$

Township 24 North, Range 53 East, Mt. Diablo Meridian

Section 17: SW $\frac{1}{4}$ SW $\frac{1}{4}$
 Section 18: Lots 3, 4, E $\frac{1}{2}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$
 Section 19: Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$, W $\frac{1}{2}$ E $\frac{1}{2}$
 Section 29: NW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$
 Section 30: Lots 1, 2, E $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$
 Section 32: N $\frac{1}{2}$ NE $\frac{1}{4}$

Township 25 North, Range 53 East, Mt. Diablo Meridian

Section 5: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Containing 3967.63 acres m/1

Subject to:

- (a) Landowners royalty of 12% percent.

FORELAND: LITTLE SMOKY VALLEY ACREAGE

1. Offer to Lease and Lease for Oil and Gas N-56954, dated effective March 1, 1993, from the United States of America, Lessor, to Foreland Corporation, Lessee, insofar as said lease covers the following described lands:

Township 17 North, Range 53 East, Mt. Diablo Meridian

Section 27: All
 Section 28: All
 Section 33: All

Section 34: All
Containing 2560.00 acres m/1

Subject to:
(a) Landowners royalty of 12% percent.

2. Offer to Lease and Lease for Oil and Gas N-56953, dated effective March 1, 1993, from the United States of America, Lessor, to Foreland Corporation, Lessee, insofar as said Lease covers the following described lands:

Township 16 North, Range 53 East, Mt. Diablo Meridian
Section 3: Lots 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$;
Section 4: Lots 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$;
Section 5: Lots 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$;
Section 8: NE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$,
Section 9: NW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$,
Section 10: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Containing 2127.70 acres m/1

Subject to:
(a) Landowners royalty of 12% percent.

3. Offer to Lease and Lease for Oil and Gas N-47916, dated effective December 1, 1987, from the United States of America, Lessor, to Dale W. Christensen, Lessee, insofar as said Lease covers the following described lands:

Township 16 North, Range 53 East, Mt. Diablo Meridian
Section 11: S $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$
Section 12: S $\frac{1}{2}$
Section 13: All
Section 14: All
Section 15: All
Section 22: All
Section 23: All
Section 24: All
Section 25: All
Section 26: All
Section 27: All
Section 28: E $\frac{1}{2}$
Section 33: E $\frac{1}{2}$
Section 34: All
Section 35: All
Section 36: All
Containing 8880.00 acres m/1

Subject to:
(a) Landowners royalty of 12% percent;
(b) Overriding royalty of 2% percent in favor of Dale W. Christensen.

4. Oil and Gas Lease dated May 3, 1988, recorded in book 178 at page 050, Eureka County, Nevada, from Daniel H. Russell and Roberta A. Russell, Lessors, to Foreland Corporation, Lessee, insofar as said Lease covers the following described lands:

Township 16 North, Range 53 East, Mt. Diablo Meridian
Section 7: SE $\frac{1}{4}$ NE $\frac{1}{4}$
Section 8: E $\frac{1}{2}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$
Section 9: NE $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, S $\frac{1}{2}$
Section 10: N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$
Section 11: S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$
Section 12: N $\frac{1}{2}$

Township 16 North, Range 54 East, Mt. Diablo Meridian
Section 6: S $\frac{1}{2}$ SW $\frac{1}{4}$
Section 7: Lots 1, 2 (W $\frac{1}{2}$ NW $\frac{1}{4}$)

Containing 2557.82 acres m/1

Subject to:
(a) Landowners royalty of 12% percent.

BP OPERATING/BERRY: LITTLE SMOKY VALLEY ACREAGE

1. Offer to Lease and Lease for Oil and Gas N-49122, dated effective September 1, 1988, from the United States of America, Lessor, to Gene Clark Operating Company, Inc., Lessee, insofar as said Lease covers the following described lands:

Township 15 North, Range 54 East, Mt. Diablo Meridian

Section 2: All
Section 3: Lots 3, 4, SW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$
Section 3: E $\frac{1}{2}$
Section 4: Lots 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$
Section 8: All

Containing 2512.22 acres m/l

subject to:

(a) Landowners royalty of 12 $\frac{1}{2}$ percent;

(b) Overriding royalty of 6 $\frac{1}{2}$ percent in favor of Gene Clark Operating Company, Inc., et al.

2. Offer to Lease and Lease for Oil and Gas N-49123, dated effective September 1, 1988, from the United States of America, Lessor, to Gene Clark Operating Company, Inc., Lessee, insofar as said Lease covers the following described lands:

Township 15 North, Range 54 East, Mt. Diablo Meridian

Section 9: All
Section 10: E $\frac{1}{2}$, SW $\frac{1}{4}$
Section 10: NW $\frac{1}{4}$
Section 16: All
Section 17: All

Containing 2521.00 acres m/l

subject to:

(a) Landowners royalty of 12 $\frac{1}{2}$ percent;

(b) Overriding royalty of 6 $\frac{1}{2}$ percent in favor of Gene Clark Operating Company, Inc., et al.

3. Offer to Lease and Lease for Oil and Gas N-49124, dated effective September 1, 1988, from the United States of America, Lessor, to Gene Clark Operating Company, Inc., Lessee, insofar as said Lease covers the following described lands:

Township 15 North, Range 54 East, Mt. Diablo Meridian

Section 19: Lots 1-4, E $\frac{1}{2}$ W $\frac{1}{2}$, E $\frac{1}{2}$
Section 20: All
Section 21: E $\frac{1}{2}$, SW $\frac{1}{4}$
Section 21: NW $\frac{1}{4}$

Section 28: All

containing 2480.78 acres m/l

Subject to:

- (a) Landowners royalty of 12% percent;
- (b) Overriding royalty of 6% percent in favor of Gene Clark Operating Company, Inc., et al.

4. Offer to Lease and Lease for Oil and Gas N-49110, dated effective September 1, 1988, from the United States of America, Lessor, to Gene Clark Operating Company, Inc., Lessee, insofar as said Lease covers the following described lands:

Township 15 North, Range 53 East, Mt. Diablo Meridian

Section 21: All

Section 22: All

Section 23: All except SW 1/4

Section 24: All

containing 2520.00 acres m/l

Subject to:

- (a) Landowners royalty of 12% percent;
- (b) Overriding royalty of 6% percent in favor of Gene Clark Operating Company, Inc., et al.

5. Offer to Lease and Lease for Oil and Gas N-49130, dated effective September 1, 1988, from the United States of America, Lessor, to Gene Clark Operating Company, Inc., Lessee, insofar as said Lease covers the following described lands:

Township 16 North, Range 54 East, Mt. Diablo Meridian

Section 28: All

Section 33: All

containing 1280.00 acres m/l

Subject to:

- (a) Landowners royalty of 12% percent;
- (b) Overriding royalty of 6% percent in favor of Gene Clark Operating Company, Inc., et al.

6. Offer to Lease and Lease for Oil and Gas N-49131, dated effective September 1, 1988, from the United States of America, Lessor, to Gene Clark Operating Company, Inc., Lessee, insofar as said Lease covers the following described lands:

Township 16 North, Range 54 East, Mt. Diablo Meridian

Section 34: All

Containing 1918.00 acres m/1

Section 35: W $\frac{1}{2}$
Section 35: E $\frac{1}{2}$
Section 36: All

Subject to:

(a) Landowners royalty of 12 $\frac{1}{2}$ percent;

(b) Overriding royalty of 6 $\frac{1}{2}$ percent in favor of Gene Clark Operating Company, Inc., et al.

7. Offer to Lease and Lease for Oil and Gas N-49132, dated effective September 1, 1988, from the United States of America, Lessor, to Gene Clark Operating Company, Inc., Lessee, insofar as said lease covers the following described lands:

Township 17 North, Range 54 East, Mt. Diablo Meridian

Section 22: N $\frac{1}{2}$, SW $\frac{1}{4}$
Section 22: SE $\frac{1}{4}$
Section 27: E $\frac{1}{2}$
Section 27: W $\frac{1}{2}$
Section 34: E $\frac{1}{2}$
Section 34: W $\frac{1}{2}$

Containing 1920.00 acres m/1

Subject to:

(a) Landowners royalty of 12 $\frac{1}{2}$ percent;

(b) Overriding royalty of 6 $\frac{1}{2}$ percent in favor of Gene Clark Operating Company, Inc., et al.

8. Offer to Lease and Lease for Oil and Gas N-47926, dated effective May 1, 1988, from the United States of America, Lessor, to Liberty Petroleum Corp., Lessee, insofar as said lease covers the following described lands:

Township 17 North, Range 54 East, Mt. Diablo Meridian

Section 16: S $\frac{1}{2}$
Section 21: All
Section 28: N $\frac{1}{2}$

Containing 1280.00 acres m/1

Subject to:

(a) Landowners royalty of 12 $\frac{1}{2}$ percent;

(b) Overriding royalty of 5 percent in favor of Liberty Petroleum Corp.

9. Offer to Lease and Lease for Oil and Gas N-56560 dated effective January 1, 1993, from the United States of America,

Lessor, to EP Operating Limited Partnership, Lessee, insofar as said Lease covers the following described lands:

Township 16 North, Range 53 East, Mt. Diablo Meridian

Section 1: Lots 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$

Section 2: Lots 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$

Section 11: N $\frac{1}{2}$ N $\frac{1}{2}$

containing 1364.36 acres m/1

Subject to:

(a) Landowners royalty of 12 $\frac{1}{2}$ percent.

EP OPERATING/BERRY: ANTELOPE VALLEY ACREAGE

1. Offer to Lease and Lease for Oil and Gas N-51256, dated effective June 1, 1989, from the United States of America, Lessor, to Harold L. Anderson, Lessee, insofar as said Lease covers the following described lands:

Township 18 North, Range 50 East, Mt. Diablo Meridian

Section 25: All

Section 26: All

Section 27: All

Section 28: E $\frac{1}{2}$ E $\frac{1}{2}$, NW $\frac{1}{2}$ N $\frac{1}{2}$, W $\frac{1}{2}$, SW $\frac{1}{2}$ S $\frac{1}{2}$

containing 2480.00 acres m/1

Subject to:

(a) Landowners royalty of 12 $\frac{1}{2}$ percent;

(b) Overriding royalty of 4 percent in favor of Harold L. Anderson ($\frac{1}{2}$ percent) and The Gary-Williams Company (3 $\frac{1}{2}$ percent).

2. Offer to Lease and Lease for Oil and Gas N-49914, dated effective December 1, 1988, from the United States of America, Lessor, to Harold L. Anderson, Lessee, insofar as said Lease covers the following described lands:

Township 17 North, Range 50 East, Mt. Diablo Meridian

Section 13: All

Section 15: All (Pro. Dia. No. 207)

containing 1280.00 acres m/1

Subject to:

(a) Landowners royalty of 12 $\frac{1}{2}$ percent;

(b) Overriding royalty of 4 percent in favor of Harold L. Anderson ($\frac{1}{2}$ percent) and The Gary-Williams Company (3 $\frac{1}{2}$ percent).

3. Offer to Lease and Lease for Oil and Gas N-51253, dated effective June 1, 1989, from the United States of America, Lessor, to Harold L. Anderson, Lessee, insofar as said Lease covers the following described lands:

Township 17 North, Range 50 East, Mt. Diablo Meridian
Section 2: Lots 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$
Section 4: Lots 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$
Section 5: Lots 1, 2, S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$
containing 1822.48 acres m/1

Subject to:

(a) Landowners royalty of 12 $\frac{1}{2}$ percent;
(b) Overriding royalty of 4 percent in favor of Harold L. Anderson (1/2 percent) and The Gary-Williams Company (3/4 percent).

4. Offer to Lease and Lease for Oil and Gas N-49915, dated effective December 1, 1988, from the United States of America, Lessor, to Harold L. Anderson, Lessee, insofar as said Lease covers the following described lands:

Township 17 North, Range 51 East, Mt. Diablo Meridian
Section 5: All
Section 7: All
containing 1437.00 acres m/1

Subject to:

(a) Landowners royalty of 12 $\frac{1}{2}$ percent;
(b) Overriding royalty of 4 percent in favor of Harold L. Anderson (1/2 percent) and The Gary-Williams Company (3/4 percent).

5. Offer to Lease and Lease for Oil and Gas N-51254, dated effective June 1, 1989, from the United States of America, Lessor, to Gene Clark Operating Co., Inc., Lessee, insofar as said Lease covers the following described lands:

Township 17 North, Range 50 East, Mt. Diablo Meridian
Section 8: E $\frac{1}{2}$
Section 9: All
Section 10: All
containing 1600.00 acres m/1

Subject to:

(a) Landowners royalty of 12 $\frac{1}{2}$ percent;

(b) Overriding royalty of 6% percent in favor of Gene Clark Operating Co., Inc., et al.

6. Offer to Lease and Lease for Oil and Gas N-51255, dated effective June 1, 1989, from the United States of America, Lessor, to Gene Clark Operating Co., Inc., Lessee, insofar as said Lease covers the following described lands:

Township 17 North, Range 50 East, Mt. Diablo Meridian

Section 12: All
Section 14: All

Containing 1280.00 acres m/1

Subject to:

(a) Landowners royalty of 12% percent;
(b) Overriding royalty of 6% percent in favor of Gene Clark Operating Co., Inc., et al.

7. Offer to Lease and Lease for Oil and Gas N-51262, dated effective June 1, 1989, from the United States of America, Lessor, to Gene Clark Operating Co., Inc., Lessee, insofar as said Lease covers the following described lands:

Township 17 North, Range 51 East, Mt. Diablo Meridian

Section 8: All (Pro. Dia. No. 116)
Section 9: All (Pro. Dia. No. 116)

Containing 1280.00 acres m/1

Subject to:

(a) Landowners royalty of 12% percent;
(b) Overriding royalty of 6% percent in favor of Gene Clark Operating Co., Inc., et al.

8. Offer to Lease and Lease for Oil and Gas N-49913, dated effective December 1, 1988, from the United States of America, Lessor, to Harold L. Anderson, Lessee, insofar as said Lease covers the following described lands:

Township 17 North, Range 50 East, Mt. Diablo Meridian

Section 1: Lots 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$
Section 3: Lots 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$
Section 11: All (Pro. Dia. No. 207)

Containing 2078.12 acres m/1

Subject to:

(a) Landowners royalty of 12% percent;

(b) Overriding royalty of 4 percent in favor of Harold L. Anderson (1/2 percent) and The Gary-Williams Company (3 1/2 percent).

9. Offer to Lease and Lease for oil and gas N-51258, dated effective June 1, 1989, from the United States of America, Lessor, to Harold L. Anderson, Lessee, insofar as said Lease covers the following described lands:

Township 18 North, Range 50 East, Mt. Diablo Meridian
Section 35: All
Section 36: All
Containing 1280.00 acres m/1

Subject to:

(a) Landowners royalty of 12 1/2 percent;
(b) Overriding royalty of 4 percent in favor of Harold L. Anderson (1/2 percent) and The Gary-Williams Company (3 1/2 percent).

10. Oil and gas Lease dated May 6, 1988, recorded in book 178 at page 066, Eureka County, Nevada, from Daniel H. Russell and Roberta A. Russell, Lessors, to Gary-Williams Oil Producer, Inc., Lessee, insofar as said Lease covers the following described lands:

Township 18 North, Range 50 East, Mt. Diablo Meridian
Section 28: SW 1/4, NW 1/4, NE 1/4
Section 30: NW 1/4, NE 1/4
Containing 160.00 acres m/1

Subject to:

(a) Landowners royalty of 12 1/2 percent;
(b) Overriding royalty of 4 percent in favor of Harold L. Anderson (1/2 percent) and The Gary-Williams Company (3 1/2 percent).

11. Offer to Lease for Oil and Gas N-56554, dated effective January 1, 1993, from the United States of America, Lessor, to EP Operating Limited Partnership, Lessee, insofar as said Lease covers the following described lands:

Township 18 North, Range 50 East, Mt. Diablo Meridian
Section 11: All
Section 12: All
Containing 1280.00 acres m/1

Subject to:

12. Offer to Lease for Oil and Gas N-56555, dated effective January 1, 1993, from the United States of America, Lessor, to EP Operating Limited Partnership, Lessee, insofar as said lease covers the following described lands:

Township 18 North, Range 50 East, Mt. Diablo Meridian

Section 13:
Section 14:
All

containing 1280.00 acres m/1

Subject to:
(a) Landowners royalty of 12½ percent.

13. Offer to Lease for Oil and Gas N-56556, dated effective January 1, 1993, from the United States of America, Lessor, to EP Operating Limited Partnership, Lessee, insofar as said lease covers the following described lands:

Township 19 North, Range 50 East, Mt. Diablo Meridian

Section 22:
Section 27:
All

containing 1280.00 acres m/1

Subject to:
(a) Landowners royalty of 12½ percent.

14. Offer to Lease for Oil and Gas N-56557, dated effective January 1, 1993, from the United States of America, Lessor, to EP Operating Limited Partnership, Lessee, insofar as said lease covers the following described lands:

Township 19 North, Range 50 East, Mt. Diablo Meridian

Section 26:
Section 34:
All

containing 1280.00 acres m/1

Subject to:
(a) Landowners royalty of 12½ percent.

EP OPERATING/BERRY: DIAMOND VALLEY ACREAGE

1. Offer to Lease for Oil and Gas N-51617, dated effective September 1, 1989, from the United States of America, Lessor, to Gene Clark Operating Company, Inc., Lessee, insofar as said lease covers the following described lands:

Township 21 North, Range 53 East, Mt. Diablo Meridian
Section 6: Lots 8-14, S½NE½, SE½NW½, E½SW½, SE½
Section 7: Lots 5-8, E½, E½W½

Containing 1179.13 acres m/1

Subject to:

- (a) Landowners royalty of 12% percent;
- (b) Overriding royalty of 6% percent in favor of gene

Clark Operating Company, Inc., et al.

ADDITIONAL FORELAND ACREAGE:

1. Oil and gas lease dated May 3, 1993, recorded in book 247 at page 140, Eureka County, Nevada, from Daniel H. Russell and Roberta A. Russell, Lessors, to Foreland Corporation, Lessee, insofar as said lease covers the following described lands:

Township 23 North, Range 52 East, Mt. Diablo Meridian
Section 36: SW½NE½, SE½NW½

Township 24 North, Range 52 East, Mt. Diablo Meridian
Section 12: E½NE½
Section 13: NE½, SW½, NW½SE½, S½SE½
Section 23: E½E½, W½SE½
Section 24: ALL
Section 25: N½, N½S½
Section 26: E½NE½, W½NE½, NW½SE½, E½SE½

Township 24 North, Range 53 East, Mt. Diablo Meridian
Section 17: SW½SW½
Section 18: Lots 3, 4, E½SW½, W½SE½, SE½SE½
Section 19: Lots 1, 2, 3, 4, E½W½, W½E½
Section 29: NW½, W½SE½, N½SW½, W½NE½, SE½SE½
Section 30: Lots 1, 2, E½NW½, NE½, N½SE½
Section 32: N½NE½

Township 25 North, Range 53 East, Mt. Diablo Meridian
Section 5: SE½SE½

Township 16 North, Range 53 East, Mt. Diablo Meridian
Section 7: SE½NE½
Section 8: E½, NW½NW½, S½NW½, N½SW½, SE½SW½
Section 9: NE½NE½, S½NE½, NW½NW½, S½NW½, S½
Section 10: N½, N½S½, SW½SE½, S½SW½
Section 11: S½NE½, NW½, NW½, N½SW½
Section 12: N½

Township 16 North, Range 54 East, Mt. Diablo Meridian
Section 6: S½SW½
Section 7: Lots 1, 2 (W½NW½)

Containing 6,525.45 acres m/1

Subject to:

- (a) Landowners royalty of 12% percent.

ADDITIONAL FORELAND ACREAGE: (Continued)

2. Offer to Lease and Lease for Oil and Gas N-56954, dated effective March 1, 1993, from the United States of America, Lessor, to Foreland Corporation, Lessee, insofar as said Lease covers the following described lands:

Township 17 North, Range 53 East, Mt. Diablo Meridian

- Section 27: All
- Section 28: All
- Section 33: All
- Section 34: All

Containing 2560.00 acres m/1

Subject to: (a) Landowners royalty of 12% percent.

3. Offer to Lease and Lease for Oil and Gas N-56953, dated effective March 1, 1993, from the United States of America, Lessor, to Foreland Corporation, Lessee, insofar as said Lease covers the following described lands:

Township 16 North, Range 53 East, Mt. Diablo Meridian

- Section 3: Lots 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$;
- Section 4: Lots 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$;
- Section 5: Lots 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$;
- Section 8: NE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$
- Section 9: NW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$
- Section 10: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Containing 2127.70 acres m/1

Subject to: (a) Landowners royalty of 12% percent.

4. Offer to Lease and Lease for Oil and Gas N-47924, dated effective April 1, 1988, from the United States of America, Lessor, to Richard Clarke Beveridge, Lessee, insofar as said lease covers the following described lands:

Township 15 North, Range 54 East, Mt. Diablo Meridian

- Section 5: Lots 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ E $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$
- Section 6: Lots 1 through 7, inclusive, S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$
- Section 7: Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{4}$, E $\frac{1}{2}$
- Section 18: Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{4}$, E $\frac{1}{2}$

Containing 2,496.20 acres, m/1

Subject to:

- (a) Landowners royalty of 12% percent;
- (b) Overriding royalty of 5 percent in favor of Richard Clarke Beveridge.
- (c) Overriding royalty of 2 percent in favor of Mobil Oil Corporation.

ADDITIONAL FORELAND ACREAGE: (Continued)

5. Offer to Lease and Lease for Oil and Gas N-4725, dated effective April 1, 1988, from the United States of America, Lessor, to Phil B. Acton, Lessee, insofar as said Lease covers the following described lands:

Township 16 North, Range 54 East, Mt. Diablo Meridian

- Section 3: Lots 3, 4, S $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$
- Section 4: Lots 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$
- Section 5: Lots 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$
- Section 6: Lots 1 through 6, inclusive, S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{2}$
- Section 7: Lots 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$, E $\frac{1}{2}$
- Section 8: All
- Section 9: All
- Section 10: W $\frac{1}{2}$
- Section 16: All
- Section 17: All
- Section 18: Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$, E $\frac{1}{2}$
- Section 19: Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$, E $\frac{1}{2}$
- Section 20: All
- Section 29: All
- Section 30: Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$, E $\frac{1}{2}$
- Section 31: Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$, E $\frac{1}{2}$
- Section 32: All

Containing 10,078.25 acres m/l

Subject to:

- (a) Landowners royalty of 12 $\frac{1}{2}$ percent.
- (b) Overriding royalty of 5 $\frac{1}{2}$ percent in favor of Phil B. Acton.
- (c) Overriding royalty of 2 percent in favor of Mobil Oil Corporation.

ADDITIONAL ENSERCH ACREAGE:

1. Offer to Lease and Lease for Oil and Gas N-56560 dated effective January 1, 1993, from the United States of America, Lessor, to EP Operating Limited Partnership, Lessee, insofar as said Lease covers the following described lands:

Township 16 North, Range 53 East, Mt. Diablo Meridian

- Section 1: Lots 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$
- Section 2: Lots 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$
- Section 11: N $\frac{1}{2}$ NE $\frac{1}{4}$

Containing 1364.36 acres m/l

Subject to:

- (a) Landowners royalty of 12 $\frac{1}{2}$ percent.

ADDITIONAL ENSERCH ACRAGE: (Continued)

2. Offer to Lease for Oil and Gas N-56554, dated effective January 1, 1993, from the United States of America, Lessor, to EP Operating Limited Partnership, Lessee, insofar as said Lease covers the following described lands:

Township 18 North, Range 50 East, Mt. Diablo Meridian

Section 11: All
Section 12: All

Containing 1280.00 acres m/1

Subject to:

(a) Landowners royalty of 12 1/2 percent.

3. Offer to Lease for Oil and Gas N-56555, dated effective January 1, 1993, from the United States of America, Lessor, to EP Operating Limited Partnership, Lessee, insofar as said Lease covers the following described lands:

Township 18 North, Range 50 East, Mt. Diablo Meridian

Section 13: All
Section 14: All

Containing 1280.00 acres m/1

Subject to:

(a) Landowners royalty of 12 1/2 percent.

4. Offer to Lease for Oil and Gas N-56556, dated effective January 1, 1993, from the United States of America, Lessor, to EP Operating Limited Partnership, Lessee, insofar as said Lease covers the following described lands:

Township 19 North, Range 50 East, Mt. Diablo Meridian

Section 22: All
Section 27: All

Containing 1280.00 acres m/1

Subject to:

(a) Landowners royalty of 12 1/2 percent.

5. Offer to Lease for Oil and Gas N-56557, dated effective January 1, 1993, from the United States of America, Lessor, to EP Operating Limited Partnership, Lessee, insofar as said Lease covers the following described lands:

Township 19 North, Range 50 East, Mt. Diablo Meridian

Section 26: All
Section 34: All

Containing 1280.00 acres m/1

Subject to:

(a) Landowners royalty of 12 1/2 percent.

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OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Enserch Exploration Inc.
93 JUL 19 P1 50
EUREKA COUNTY, NEVADA
M.N. REBAL. REORDER
FILE NO. FEES \$ 33.00

145891

RECORDING CLERK'S OFFICE
EUREKA COUNTY, NEVADA
OFFICE: 1000 W. BROADWAY
EUREKA, CALIF. 94501
PHONE: (707) 441-1111

BOOK 825 PAGE 735

340478

BOOK 262 PAGE 479

RECORDED BK. FILE # 825-705
JERRY D. REYNOLDS
ELKO CO. RECORDER

149710
EUREKA COUNTY, NEVADA
M.N. REBELEATH, RECORDER
FILE NO. 3705

INDEXED
FILE # 340478
FEE \$46.00
FILED FOR RECORD AT REQUEST OF
Research & Exploration
93 AUG -2 P4:09

BOOK 262 PAGE 479
OFFICIAL RECORDS
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Research & Exploration
93 DEC -7 P3:57

