

ORIGINAL

OFFER TO LEASE AND LEASE FOR OIL AND GAS  
BUREAU OF LAND MANAGEMENT  
DEPARTMENT OF THE INTERIOR  
UNITED STATES

Serial No. N-55479

FLANIGAN & FLANIGAN INC  
PO BOX 40781  
RENO NV 89504

City, State, Zip Code

The undersigned (reversely) 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, as amended, and supplemented (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands of 1947, as amended (30 U.S.C. 351-359), the Attorney General's Opinion of April 2, 1941 (40 Op. Atty. Gen. 41), or the

READ INSTRUCTIONS BEFORE COMPLETING

2. This application/offer/lease is for: (Check only One)  PUBLIC DOMAIN LANDS  ACQUIRED LANDS (percent U.S. interest \_\_\_\_\_)

Surface managing agency if other than BLM: \_\_\_\_\_  
Parcel No.: NV-92-02-0181  
Legal description of land requested: \_\_\_\_\_  
\*SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.  
Sale Date (m/d/y): 02 / 11 / 92

T. Meridian State County

Amount remitted: Filing fee \$ 75.00  
Rental fee \$ 222.00  
Total \$ 297.00  
Total acres applied for 147.66

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. Meridian State County  
T. 27 N., R. 52 E., MDM, Nevada  
sec. 07, lots 1-4.  
Eureka County  
147.66 Acres

Section	Lot	Acres	By
07	1-4	147.66	FLANIGAN & FLANIGAN INC

CERTIFY THIS PAGE BEARING THE BUREAU OF LAND MANAGEMENT  
SEAL IS A TRUE COPY OF A DOCUMENT ON FILE IN THE STATE OFFICE.  
RENO, NEVADA.  
DATE: December 23, 1994  
AFFIRMED SEAL  
AFFIRMING OFFICER  
Chief, Branch of Lands & Minerals Operations  
(Signing Officer)  
by *Mark A. B...*  
THE UNITED STATES OF AMERICA

NOTE: 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:  
 Competitive lease (five years)  
 Noncompetitive lease (ten years)  
BOOK 279 PAGES 46  
EFFECTIVE DATE OF LEASE (Date) MAR 1 - 1992  
FEB 25 1992



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
COMPETITIVE OIL AND GAS OR  
GEOTHERMAL RESOURCES LEASE BID  
30 U.S.C. 181 et seq.; 30 U.S.C. 351-359;  
30 U.S.C. 1001-1025; 42 U.S.C. 6508

I CERTIFY THIS PAGE BEARING THE BUREAU OF LAND MANAGEMENT  
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RENO, NEVADA.

DATE: December 23, 1994  
CERTIFYING OFFICER: Josephine Jones

FORM APPROVED  
OMB NO. 1004-0074  
Expires: Feb. 28, 1991

State	NEVADA
Date of sale	FEBRUARY 11, 1993
AMOUNT OF BID (See Instructions below)	
PARCEL NUMBER	
THE BID IS FOR (Check one):	<input checked="" type="checkbox"/> Oil and Gas Parcel Number <u>NV-02-0181-92</u>
<input type="checkbox"/> Geothermal Parcel Number	Name of Known Geothermal Resource Area (KGRA)
TOTAL BID	\$2 per acre
PAYMENT SUBMITTED WITH BID	\$593.00
	\$593.00

The appropriate regulations applicable to this bid are: (1) for oil and gas leases—43 CFR 3120; (2) for National Petroleum Reserve-Alaska (NPR-A) leases—43 CFR 3132; and (3) for Geothermal resources leases—43 CFR 3220. (See details concerning lease qualifications on reverse.)

I CERTIFY THAT I have read and am in compliance with, and not in violation of, the lessee qualification requirements under the applicable regulations for this bid.

I CERTIFY THAT this bid is not in violation of 18 U.S.C. 1860 which prohibits unlawful combination or intimidation of bidders. I further certify that this bid was arrived at independently and is tendered without collusion with any other bidder for the purpose of restricting competition.

**IMPORTANT NOTICE:** Execution of this form, where the offer is the high bid, constitutes a binding lease offer, including all applicable terms and conditions. Failure to comply with the applicable laws and regulations under which this bid is made shall result in rejection of the bid and forfeiture of all monies submitted.

Foreign & Foreign, Inc.  
Print or Type Name of Lessee

PO Box 40781  
Address of Lessee

RENO, NEVADA  
State

89504  
Zip Code

Signature of Lessee or Bidder

INSTRUCTIONS FOR OIL AND GAS BID (Except NPR-A)

INSTRUCTIONS FOR GEOTHERMAL OR NPR-A OIL AND GAS BID

- Separate bid for each parcel is required. Identify parcel by the number assigned in the *Notice of Competitive Lease Sale*.
  - Bid must be accompanied by the national minimum acceptable bid, the first year's rental and the administrative fee. The remainder must be in the form specified in 43 CFR 3103.1-1. The remainder of the bonus bid, if any, must be submitted to the proper BLM office within 10 working days after the last day of the oral auction. Failure to submit the remainder of the bonus bid within 10 working days will result in rejection of the bid offer and forfeiture of all monies paid.
  - If bidder is not the sole party in interest in the lease for which the bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.
  - This bid may be executed (*signed*) before the oral auction. If signed before the oral auction, this form cannot be modified without being executed again.
  - In view of the above requirement (4), bidder may wish to leave AMOUNT OF BID section blank so that final bid amount may be either completed by the bidder or the Bureau of Land Management at the oral auction.
- Separate bid for each parcel is required. Identify parcel by the number assigned to a tract.
  - Bid must be accompanied by one-fifth of the total amount of bid. The remittance must be in the form specified in 43 CFR 3220.4 for Geothermal Resources bid and 3132.2 for a NPR-A lease bid.
  - Mark envelope Bid for Geothermal Resources Lease in (*Name KGRA*) or Bid for NPR-A Lease, as appropriate. Be sure correct parcel number of tract on which bid is submitted and date of bid opening are noted plainly on envelope. No bid may be modified or withdrawn unless such modification or withdrawal is received prior to time fixed for opening of bids.
  - Mail or deliver bid to the proper BLM office or place indicated in the *Notice of Competitive Lease Sale*.
  - If bidder is not the sole party in interest in the lease for which bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.

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CERTIFYING OFFICER  
DATE Dec 23, 1994  
RENO, NEVADA  
SEAL IS A TRUE COPY OF A DOCUMENT ON FILE IN THE STATE OFFICE.  
I CERTIFY THIS PAGE BEARING THE BUREAU OF LAND MANAGEMENT

GEOLITHIC  
CORPORATION  
1000 S. ...  
RENO, NEVADA

Public reporting burden for this form is estimated to average 1 hour per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form, including instructions, should be sent to Washington, D.C. 20230, in the Office of Management and Budget, Paperwork Reduction Project (1004-0079), Washington, D.C. 20503.

BURDEN HOURS STATEMENT

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that this information is being collected in accordance with 43 CFR 3120.43 (FR 3130) or 43 CFR 3220. Response to this request is required to obtain a benefit.

PRINCIPLE PURPOSE: The information is to be used to process your bid.  
EFFECT OF NOT PROVIDING INFORMATION: Disclosure of the information is voluntary. If all the information is not provided, your bid may be rejected.  
AUTHORITY: 30 U.S.C. 181 et seq.; 30 U.S.C. 351-359; 30 U.S.C. 1901-1025; 42 U.S.C. 6508  
The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this bid for a competitive oil and gas or geothermal resources lease.

NOTICE

For leases that may be issued as a result of this sale under the Mineral Leasing Act (The Act) of 1920, as amended, the oral bidder must: (1) Be a citizen of the United States; an association (including partnerships and trusts) of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or Territory thereof; and (2) Be in compliance with acreage requirements therein. The bidder's interests, direct and indirect, do not exceed 20 acres; and (3) Certify that all parties in interest in this bid are in compliance with 43 CFR Part 3130 and the leasing authorities cited herein.  
For leases that may be issued as a result of this sale under the Department of the Interior Appropriations Act of 1981, the bidder must: (1) Be a citizen or national of the United States; an alien lawfully admitted for permanent residence; a private, public or municipal corporation or organization under the laws of the United States or of any State or Territory thereof; an association of such citizens, natural persons or legal entities; or a partnership, public or municipal corporation; and (2) Certify that all parties in interest in this bid are in compliance with 43 CFR Part 3130 and the leasing authorities cited herein.

QUALIFICATIONS

EUREKA COUNTY NEVADA  
M.N. REBALVALI, RECORDER  
FILE NO. FEES \$11.00

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OFFICIAL RECORDS  
RECORDED AT THE REQUEST OF  
95 JAN -9 AM 8:05  
Lever, J. M.

I CERTIFY THIS PAGE BEARING THE BUREAU OF LAND MANAGEMENT  
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RENO, NEVADA.  
DATE: Dec 23, 1994  
CERTIFYING OFFICER

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., arm-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.

THE FOLLOWING NOTICE WILL BE ATTACHED TO ALL  
ISSUED LEASES  
NOTICE TO LESSEE