

NEVADA
STATE OF NEVADA
County of ELKO

(ACKNOWLEDGMENT FOR INDIVIDUAL)

Before me, the undersigned, a Notary Public, in and for said County and State, on this 18th day of August, 1997,
personally appeared Tony Sestanovich and Lorraine Sestanovich, husband and wife

personally known to me to be the identical person, who executed the within and foregoing instrument, and acknowledged to me that they

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 official signature and affixed my official seal the day and year first above written.

Notary Public



STATE OF OKLAHOMA,

(ACKNOWLEDGMENT FOR INDIVIDUAL)

Before me, the undersigned, a Notary Public, in and for said County and State, on this 19 day of August, 1997,

personally appeared

personally known to me to be the identical person, who executed the within and foregoing instrument, and acknowledged to me that

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 official signature and affixed my official seal the day and year first above written.

Notary Public

STATE OF OKLAHOMA,

(ACKNOWLEDGMENT FOR INDIVIDUAL)

Before me, the undersigned, a Notary Public, in and for said County and State, on this 19 day of August, 1997,

personally appeared

personally known to me to be the identical person, who executed the within and foregoing instrument, and acknowledged to me that

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 official signature and affixed my official seal the day and year first above written.

Notary Public

No. _____
Oil and Gas Lease

FROM

TO

Date 19
Section 1, Township 1, Range 1,
County, Oklahoma
No. of Acres 1 Term 1

STATE OF OKLAHOMA,

County of Elko

This instrument was filed for record on the 19 day of August, 1997,
at 1 o'clock M., and duly recorded
in book 1 page 1 of the
records of this office.

County Clerk

Deputy

Record and Mail to:

(ACKNOWLEDGMENT FOR CORPORATION)

On this 19 day of August, 1997, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared

to me known to be the identical person, who subscribed the name of the maker thereof to the foregoing instrument as its

and acknowledged to me that executed the same as free and voluntary act and deed and as the free and voluntary

act and deed of such corporation, for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

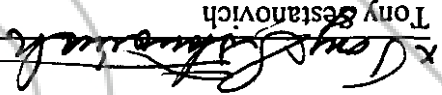
Notary Public

EXHIBIT "A"

Attached to and made a part of that certain Oil and Gas Lease dated the 1st day of July, 1997, by and between Tony Sestanovich and Lorraine Sestanovich, husband and wife, as Lessors, and Cleary Exploration, LLC, as Lessee, covering 880 acres in Eureka County, NV.

1. Lessee agrees to apply for a permit to drill a water well with the State Engineer and, if granted, to drill a water well on the above described land, at a location of Lessors' choice. Once drilled and utilized for the initial oil and gas well, the water well will be conveyed to Lessors. As part of the consideration for drilling the water well, Lessors agree to sell Lessee water from said water well to drill subsequent oil and gas wells at a price of \$500.00 per well. Lessee agrees to pump the water at its own expense.
2. Lessee agrees to inform Lessors of any information it derives as to the location of water zones in its exploration wells.
3. If overnight habitation is required in the drilling operations, Lessee agrees to lodge all employees at the drillsite and restrict employees activities to the drillsite and the access road.
4. The location of any additional wells drilled on the leased premises will be at locations agreeable to both Lessors and Lessee.
5. It is agreed between the parties that this lease covers only the rights to develop the minerals set out in the first paragraph of the lease. It does not include the right to develop precious metals, base metals, coal or any other hard rock minerals (gold, silver, copper, etc.).

Signed for Identification:


Tony Sestanovich

BOOK 312 PAGE 309
OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Clark W. 7/92
97 SEP -2 PM 4: 52
CLARK COUNTY NEVADA
M.N. REBAL EATL. RECORDER
FILE NO. FEES 10.00

168444

COPY