

AMENDMENT TO OIL AND GAS LEASE

This Agreement, dated the * 13 day of * Oct, 2001 is entered into by and between Sestovich Ranches (formerly Tony Sestanovich and Lorraine Sestanovich, husband and wife), C. 65, Box 45, Carlin, NV 89822, hereinafter referred to as "Lessor", and Cleary Petroleum Corporation, (formerly Cleary Exploration LLC), hereinafter referred to as "Lessee".

WITNESSETH:

WHEREAS, Lessor and Lessee entered into an Oil and Gas Lease on the 1st day of July, 1997, said lease being recorded in Book 312, Page 399 of the county records of Eureka Co., Nevada, covering the following described lands:

Township 27 North, Range 52 East

Sec. 8: 2 NE
 Sec. 9: W NW, E2 SW
 Sec. 10: W SE, SE SW
 Sec. 11: W NW
 Sec. 15: W NE, SW NW, N2 SW, S2 SE
 Sec. 22: 2 NE
 Sec. 23: 2 NE, E2 NW, NW NW, NE SW

containing together 8 acres, reference being made to said recorded Lease for all terms and conditions.

AND WHEREAS, it is the mutual desire of Lessor and Lessee to amend certain terms of said Lease as hereinafter provided:

NOW, THEREFORE, for and in consideration of the mutual benefits derived, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

1. The Delay Rental Clause of the above described Oil and Gas Lease reads, in part, as follows:

If drilling operations or mining operations are not commenced on the leased premises on or before one year from this date, this lease shall then terminate as to both parties unless Lessee on or before the expiration of said period shall pay or tender to Lessor, or to the credit of Lessor in Great Northern Bank at Elko, NV. or any successor bank, the sum of Thirteen Thousand Two Hundred & 00/100 Dollars (\$13,200.00).....

Lessor and Lessee wish to amend the Delay Rental Clause to read as follows:

If drilling operations or mining operations are not commenced on the leased premises on or before one year from this date, this lease shall then terminate as to both parties unless Lessee on or before the expiration of said period shall pay or tender to Lessor, or to the credit of Lessor in Great Northern Bank at Elko, NV. or any successor bank, the sum of Four Thousand Four Hundred & 00/100 Dollars (\$4,400.00).....

2. Paragraph 1. exhibit "A" of the above described Oil and Gas Lease reads as follows:

Lessee agrees to pay 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 Lessor's choice. Once drilled and used for the initial oil and gas well, the water well will be conveyed to Lessor. As part of consideration for drilling the water well, Lessor agrees 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 pay the water at its own expense.

Lessor and lessee wish to amend Paragraph 1 of Exhibit "A" to read as follows:

Prior to drilling operations on the above described land, 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 a location of Lessor's choice. Once drilled and utilized for the initial oil and gas well, the water well will be conveyed to Lessor. As part of the consideration for drilling the water well, Lessor agrees 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.

If Lessor drillwater well on the above described land prior to Lessee's drilling operations which, in all respects, is stable to be used in Lessee's drilling operations, Lessee agrees to reimburse Lessor for the reasonable cost of drilling the water well prior to using the well for drilling operations.

Except as amended hereby, said Lease shall remain unchanged, and for the consideration above cited: (a) Lessor and Lessee ratify, confirm and adopt said Lease as hereby amended and acknowledge that same is valid, subsisting and in full force and effect. Lessor does hereby rent, lease and let the lands described in said Lease, upon all and singular the terms and provisos of said Lease as amended hereby.

This Agreement shall be binding upon and shall inure to the benefit of the respective heirs, successors, legal representatives, sub lessees or assigns of the parties hereto.

EXECUTED this 13 day of Oct, 2001.

SESTANOVICH RANCHES

By: x LeRoy Sestanovich
LeRoy Sestanovich

CLEARY PETROLEUM CORPORATION

By: Douglas B. Cleary
Douglas B. Cleary, Financial Manager

STATE OF OKLAHOMA)
)ss
COUNTY OF OKLAHOMA)

The foregoing instrument was acknowledged before me this 29th day of October, 2001 by Douglas B. Cary, President of Cleary Petroleum Corporation.

My Commission Expires: 3/10/2004

Shirilyn R Havens
Notary Public

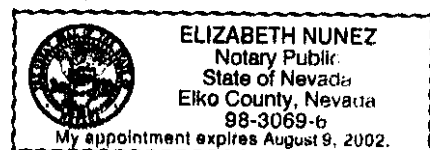
STATE OF NEVIA)
COUNTY OF * 150) SS

Before me, undersigned, a Notary Public, in and for said County and State, on this 13 day of October, 2001, personally appeared **LeRoy Sestanovich**, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing as its General Partner and acknowledged to me that he executed the same as his 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.

IN WITNESS WHEREOF, I hereunto set my official signature and affixed my notarial seal the day and year above written.

My commission expires 8/9/2002

Elizabeth J. J.
Notary Public



BOOK 344 PAGE 548
OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Clary Petroleum
01 NOV 16 PM 1:59

EUREKA COUNTY NEVADA
M.N. REBALEATI, RECORDER
FILE NO. FEES 16⁰⁰

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