

Form 1100-3
Eleventh Edition
(September 1966)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Form approved
Budget Bureau No. 45-20000

Office MINNAPOLIS

Serial No. 5169

FBI is an acronym
or other thing to do
and sign to do.

OFFER TO LEASE AND LEASE FOR OIL AND GAS
(Sec. 17 Noncompetitive Public Domain Lease)

The undersigned hereby offers to lease all or any of the lands described in Item 2 that are available for lease, pursuant and subject to the terms and provisions of the Act of February 25, 1920 (41 Stat. 437, 30 U. S. C. sec. 181), as amended, hereinafter referred to as the Act and to all reasonable regulations of the Secretary of the Interior now or hereafter in force, when not inconsistent with any express and specific provisions herein, which are made a part hereof.

1. SUN OIL COMPANY
(First Name, Middle Initial, Last Name)
P. O. Box 2039
(Number and Street)
Tulsa, Oklahoma 74102
(City, State, ZIP Code)

10 05 9

2. Land requested: State Nevada County Lincoln T. : R. : MD Meridian

Township 6 North, Range 63 East
Section 1: Lots 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ E $\frac{1}{2}$
Section 2: Lots 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ E $\frac{1}{2}$
Section 3: Lots 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ E $\frac{1}{2}$

Township 6 North, Range 64 East
Section 6: Lots 1 thru 7 incl., S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ E $\frac{1}{2}$, E $\frac{1}{2}$ SW $\frac{1}{4}$

NEW IN A KNOWN GEOLOGIC
STRUCTURE ON DATE OF
LEASE INSTRUMENT

Total Area 2568.42 Acres

3. Land included in lease: State _____ County _____ T. : R. : _____ Meridian

This lease embraces the area and the land described in Item 2.

The rental retained is the rental amount shown in Item 4.

This lease is subject to the determination by the Geological Survey as to whether the lands herein described were on a known geologic structure of a producing oil or gas field as of the date of signing hereof by the authorized officer.

(Offeror does not fill in this block) Total Area 2568.42 Acres Rental retained \$ 1294.50

4. Amount remitted: Filing fee \$10, Rental \$ 1284.50, Total \$ 1294.50

5. Undersigned certifies as follows:

(a) Offeror is a citizen of the United States. Native born _____ Naturalized _____ Corporation or other legal entity (specify what kind): a New Jersey corporation

(b) Offeror's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 248,000 chargeable acres in options, offers to lease and leases in the same State, or 300,000 chargeable acres in leases, offers to lease and options in each leasing district in Alaska. (c) Offeror accepts as a part of this lease, to the extent applicable, the stipulations provided for in 43 CFR 3103.2. (d) Offeror is 21 years of age or over (or if a corporation or other legal entity, is duly qualified as shown by statements made or referred to herein). (e) Offeror has described all surveyed lands by legal subdivisions, all lands covered by protracted surveys by appropriate subdivisions thereof, or all unsurveyed lands not covered by protracted surveys by metes and bounds, and further states that there are no settlers on unsurveyed lands described herein.

6. Offeror is is not the sole party in interest in this offer and lease, if issued. (If not the sole party in interest, statements should be filed as prescribed in Item 6 of the Special Instructions.)

7. Offeror's signature to this offer shall also constitute offeror's signature to, and acceptance of, this lease and any amendment thereto that may cover any land described in this offer open to lease application at the time the offer was filed but omitted from this lease for any reason, or signature to, or acceptance of, any separate lease for such land. The offeror further agrees that (a) this offer cannot be withdrawn, either in whole or in part, unless the withdrawal is received by the land office before this lease, an amendment to this lease, or a separate lease, whichever covers the land described in the withdrawal, has been signed in behalf of the United States, and (b) this offer and lease shall apply only to lands not within a known geologic structure of a producing oil or gas field.

8. If this lease form does not contain all of the terms and conditions of the lease form in effect at the date of filing, the offeror further agrees to be bound by the terms and conditions contained in that form.

9. It is hereby certified that the statements made herein are complete and correct to the best of offeror's knowledge and belief and are made in good faith.

Offeror duly executed this instrument this 30th day of October, 19 70

SUN OIL COMPANY
(Lessee signature) _____ (Lessee signature)
[Signature]
(Attorney-in-fact)

This lease for the lands described in item 3 above is hereby issued, subject to the provisions of the offer and on the reverse side hereof.

THE UNITED STATES OF AMERICA
By [Signature]
(Signing officer)

Effective date of lease January 1, 1971 Assistant Manager December 3, 1970

THIS OFFER MAY BE REJECTED AND RETURNED TO THE OFFEROR AND WILL AFFORD THE OFFEROR NO PRIORITY IF IT IS NOT PROPERLY FILLED IN AND EXECUTED OR IF IT IS NOT ACCOMPANIED BY THE REQUIRED DOCUMENTS OR PAYMENTS.

18 U. S. C. sec. 1061 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

This form may be reproduced provided that the copies are exact reproductions on one sheet of both sides of this official form, in accordance with the provisions of 43 CFR 312.1(a).

LEASE TERMS

SECTION 1. Rights of lease. The lease is granted the exclusive right and privilege to drill for, mine, extract, remove, and dispose of all the oil and gas beneath the surface of the land...

Sec. 2. The lease term.

(1) Lease. - (a) To the land hereinafter described by this lease and the covenants hereinafter set forth, to the land hereinafter described by this lease...

(2) Commencement of operations. - Within 90 days of demand, or if the lease is not demanded, within 90 days of the expiration of the lease...

(3) Drilling and production. - (a) To drill and produce all wells necessary to protect the lease and to produce therefrom...

(4) Rentals and royalties. - (a) To pay the lease in advance an annual rental at the following rates:

- (a) If the lands are wholly outside the known geologic structure of a producing oil or gas field.
(1) For each lease per acre a rental of 10 cents per acre or fraction of an acre.
(2) If the lands are wholly or partly within the known geologic structure of a producing oil or gas field...

Business rentals. - Commencing with the lease per acre beginning on or after a discovery on the leased land, to pay the lease per acre...

Royalty on production. - To pay the lease 15% percent royalty on the production produced or sold from the leased lands...

(2) It is expressly agreed that the Secretary of the Interior may establish reasonable minimum values for purposes of computing royalty on any or all oil, gas, natural gas, and other products...

(3) When paid in value, such royalty on production shall be due and payable monthly on the last day of the calendar month following the calendar month in which produced. When paid in kind, such royalty shall be delivered in kind...

(4) Payments. - Unless otherwise directed by the Secretary of the Interior to make rental, royalty, or other payments to the lessee...

(5) Covenants for division of proceeds. - To the with the Oil and Gas Supervisor of the Geological Survey not later than 30 days after the effective date of this offer...

thereof, and the amount used for production purposes or unaccountably lost, shall be deemed to have been used for production purposes...

(b) Well records. - To keep a daily drilling record, a log, and complete information on all well records and logs in accordance with the provisions of the Act...

(c) Inspection. - To permit access at all reasonable times for the inspection of any duly authorized officer of the Department, the leased premises and all operations, machinery, and equipment...

(d) Duty-free protection of health and safety of workmen. - To observe reasonable diligence in drilling and producing the wells herein provided or to be drilled...

(e) Taxes and wages, freedom of purchase. - To pay any and all taxes lawfully assessed and levied under the laws of the State or the United States upon improvements, oil and gas produced from the lands hereunder...

(f) Equal opportunity clause. - The performance of this contract shall be open to all persons without regard to race, color, or sex...

(g) The lease will not be subject to advertisement for employment, unless the advertisement is in accordance with the provisions of the Act...

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artifacts and upon any partial or total relinquishment or the modification or expiration of this lease, or at any other time prior to the expiration of this lease...

(7) Overriding royalty. - In case of overriding royalty in excess of 10 percent, the overriding royalty shall be subject to the provisions of the Act...

(8) Debris. - The lessee shall be bound to remove all debris from the leased land and to maintain the land in a condition suitable for production...

Sec. 3. The lease term. - (a) Commencement of operations. - The right to extract or mine the oil or gas beneath the surface of the land hereunder...

(b) Drilling and production. - (a) To drill and produce all wells necessary to protect the lease and to produce therefrom...

(c) Rentals and royalties. - (a) To pay the lease in advance an annual rental at the following rates:

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(13) The lease will not be subject to advertisement for employment, unless the advertisement is in accordance with the provisions of the Act...

GENERAL INSTRUCTIONS

- 1. This offer must be filed in an envelope or sealed plainly in ink and must be signed in ink.
2. This form is to be used in offering to lease nonconspicuously public domain lands or oil and gas deposits reserved to the United States...
3. Offers to lease these lands by individuals 31 years of age or over who are citizens of the United States, and by corporations, partnerships or associations...
4. This offer must be prepared in triplicate and filed in the proper land office...
5. If additional space is needed in furnishing any of the required information it should be prepared on additional sheets, initialed and attached and made part of this offer...
6. If any of the land described in Item 2 of this offer is open to all oil and gas lease mining when the offer is filed but is omitted from the lease for any reason...
7. As an incident to the assignment of the whole interest in all or any part of the lease, the lessee hereby agrees to assign to the lessor the right of first refusal...
8. If the offer is not accepted, the offeror shall be deemed to have assigned to the lessor the right of first refusal...

SPECIAL INSTRUCTIONS

- 1. This offer is to be used in offering to lease nonconspicuously public domain lands or oil and gas deposits reserved to the United States...
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STATE OF Oklahoma
COUNTY OF Tulsa

On February 18, 1971, before me the undersigned, a Notary Public
in and for said State, personally appeared W. R. Gannaway

known to me to be the person whose name is subscribed to the within instrument
as the Attorney-in-Fact of SUN OIL COMPANY and acknowledged to me he subscribed
the name of SUN OIL COMPANY thereto as principal and his own name as Attorney-
in-Fact.

WITNESS my hand and official seal.

My Commission Expires:
March 25, 1974

Shirley A. Salzer
Notary Public in and for said State.

No. 49887
FILED AND RECORDED AT REQUEST OF
Sun Oil Company
March 12, 1971
AT 1 MINUTES PAST 1 O'CLOCK
P.M IN BOOK 1 OF OFFICIAL
RECORDS, PAGE 77 LINCOLN
COUNTY, NEVADA.
Arvid P. ...
COUNTY RECORDER