

NV-06979

Form 3110-2
(September 1973)
(formerly 3120-19)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

LEASE FOR OIL AND GAS
(Sec. 17 Noncompetitive Public Domain Lease)
Act of February 25, 1920 (41 Stat. 437), as amended (30 U.S.C. 181-263)

Name
Street
City
State
Zip Code

Koch Industries, Inc.
1 Park Central, Suite 530
Denver, CO 80202

N-14546
(Serial Number)

This oil and gas lease is issued for a period of ten (10) years to the above-named lessee pursuant and subject to the provisions of the Mineral Leasing Act and subject to all rules and 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.

Lands included in the lease: State: Nevada County: Lincoln & Nye

T. 8 N., R. 62 E., MD Mer.,

- sec. 3, Lots 1,2,3,4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ (A11)
- sec. 4, Lots 1,2,3,4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ (A11)
- sec. 9, E $\frac{1}{2}$;
- sec. 10, A11;
- sec. 15, E $\frac{1}{2}$.

Containing a total of 2,561.18 acres Annual Rental \$ 1,281.00

This lease is issued to the successful drawee pursuant to his "Simultaneous Oil and Gas Entry Card" application filed under 43 CFR 3123.9, and is subject to the provisions of that application and those specified on the reverse side hereof.

Effective date of lease: Jan 1 1977

THE UNITED STATES OF AMERICA

By A. John Williams
(Signature of Signing Officer)

SUBJECT TO ATTACHED STIPULATIONS CHIEF, BR. OF LANDS & MINERALS OPERATIONS
(Title)

DEC - 8 1976
(Date)

NOT IN A KNOWN GEOLOGIC
STRUCTURE ON DATE OF
USGS REPORT

Form 3112-1
(February 1976)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
WASHINGTON, D.C. 20240

D N-14546

POSTAGE AND FEES PAID
U.S. DEPARTMENT OF THE INTERIOR



DEC 20 76
SIMULTANEOUS OIL AND GAS DRAWING ENTRY CARD

Print or type

KGCH INDUSTRIES, INC. Middle initial 48-048-4227

Last name First name Middle initial Social Security or Taxpayer Number

1 PARK CENTRAL SUITES 530 80202 NEVADA

Street Address City State Zip code Parcel number applied for NV-40

The return of this card indicates that you were not successful in the drawing and your offer is rejected.

NONCOMPETITIVE OFFER TO LEASE FOR OIL & GAS

Under signed offers to lease for oil and gas all or any portion of the identified parcel of land which may be available for noncompetitive leasing, and certifies: (1) applicant is a citizen of the United States, an association of such citizens, a partnership, a corporation, or a municipality organized under the laws of the United States or any State thereof; (2) applicant's interests in oil and gas offers to lease, leases, and options do not exceed the limitation provided by 43 CFR 3101.1-5; (3) applicant has not filed any other entry card for the parcel involved; and (4) applicant is the sole party in interest in this offer and the lease if issued, or if not the sole party in interest, that the names and addresses of all other interested parties are set forth below. The undersigned agrees that the successful drawing of this card will bind him to a lease, on Forms 3110-2 or 3110-3, and the appropriate stipulations as provided in 43 CFR 3109.4-2 and the posted notice.

INSTRUCTIONS

This card must be fully completed, signed, and sent to the appropriate Office of the Bureau of Land Management. It must be accompanied by a \$10 filing fee. Compliance must also be made with the provisions of 43 CFR 3102. If qualifications of association or corporation have been filed previously, identify serial record involved BF 040020-A

If you are successful in the drawing, you will be required to pay first year's rental of 50¢ per acre or fraction thereof prior to 1/31 of lease. No copies or facsimiles of this form will be accepted. Other parties in interest - All interested parties named below must furnish evidence of their qualifications to hold such lease interests. See 43 CFR 3102.7.

Signature of Applicant <u>W. B. Bick</u>	<u>ROCKFORD INDUSTRIES, INC.</u>	Date <u>10/20/76</u>
Signature of Applicant <u>A. T. Bick, VICE PRESIDENT</u>		Date

Other parties in interest

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States or the District of Columbia, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

IF YOU FILE MORE THAN ONE CARD FOR THE SAME PARCEL, YOU ARE AUTOMATICALLY DISQUALIFIED

BUSGPO: 1976 - 677-566

NU-06979

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
SURFACE DISTURBANCE STIPULATIONS

Area Oil and Gas Supervisor or
District Engineer (Address, include zip code)
District Geologist
U. S. Geological Survey
7744 Federal Building
300 N. Los Angeles Street
Los Angeles, California 90012

Management Agency (name)

Ely District Manager
Bureau of Land Management
Pioche Star Route
Ely, Nevada 89301

Address (include zip code)

1. Notwithstanding any provision of this lease to the contrary, any drilling, construction, or other operation on the leased lands that will disturb the surface thereof or otherwise affect the environment, hereinafter called "surface disturbing operation," conducted by lessee shall be subject, as set forth in this stipulation, to prior approval of such operation by the Area Oil and Gas Supervisor in consultation with appropriate surface management agency and to such reasonable conditions, not inconsistent with the purposes for which this lease is issued, as the Supervisor may require to protect the surface of the leased lands and the environment.

2. Prior to entry upon the land or the disturbance of the surface thereof for drilling or other purposes, lessee shall submit for approval two (2) copies of a map and explanation of the nature of the anticipated activity and surface disturbance to the District Engineer or Area Oil and Gas Supervisor, as appropriate, and will also furnish the appropriate surface management agency named above, with a copy of such map and explanation.

An environmental analysis will be made by the Geological Survey in consultation with the appropriate surface management agency for the purpose of assuring proper protection of the surface, the natural resources, the environment, existing improvements, and for assuring timely reclamation of disturbed lands.

3. Upon completion of said environmental analysis, the District Engineer or Area Oil and Gas Supervisor, as appropriate, shall notify lessee of the conditions, if any, to which the proposed surface disturbing operations will be subject.

Said conditions may relate to any of the following:

- (a) Location of drilling or other exploratory or developmental operations or the manner in which they are to be conducted;
- (b) Types of vehicles that may be used and areas in which they may be used; and
- (c) Manner or location in which improvements such as roads, buildings, pipelines, or other improvements are to be constructed.

RECEIVED
Bur of Land Management

10:00
A. M. NOV 23 1976

NEVADA STATE OFFICE
RENO, NEVADA

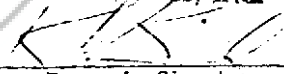
ARCHAEOLOGICAL STIPULATION

Antiquities and Objects of Historic Value -

To secure specific compliance with the stipulations under Sec. 2, paragraph (q) of the oil and gas lease form, the lessee shall, prior to operations, furnish to the Authorized Officer a certified statement that either no archaeological values exist or that they may exist on the leased lands to the best of the lessee's knowledge and belief and that they might be impaired by oil and gas operations. Such certified statement must be completed by a qualified archaeologist acceptable to the Authorized Officer.

If the lessee furnishes a statement that archaeological values may exist where the land is to be disturbed or occupied, the lessee will engage a qualified archaologist, acceptable to the Authorized Officer, to survey and salvage, in advance of any operations, such archaeological values on the lands involved. The responsibility for the cost for the certificate, survey and salvage will be borne by the lessee, and such salvaged property shall remain the property of the lessor or the surface owner.

KOCH INDUSTRIES, INC.



Lessee's Signature

R. I. BICK, VICE PRESIDENT

ATTEST



D. D. WHITE, ASSISTANT SECY.

Title

November 13, 1976

Date

N-14546

RECEIVED
Dir of Land Management

10:00
A. M. NOV 23 1976

NEVADA STATE OFFICE
RENO, NEVADA

JAKE'S VALLEY ENVIRONMENTAL ANALYSIS RECORD
STIPULATIONS

The Lessee shall comply with the following special conditions and stipulations unless they are modified by mutual agreement of the Lessee, the Supervisor and the Authorized Officer:

1. Surface occupancy within 500 feet (horizontal measurement) of any canal, ditch, slough, pond, lake, spring, or open body of water may be restricted or denied where deemed necessary by the appropriate surface management agency to protect wildlife and other resources. Other buffer zones and areas of restricted surface occupancy may be required to protect other resource values, including but not limited to, critical or rare or endangered species habitat.
2. The use of wide or balloon- (low pressure-) tired vehicles and/or helicopters may be required for any activities in off-road areas where deemed necessary to protect the soil and other resources.
3. Springs and water developments on Federal lands may be used only with the prior written approval of the Authorized Officer.

ATTEST

[Signature]
D. D. WHITE, ASSISTANT SECY.

KOCH INDUSTRIES, INC.

[Signature]
R. T. BICK, VICE PRESIDENT

59025

FILED AND RECORDED AT REQUEST OF
KOCH EXPLORATION Co.
JAN. 13. 1977
AT 1 11 AM EST J. O'CONNOR
LINCOLN COUNTY, NEVADA RECORDER
[Signature]
COUNTY RECORDER

November 15, 1976