

Lincoln County

NV
150

Form 3110-2
(January 1978)

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 Joe D. Ellison
Street Fox 6314
City Incline Village, NV 89450
State
Zip Code

(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

T. 7 N., R. 62 E., MM. (Prot. Dia. No. 136)

sec. 1, Lots 1-4, S $\frac{1}{2}$ S $\frac{1}{2}$, S $\frac{1}{2}$ A11;
sec. 12, A11.

Serial Number 1-NV-150

Containing a total of 1200.66 acres Annual Rental \$ 1231.00

This lease is issued to the successful drawee pursuant to his "Simultaneous Oil and Gas Entry Card" application filed under 43 CFR 3112, and is subject to the provisions of that application and those specified on the reverse side hereof.

Effective date of lease: MAR 1 1980

THE UNITED STATES OF AMERICA

NOT IN A KNOWN GEOLOGIC
STRUCTURE ON DATE OF
USGS REPORT

By Roger A. Jarrell
(Signature of Signing Officer)

SUBJECT TO ATTACHED STIPULATIONS CHIEF, BRANCH OF LANDS & MINERALS OPERATIONS

No. 69730
FILED AND RECORDED AT REQUEST OF
MARATHON OIL Co.
SEPT 8, 1980
AT 1 MINUTES PAST 9 O'CLOCK
A M IN BOOK 39 OF OFFICIAL
RECORDS, PAGE 359 LINCOLN
COUNTY, NEVADA.
Jessie A. Taylor
COUNTY RECORDER

FEB 15 1980
(Date)

Return to: MARATHON OIL COMPANY
TITLE & CONTRACT DEPT.
P. O. BOX 120
LAFAYETTE, MISSISSIPPI
BOOK 39 PAGE 359

Lincoln County

LEASE TERMS

Sec. 1. Rights of lessee.—The lessee is granted the exclusive right and privilege to drill for, mine, extract, remove, and dispose of all the oil and gas deposits, except helium gas, on the lands leased, together with the right to construct and maintain thereupon, all works, buildings, plants, waterways, roads, telegraph or telephone lines, pipelines, reservoirs, tanks, pumping stations, or other structures necessary to the full enjoyment thereof, for a period of 10 years, and so long thereafter as oil or gas is produced in paying quantities, subject to any agreement hereafter or hereinafter approved by the Secretary of the Interior, the provisions of said agreement to govern the lands subject thereto unless inconsistent with the terms of this lease.

(b) Inception.—To keep open at all reasonable times for the inspection of any duly authorized officer of the Department, the leased premises and all wells, improvements, machinery, and fixtures thereon and all books, accounts, maps and records, relative to operations and surveys or investigations on the leased lands or under the lease. All information obtained pursuant to any such inspection, upon the request of the lessee, shall not be open to inspection by the public until the expiration of the lease.

(a) Delivery of title.—To deliver up to the lessee in good order and condition the leased lands including all improvements which are necessary for the preservation of producing wells.

(a) Eminent domain.—The right to permit for itself or several persons or rights of way, including easements or interests in, through, or in the lands, lands, or interests in, or to be used as may be necessary or appropriate to the working of the lands or of other lands containing the deposits described in this lease, or to be used for any other purpose, shall be deemed to be reserved to the Government, its lessees or permittees, and its other public programs.

Lincoln County

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
Ploche Star Route
Ely, Nevada 89301

Address (include zip code)

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.

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.

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TITLE & CONTRACT DEPT.
P. O. BOX 122
CASPER, WYOMING 82402

Form 3109-5 (August 1973)

Lincoln County

Form 3112-1
April 1978

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

POSTAGE AND FEES PAID
U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
WASHINGTON, D.C. 20240

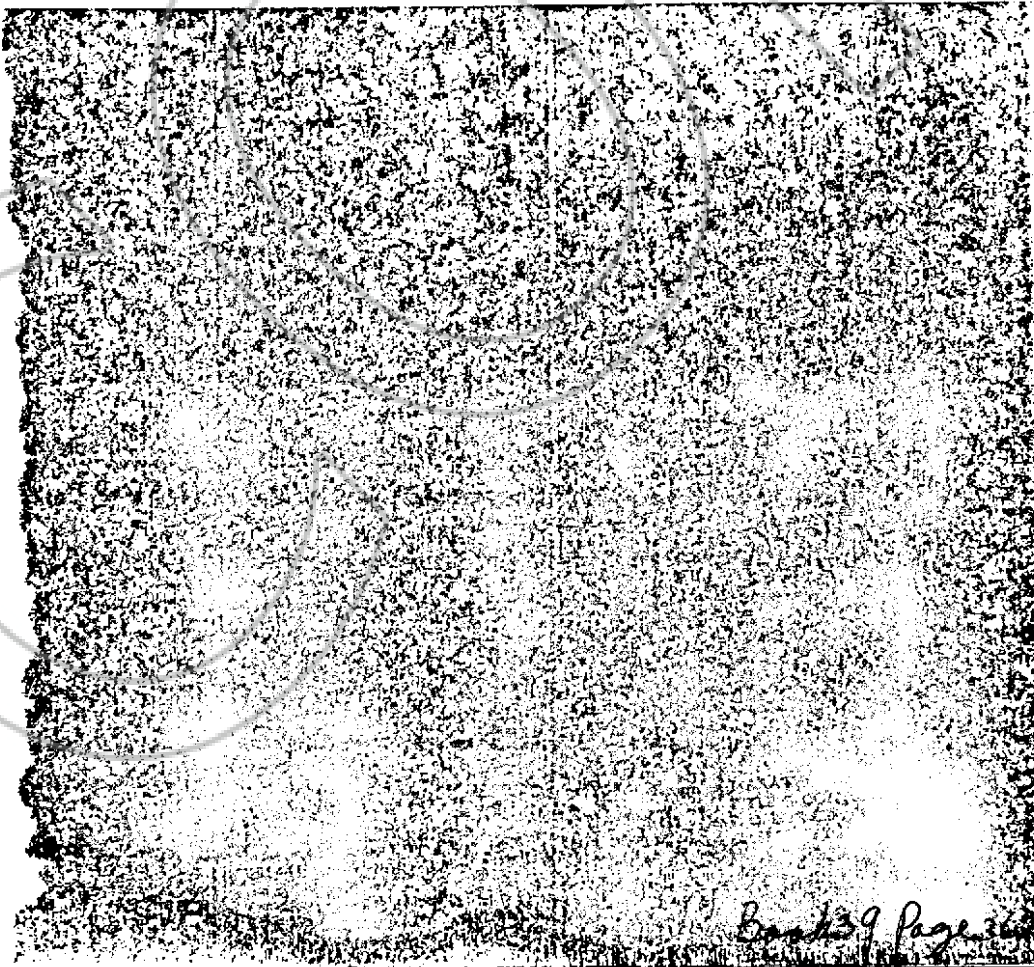


SIMULTANEOUS OIL AND GAS DRAWING ENTRY CARD

27330

<i>Print or type</i>			
Ellison	Joe	D	414-16-789
<small>Last name</small>	<small>First name</small>	<small>Middle initial</small>	
			<small>Social Security or Taxpayer Number</small>
P O Box 6314			
<small>Street Address</small>			
Incline Village	NV	89450	
<small>City</small>	<small>State</small>	<small>Zip code</small>	<small>Parcel Number NV 81 applied for</small>

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



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Lincoln County

NONCOMPETITIVE OFFER TO LEASE FOR OIL & GAS

Undersigned 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 by 43 CFR 3109.4-2 and the posted notice.

INSTRUCTIONS

This card must be 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 associations or corporations have been filed previously, identify serial record involved.

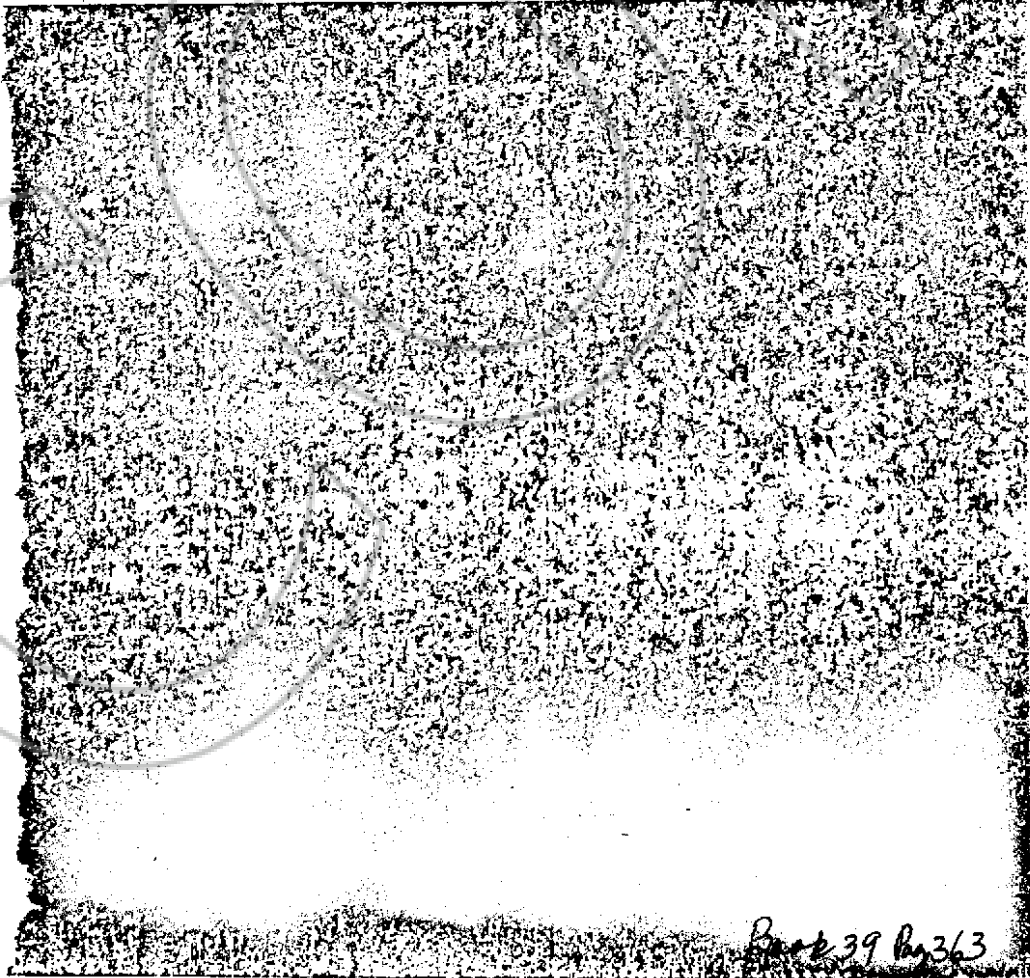
If you are successful in the drawing, you will be required to pay the first year's rental of \$1.00 per acre or fraction thereof prior to issuance of lease. No copies or facsimiles of this form will be accepted. Other parties in interest - All interested parties named below must furnish evidence of their qualifications to hold such lease interest. See 43 CFR 3102.7.

Signature of Applicant: *Joe D. Elton* Date: *NOV 20 1975*

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 any false, fictitious or fraudulent statements or claims as to any matter within its jurisdiction. IF YOU FILE MORE THAN ONE CARD FOR THE SAME PARCEL, YOU ARE AUTOMATICALLY DISQUALIFIED.

GPO 778-770



Block 39 Pg 363

Lincoln County

N:27330

MULE DEER SPECIAL STIPULATION

The following described lands have been identified as critical habitat for wintering herds of mule deer. Therefore, prior to entry onto the lands within the described area, the lessee (operator) will discuss the proposed activities jointly with the Area Oil and Gas Supervisor and the surface management agency's authorized officer who may require additional measures for the protection of mule deer. Such measures may include:

- a. Restriction of activity in identified areas during the winter months of November through March;
- b. No surface occupancy of selected sites;
- c. Special reclamation techniques.

Description of Lands

Signature James D. Elton

Date _____

RECEIVED

Dir of Land Management

10:00 A.M. DEC 06 1979

NEVADA STATE OFFICE
RENO, NEVADA

Return to: MARATHON OIL COMPANY,
TITLE & CONTRACT DEPT.,
P. O. BOX 125
CROOK, NEVADA 89401
39 of 364

N-2733

JAKE'S VALLEY ENVIRONMENTAL ANALYSIS RECORD
STIPULATION

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.

Jai D. Ellis
Signature

December 5 1979
Date

RECEIVED
Dir of Land Management

10:00
A. M. DEC 06 1979

Return to MARATHON OIL COMPANY
TITLE & CONTRACT DEPT.
P. O. BOX 120
CASPER, WYOMING 82402

NEVADA STATE OFFICE
RENO, NEVADA

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Lincoln County

1
N-27330

SPECIAL STIPULATIONS FOR OIL AND GAS LEASING WITHIN THE ELY DISTRICT

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. No drilling or storage facilities will be allowed within 500 feet of any pond, reservoir, canal, spring or stream. Other buffer zones and areas near water may be restricted to protect riparian habitat. This distance may be modified when specifically approved in writing by the District Engineer, U.S. Geological Survey with the concurrence of the Ely District Manager, B.L.M. Restricted surface occupancy may be required in other buffer zones to protect other resource values, including threatened or endangered flora and fauna.
2. To secure specific compliance with the stipulations under Sec. 2, paragraph (a) 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 archaeologist, 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.

3. The use of wide or balloon-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.
4. Springs and water developments on Federal lands may be used only with the prior written approval of the Authorized Officer.
5. The lease area may contain critical habitat for wild and free roaming horses and burros. Therefore, prior to entry onto the lands within the described Areas, the lessee (operator) will discuss the proposed activities jointly with the Area Oil and Gas Supervisor and the surface management agencies authorized officer who may require additional measures for the protection of the horses and burros. Such measures may include:
 - a. The fencing of mud pits on drill sites.
 - b. The protection of springs and water developments.
 - c. The rehabilitation of areas of surface disturbance to reestablish the vegetative cover.
6. To maintain esthetic values, all semi-permanent and permanent facilities will be painted or camouflaged to blend with the natural surroundings. The paint selection or method of camouflage will be subject to approval by the District Engineer, U.S. Geological Survey, with the concurrence of the District Manager, Bureau of Land Management.
7. In order to minimize watershed damage during muddy and/or wet periods, the District Manager, Bureau of Land Management, through the District Engineer, U.S. Geological Survey, may prohibit excavation, drilling, or other development. This limitation does not apply to maintenance and operations of producing wells.

10:00
A.M.

DEC 06 1970

John D. Elton
Signature

Return to: MARATHON OIL COMPANY
TITLE & CONTRACT DEPT.
P.O. BOX 120
LA TON, WYOMING 82402

NEVADA STATE OFFICE
BEND, NEVADA Date

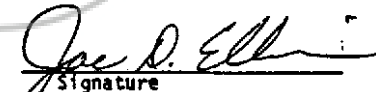
Lincoln County

N-27330

DEPARTMENT OF ENERGY
Special Stipulation

This lease is issued pursuant and subject, to the extent applicable, to the terms and provisions of Section 302 of the Department of Energy Organization Act (42 U.S.C. 7152) and to the regulations of the Secretary of Energy promulgated thereunder relating to the:

- (1) fostering of competition for Federal leases (including but not limited to, prohibition on bidding for development rights by certain types of joint ventures);
- (2) implementation of alternative bidding systems authorized for the award of Federal leases;
- (3) establishment of diligence requirements for operations conducted on Federal leases (including, but not limited to, procedures relating to the granting or ordering by the Secretary of the Interior of suspension of operations or production as they relate to such requirements);
- (4) setting rates of production for Federal leases; and
- (5) specifying the procedures, terms, and conditions for the acquisition and disposition of Federal royalty interests taken in kind.


Signature

Date

RECEIVED
Bureau of Land Management

DEC 06 1979

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TITLE & CONTRACT DEPT.
P. O. BOX 123
CANDLER, WYOMING 82402

NEVADA STATE OFFICE
RENO, NEVADA

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