

Form 3116-1
Eighth Edition
(March 1977)
(Formerly 3126-3)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Form approved
Budget Bureau No. 42-10000

Office _____

Serial No. NEVADA

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 26, 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.

Me-Horan-Freepool Oil Co.
Freepool Oil Company
(First Name, Middle Initial, Last Name)
P. O. Box 61922
(Number and Street)
New Orleans, Louisiana 70161
(City, State, ZIP Code)

1. Land requested: State Nevada County Lincoln Mount Diablo
T-7-N : R-69-E / Meridian

Section 21: ALL	As Described in Protraction Diagram No. 56	Section 32: ALL
Section 22: ALL		Section 33: ALL
Section 23: ALL		Section 34: ALL
Section 25: ALL		Section 35: ALL
Section 27: ALL		Section 36: ALL
Section 28: ALL		
Section 29: ALL		
Section 30: ALL		
Section 31: ALL		

2. Land included in lease: State _____ County _____ Total Area 8,949.00 Acres
T. _____ R. _____ Meridian _____

This lease embraces the land described in Item 2.

NOT IN A KNOWN GEOLOGIC STRUCTURE ON DATE OF USGS REPORT

(Offeror does not fill in this block) Total Area 8949.00 Acres Rental retained \$ 8949.00

4. Amount received: Filing fee \$10, Rental \$ 8,949.00, Total \$ 8,959.00
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 Delaware Corporation (See Corporate Qualification File No. W-56943 at the Bureau of Land Management Office in Cheyenne, Wyoming.)
(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 14th day of February, 1981
By: James H. Frizell
James H. Frizell, Sr. Vice President
(A Member of the)

This lease for the lands described in Item 2 above is hereby issued, subject to the provisions of the offer and on the reverse side hereof.

Subject to the attached stipulations
THE UNITED STATES OF AMERICA
By: William R. Kistner Acting
Chief, Branch of Lands & Minerals Operations (Signing officer) JUL 15 1981
(Title) (Date)

Effective date of lease AUG 01 1981
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. 1961 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. The 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 3103.2-1.

Lincoln County

LEASE TERMS

Section 1. Rights of lease. The lessee is granted the exclusive right and privilege to drill for, mine, produce and dispose of all the oil and gas...

Section 2. The lease term. This lease shall remain in full force and effect for a term of five (5) years...

Section 3. Operations. The lessee shall have the right to conduct operations on the leased premises...

Section 4. Royalty. The lessee shall pay to the lessor a royalty on all oil and gas produced...

Section 5. Insurance. The lessee shall maintain liability insurance for the operations on the leased premises...

Section 6. Assignment. The lessee shall have the right to assign or sublease the lease...

Section 7. Severability. If any provision of this lease is held to be unenforceable...

Section 8. Entire agreement. This lease constitutes the entire agreement between the parties...

Section 9. Force majeure. In the event of a force majeure event, the lease shall be suspended...

Section 10. Notices. All notices shall be in writing and delivered to the address specified...

Section 11. Governing law. This lease shall be governed by the laws of the State of North Dakota...

Section 12. Counterparts. This lease may be executed in counterparts...

Section 13. Assignment of benefits. The lessee shall assign the benefits of this lease to the lessor...

Section 14. Assignment of obligations. The lessee shall assign the obligations of this lease to the lessor...

Section 15. Assignment of interest. The lessee shall assign its interest in this lease to the lessor...

Section 16. Assignment of proceeds. The lessee shall assign the proceeds of this lease to the lessor...

Section 17. Assignment of rights. The lessee shall assign its rights in this lease to the lessor...

Section 18. Assignment of duties. The lessee shall assign its duties in this lease to the lessor...

Section 19. Assignment of liabilities. The lessee shall assign its liabilities in this lease to the lessor...

Section 20. Assignment of assets. The lessee shall assign its assets in this lease to the lessor...

Section 21. Assignment of income. The lessee shall assign its income in this lease to the lessor...

Section 22. Assignment of property. The lessee shall assign its property in this lease to the lessor...

Section 23. Assignment of interests. The lessee shall assign its interests in this lease to the lessor...

Section 24. Assignment of shares. The lessee shall assign its shares in this lease to the lessor...

Section 25. Assignment of debts. The lessee shall assign its debts in this lease to the lessor...

Section 26. Assignment of claims. The lessee shall assign its claims in this lease to the lessor...

Section 27. Assignment of contracts. The lessee shall assign its contracts in this lease to the lessor...

Section 28. Assignment of agreements. The lessee shall assign its agreements in this lease to the lessor...

Section 29. Assignment of obligations. The lessee shall assign its obligations in this lease to the lessor...

Section 30. Assignment of liabilities. The lessee shall assign its liabilities in this lease to the lessor...

Section 31. Assignment of assets. The lessee shall assign its assets in this lease to the lessor...

Section 32. Assignment of income. The lessee shall assign its income in this lease to the lessor...

Section 33. Assignment of property. The lessee shall assign its property in this lease to the lessor...

Section 34. Assignment of interests. The lessee shall assign its interests in this lease to the lessor...

Section 35. Assignment of duties. The lessee shall assign its duties in this lease to the lessor...

Section 36. Assignment of liabilities. The lessee shall assign its liabilities in this lease to the lessor...

Section 37. Assignment of assets. The lessee shall assign its assets in this lease to the lessor...

Section 38. Assignment of income. The lessee shall assign its income in this lease to the lessor...

Section 39. Assignment of property. The lessee shall assign its property in this lease to the lessor...

Section 40. Assignment of interests. The lessee shall assign its interests in this lease to the lessor...

Section 41. Assignment of shares. The lessee shall assign its shares in this lease to the lessor...

Section 42. Assignment of debts. The lessee shall assign its debts in this lease to the lessor...

Section 43. Assignment of claims. The lessee shall assign its claims in this lease to the lessor...

Section 44. Assignment of contracts. The lessee shall assign its contracts in this lease to the lessor...

Section 45. Assignment of agreements. The lessee shall assign its agreements in this lease to the lessor...

Section 46. Assignment of obligations. The lessee shall assign its obligations in this lease to the lessor...

Section 47. Assignment of liabilities. The lessee shall assign its liabilities in this lease to the lessor...

Section 48. Assignment of assets. The lessee shall assign its assets in this lease to the lessor...

Section 49. Assignment of income. The lessee shall assign its income in this lease to the lessor...

Section 50. Assignment of property. The lessee shall assign its property in this lease to the lessor...

Section 51. Assignment of interests. The lessee shall assign its interests in this lease to the lessor...

INSTRUCTIONS

Section 1. If a stamped check is returned to the payee, the payee shall be responsible for the return of the check...

Section 2. If a check is returned to the payee, the payee shall be responsible for the return of the check...

Section 3. If a check is returned to the payee, the payee shall be responsible for the return of the check...

Section 4. If a check is returned to the payee, the payee shall be responsible for the return of the check...

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Section 10. If a check is returned to the payee, the payee shall be responsible for the return of the check...

STATE OF LOUISIANA)
) ss
PARISH OF ORLEANS)



On MAY 12, 1983 personally appeared before me,
Notary public, James R. Frizell, who acknowledged that he executed the
above instrument as his free and voluntary act on behalf of Freeport Oil
Company whose name was changed by merger to McMoran-Freeport Oil Company.

Walton D. Sanchez
Notary Public

At Death
My commission expires:

No. 77893
FILED AND RECORDED AT REQUEST OF
McMoran F.P. Co.
MAY 25, 1983
AT 5 MINUTES PAST 2 O'CLOCK
P M IN BOOK 55 OF OFFICIAL
RECORDS, PAGE 265 LINCOLN
COUNTY, NEVADA.
Spencer D. Jones
COUNTY RECORDER