

Form 713-
Eleventh Edition
(March 1977)
(formerly 3128-3)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Form approved
Subject Bureau No. 42-2000

Office NEVADA

Serial No. 32716

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.

McMORAN-FREEMONT OIL CO.
Freemont Oil Company
(Five Names, Middle Initial, Last Name)

Please print the name and address of the owner of the lands of interest.

P. O. Box 61922

New Orleans, Louisiana 70161
(City, State, ZIP Code)

2. Land requested: State		County	Section	Meridian
Nevada	Lincoln	Mount Diablo	T-7-N : R-68-E : /	
Section 1:	ALL	Section 10:	ALL	As Described In
Section 2:	ALL	Section 11:	ALL	Protraction Diagram
Section 3:	ALL	Section 12:	ALL	No. 56
Section 4:	ALL			
Section 5:	ALL			
Section 6:	ALL			
Section 7:	ALL			
Section 8:	ALL			
Section 9:	ALL			

3. Land included in lease: State		County	Total Area	Acres
Nevada	Lincoln	7,673.00		

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 7673.00 Acres Rental retained \$ 7673.00

4. Amount received: Filing fee \$10, Rental \$ 7,673.00, Total \$ 7,683.00

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 240,000 chargeable acres in options, offers to lease and leases in the same State, or 300,000 chargeable acres in leases, offers to lease and leases 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 state-tracted surveys by appropriate subdivisions thereof, or all unsurveyed lands not covered by protracted surveys by section and bounds, and further states that there are no settlers on unsurveyed lands described herein.
- (e) Offeror is is XX 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 8 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

FREEMONT OIL COMPANY
By: James H. Frizell, Sr.
James H. Frizell, Sr. Vice President

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

Subject to the attached stipulations

THE UNITED STATES OF AMERICA
By: W. Allen Frizell Acting
Chief, Branch of Lease & Minerals Operations

Effective date of lease AUG 01 1981

JUL 15 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. 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 representations or to any matter within its jurisdiction.

This form may be reproduced provided that the copies are exact reproductions on one side of both sides of this official form, in accordance with the provisions of 43 CFR 1.104

Lincoln County

LEASE TERMS

Section 1. Right of lease. The lessee is granted the exclusive right and privilege to drill for, mine, produce, transport, and dispose of all the oil and gas... Section 2. Term of lease. This lease shall be in full force and effect for the term of 10 years... Section 3. Production. The lessee shall be deemed to be producing oil or gas if it drills a well... Section 4. Royalty. The lessee shall pay to the lessor a royalty of 25% of the net proceeds from the sale of oil or gas... Section 5. Maintenance. The lessee shall maintain the leased premises in good order and repair... Section 6. Insurance. The lessee shall maintain liability insurance... Section 7. Assignment. The lessee shall not assign or sublet this lease... Section 8. Force majeure. In the event of a force majeure, the lease shall be extended... Section 9. Severability. If any provision of this lease is held to be unenforceable, the remainder shall survive... Section 10. Entire agreement. This lease constitutes the entire agreement between the parties...

Section 11. Production. The lessee shall be deemed to be producing oil or gas if it drills a well... Section 12. Royalty. The lessee shall pay to the lessor a royalty of 25% of the net proceeds from the sale of oil or gas... Section 13. Maintenance. The lessee shall maintain the leased premises in good order and repair... Section 14. Insurance. The lessee shall maintain liability insurance... Section 15. Assignment. The lessee shall not assign or sublet this lease... Section 16. Force majeure. In the event of a force majeure, the lease shall be extended... Section 17. Severability. If any provision of this lease is held to be unenforceable, the remainder shall survive... Section 18. Entire agreement. This lease constitutes the entire agreement between the parties...

Section 19. Production. The lessee shall be deemed to be producing oil or gas if it drills a well... Section 20. Royalty. The lessee shall pay to the lessor a royalty of 25% of the net proceeds from the sale of oil or gas... Section 21. Maintenance. The lessee shall maintain the leased premises in good order and repair... Section 22. Insurance. The lessee shall maintain liability insurance... Section 23. Assignment. The lessee shall not assign or sublet this lease... Section 24. Force majeure. In the event of a force majeure, the lease shall be extended... Section 25. Severability. If any provision of this lease is held to be unenforceable, the remainder shall survive... Section 26. Entire agreement. This lease constitutes the entire agreement between the parties...

INSTRUCTIONS

1. This offer is made in accordance with the terms and conditions set forth in the prospectus... 2. The offer is made in accordance with the terms and conditions set forth in the prospectus... 3. The offer is made in accordance with the terms and conditions set forth in the prospectus...

4. The offer is made in accordance with the terms and conditions set forth in the prospectus... 5. The offer is made in accordance with the terms and conditions set forth in the prospectus... 6. The offer is made in accordance with the terms and conditions set forth in the prospectus...

7. The offer is made in accordance with the terms and conditions set forth in the prospectus... 8. The offer is made in accordance with the terms and conditions set forth in the prospectus... 9. The offer is made in accordance with the terms and conditions set forth in the prospectus...

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Lincoln County

STATE OF LOUISIANA)
) ss
PARISH OF ORLEANS)

On MAY 12, 1983 personally appeared before me,
a 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.

Walter D. Sanchez
Notary Public

At Death
My commission expires:



No. 77895
FILED AND RECORDED AT REQUEST OF
McMoran F.O. Co.
MAY 25, 1983
AT 5 MINUTES PAST 12 O'CLOCK
P M IN BOOK 55 OF OFFICIAL
RECORDS, PAGE 271 LINCOLN
COUNTY, NEVADA.
Spencer Delaney
COUNTY RECORDER