

FILM 801

See Exhibit "A" attached hereto

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In addition to the land above described, Lessor hereby grants, leases and lets exclusively unto Lessee to the same extent as is specifically described herein all of its interest in the oil, gas and associated liquid hydrocarbons underlying lakes, rivers, streams, roads, easements, and rights-of-way which traverse or adjoin any of said lands. For rental payment purposes, the land included within this lease shall be deemed to contain 2.844.08 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall be for a term of 5 years, commencing on the day of the date hereof, and shall terminate on the day of the date hereof, unless extended by the parties hereto.

2. Subject to the other provisions herein contained, this lease shall be for a term of 5 years from its date (called "primary term") and as long thereafter as oil, gas or associated liquid hydrocarbons or any of them are produced from said land hereunder, or drilling or reworking operations are conducted thereon.

3. Lessee, within three months from the date of this lease, shall commence the actual drilling of a test well on the leased premises; and thereafter shall prosecute the drilling of said well diligently, without unnecessary delay and in a workmanlike manner. If the actual drilling of a test well is not commenced within the time prescribed, this lease will automatically terminate.

4. The royalties to be paid by Lessee to the lessor shall be determined within this lease shall be deemed to contain 5,844.08 acres, whether it actually com-

4. The royalties to be paid by Lessee are: (a) on oil and on associated liquid hydrocarbons, 15% of that produced and saved from said land, the same to be delivered free of cost at the wells, or to the credit of Lessor into the pipe line to which the wells may be connected; (b) on gas produced from said land and sold or used off the premises or in the manufacture of gasoline or other products therefrom, the market value at the well of 15% of the gas so sold or used; provided that on gas sold at the wells the royalty shall be 15% of the amount realized from such sale. Lessee shall have free use of oil, gas and water from said land, except water from Lessor's wells, for all operations hereunder, and the royalty on oil and gas shall be computed on the basis of the oil and gas actually sold or used, and in the manner herein provided. If the actual drilling of said well is not commenced within the time specified in the lease, the lease will automatically terminate.

while there is a well on the leased premises or on acreage pooled therewith capable of producing only gas, but from which well production is not being sold or used, and in the absence of oil or other production from said premises, this lease shall be extended for a period of 90 days from the date such well is shut-in, and Lessee may tender or pay annually as royalty a sum equal to the amount of annual rentals which would be payable during the primary term to defer drilling operations on the leased premises then subject to this lease; payment or tender of such royalty to be made as provided in Section 5 hereof, with the first payment to be made on or before 90 days from and after the date on which such well is shut-in, and a similar payment to be made annually thereafter before the anniversary date on which such well is shut-in. If such payments are so made, it shall have the effect of extending the term of the lease from the leased premises under all the terms and provisions of this lease.

If any portion of the leased premises is included in a pooled unit, the amount of the shut-in royalty applicable to the Lessor's interest therein shall be reduced in the proportion that the amount of Lessor's net mineral acre included in any such pooled unit upon which such gas well is situated bears to the total acreage contained in such pooled unit as provided in Section 7 hereof.

Lessee shall use reasonable diligence to market gas capable of being produced in paying quantities from the leased premises. If the leased premises are not capable of being marketed in paying quantities, Lessee shall nevertheless use reasonable diligence to market same under terms, conditions or circumstances which in Lessee's judgment will result in the leased premises being marketed in paying quantities as soon as possible.

Lessee may terminate this lease at any time if the leased premises are not capable of being marketed in paying quantities from the leased premises under all the terms and provisions of this lease.

If such payments are so made, it shall be considered that gas is being produced in paying quantities provided in Section 5 hereof, with the first payment being made annually thereafter on or after the anniversary date of the shut-in.

Lessor may from time to time purchase any royalty portion of oil or associated liquid hydrocarbons in its possession, paying the market price therefor revolving in the field where produced on the date of purchase; provided, however, that if Lessor shall so elect, Lessee shall deliver to Lessor in kind its royalty share of oil and associated liquid hydrocarbons. In the event of such election, Lessor shall give to Lessee not less than 60 days' notice of its election and shall make said royalty share in kind for a period of not less than six (6) months following the termination of said sixty (60) day notice of its election and shall be made from the facilities of Lessee, which shall have been installed for its own convenience at

Lessor's good faith judgment, are unreasonable or unsatisfactory.

5. If the well provided for in Section 3 hereof is drilled and completed as a dry hole and if operations for drilling are not commenced on said land as hereinafter provided on or before one year from this date, the lease shall then terminate as to both parties, unless on or before such anniversary date Lessee shall re-renter to Lessor, at P. O. Box 562, Enid, Oklahoma 73701, the sum of Fifty Eight Hundred Forty Four and 08/100 (herein called rental), which shall cover the privilege of defending and defending the title to the land for a period of twelve (12) months from the date of termination of the lease.

twelve (12) months each during the primary term. The payment or tender of rental herein referred to may be made in currency, draft or check at the option of Lessee; and the depositing of such currency, draft, or check in any post office, properly addressed to the Lessor, on or before the rental paying date, shall constitute payment as herein provided. Lessee may at any time execute and place of record a release or releases covering any portion or portions of the above described premises, furnishing a copy thereof to Lessor, and thereby surrender this lease as to such portion or portions and be relieved of the obligation to pay rentals thereon. If Lessee shall surrender, prepay, or otherwise terminate this lease as to all or part of the above described premises, the rentals payable hereunder shall be reduced in the proportion that the area so surrendered bears to the total area covered by this lease.

6. Should any well drilled on the premises hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or If Lessee shall, on or before any rental date, make a bona fide attempt to pay rental to Lessor and if such payment shall be in an incorrect amount, Lessee shall be unconditionally obligated to pay to Lessor the rental properly payable for the rental period involved, but this lease shall be maintained in the same manner as if such erroneous rental payment had been properly made, provided that the erroneous rental payment be corrected within thirty (30) days receipt by Lessee of written notice from such Lessor of such error accompanied by any documents and other evidence.

6. Should any well drilled on the above described land during the primary term before production is obtained be a dry hole, or should production be obtained during the primary term and thereafter cease, then and in either event, if operations for drilling an additional well are not commenced or operations for reworking an old well are not pursued on said land on or before the first rental paying date next succeeding the cessation of production or drilling or reworking on said well or wells, then this lease shall terminate unless Lessee, on or before said date, shall resume the payment of rentals or drilling or reworking on or within one year of the primary term and prior to the discovery of oil, gas or associated hydrocarbons. Upon resumption of operations, the rental payment be corrected within thirty (30) days after the date of resumption of operations, accompanied by any documents and other evidence necessary to enable Lessee to make proper corrections.

The discovery of oil, gas or associated liquid hydrocarbons shall resume the payment of rentals on production or drilling or reworking on year of said term from any cause, no rental payments before or during the last year of the primary term the production thereof should cease during the time in force as long as such drilling or working operations are necessary in order to keep the lease in force during the remainder of the primary term nevertheless shall continue in force if drilling or reworking operations are commenced within sixty (60) days, this lease shall continue in force if, after the expiration of the primary term, production on this well or on other wells on the same land is discovered as a result of operations conducted on this well or on other wells on the same land.

7. Lessee, at its option, is hereby given the right and power to pool or combine the land covered by this lease, or any portion thereof, as to oil and gas, with any other land, lease or leases when in Lessee's judgment it is necessary or advisable to do so in any of the following circumstances: (a) if additional production is discovered or reworking operations are commenced within sixty (60) days after such cessation of production; if additional production is discovered or reworking operations are commenced within sixty (60) days after such cessation of production; if production on this lease shall cease, this lease shall continue as long thereafter as oil, gas or associated liquid hydrocarbons are produced and as long as additional drilling or reworking operations are had without cessation of such drilling or reworking operations for more than sixty (60) consecutive days.

[illegible][illegible]

ent exceed the acreage content hereinabove specified. In the event an existing unit is so enlarged, Lessee shall execute and place of record a supplemental declaration of unitization identifying and describing the land added to the existing unit; provided, that if such supplemental declaration of unitization is not filed until the first day of the calendar month next following the filing thereof. In the absence of production Lessee may terminate any unit which contains less than the maximum number of acres hereinabove specified, then Lessee may at any time enlarge such unit by adding additional acreage thereto, but the enlarged unit shall in no event exceed the acreage content hereinabove specified. The unit bears to the total acreage so pooled in the particular unit the same ratio as the acreage content hereinabove specified. In the event an existing unit is so enlarged, Lessee shall execute and place of record a supplemental declaration of unitization identifying and describing the land added to the existing unit; provided, that if such supplemental declaration of unitization is not filed until the first day of the calendar month next following the filing thereof. In the absence of production Lessee may terminate any unit which contains less than the maximum number of acres hereinabove specified, then Lessee may at any time enlarge such unit by adding additional acreage thereto, but the enlarged unit shall in no event exceed the acreage content hereinabove specified. The unit bears to the total acreage so pooled in the particular unit the same ratio as the acreage content hereinabove specified.

8. Lessee shall have the right at any time without Lessor's consent to surrender all or any portion of the leased premises and be relieved of all obligations hereunder, but no change or division in ownership of the land, rental, in whole or in part, and the provisions of all records.

of Lessee. No change in the ownership of the land, rentals, or royalties, however accomplished, shall extend to the successors and assigns of the Lessee. All rights to draw and remove all casing one year after the expiration of the term of this lease, shall be binding on Lessee until Lessee shall be furnished with a certified copy of all recorded instruments, all court proceedings and all other necessary evidence of any transfer, inheritance, or sale of said rights. In event of the assignment of this lease, the assignee shall be bound by the terms and conditions hereof.

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ment of this lease as to a segregated portion of said land, and the rentals payable hereunder shall be apportioned among the several leasehold owners ratably according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. In case Lessee assigns this lease, in whole or in part, Lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

10. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation, or if prevented by an act of God, of the public enemy, labor disputes, inability to obtain material, failure of transportation, or other cause beyond the control of Lessee other than financial.

11. If, during the term of this lease, oil or gas or associated liquid hydrocarbons are discovered upon the leased premises, but Lessee is prevented from producing the same by reason of any of the causes set out in this Section, this lease shall nevertheless be considered as producing and shall continue in full force and effect until Lessee is permitted to produce the oil, gas or associated liquid hydrocarbons, and as long thereafter as such production continues in paying quantities or drilling or reworking operations are continued as elsewhere here provided.

12. Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. If Lessor owns an interest in said land less than the entire fee simple estate in and to oil, gas and associated liquid hydrocarbons, then the royalties and rentals to be paid Lessor shall be reduced proportionately.

13. This lease does not cover oil shale.

14. The rights granted under this lease are granted without covenants of title or to give possession or for quiet enjoyment.

15. Lessee recognizes that among the exceptions and reservations set forth in the deeds referred in Section 1 of this Oil and Gas Lease are the rights of Lessor's predecessors in interest to use such portions of the leased premises as may not be required for the proper conduct of oil and gas operations for all purposes not inconsistent with such operations. Lessee shall so conduct its operations as not to interfere unreasonably with such use; provided, nevertheless, that such other use of the leased premises shall not unreasonably interfere with the operations of the Lessee.

16. Without the prior written consent of the owner thereof, Lessee shall not make any entry upon or under any portion of any railroad right-of-way or station grounds for any of the purposes of this lease, and shall not drill any well or maintain any structures within two hundred feet (200') (a) of any railroad tracks or buildings on such right-of-way or station grounds, or (b) of any buildings upon the leased premises.

17. Notwithstanding anything to the contrary in this lease contained, no well shall be drilled upon or into and no facilities shall be installed upon any lands in which Lessor owns the mineral rights only, until the consents of the surface owners have been obtained under written instruments satisfactory to Lessor. Lessor shall endeavor to obtain such consents and the Lessee agrees to cooperate. Any payments which the Lessor elects to pay to the surface owners shall be paid to Lessor out of its royalty.

18. Lessee shall pay for all damage to surface owners' lands, buildings and growing crops caused by construction, operations or maintenance of facilities, shall bury all pipe lines below plow depth where they cross cultivated lands, shall construct gates where necessary for crossing fenced lands and keep the gates in repair and closed, and shall indemnify Lessor with respect to such obligations.

19. Lessee agrees to hold Lessor harmless from and to indemnify it against any and all claims, demands, actions and causes of action for injury to or loss or destruction of property, and for injury to or death of any person, arising out of or in connection with operations hereunder.

20. Lessee shall not permit or suffer any lien or other encumbrance to be filed or to remain against the leased premises as a result of its operations hereunder, and Lessee agrees to hold Lessor harmless from and to indemnify it against any and all claims, demands, actions and causes of action which may result from the filing of any such lien or encumbrance.

All of the provisions of this lease shall inure to the benefit of and be binding upon the parties hereto, their successors and assigns.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

CHAMPLIN PETROLEUM COMPANY

By J. A. Redeker
Its Attorney in Fact

STATE OF Colorado
COUNTY OF Arapahoe } ss.

NOTARY
Colorado-Wyoming
Acknowledgment

The foregoing instrument was acknowledged before me by J. A. Redeker
as Attorney in Fact for CHAMPLIN PETROLEUM COMPANY, this 23rd day of October
1972.

WITNESS my hand and official seal.

Shirley Ann Holt
Notary Public

My Commission expires My Commission expires Feb. 12, 1974

STATE OF _____
COUNTY OF _____ } ss.

Utah-Nebraska
Acknowledgment

On the _____ day of _____, 19____, personally appeared before me, a Notary Public in and for said County, _____, personally known to me, who, being by me duly sworn did say that he is the Attorney in Fact of CHAMPLIN PETROLEUM COMPANY and that said instrument was signed as his voluntary act as Attorney in Fact for and in behalf of said corporation by authority and said _____ acknowledged to me that he, as such Attorney in Fact, executed the same.

WITNESS my hand and notarial seal the date last aforesaid.

Notary Public

My Commission expires _____

No. _____		OIL AND GAS LEASE		FROM CHAMPLIN PETROLEUM COMPANY TO AMOCO PRODUCTION COMPANY		Dated _____, 19____		Section _____ Township _____ Range _____		No. of Acres _____		County, _____		STATE OF _____		COUNTY OF _____		This instrument was filed for record on the _____ day of _____, 19____ at _____ o'clock _____ M., and duly recorded in book _____, page _____ of the records of this office.		By _____		When Recorded Return to _____	
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EXHIBIT "A"

FILM 801

Lease No. 600085

Weld County, ColoradoTownship 1 North, Range 68 West

- Section 4: Lot 2 (78.16), $S\frac{1}{2}NW\frac{1}{4}$, $S\frac{1}{2}$
 Section 5: Lot 2 (82.75), $S\frac{1}{2}NW\frac{1}{4}$, $SW\frac{1}{4}$, $SW\frac{1}{4}SE\frac{1}{4}$
 Section 7: $E\frac{1}{2}SW\frac{1}{4}$, $SW\frac{1}{4}SE\frac{1}{4}$
 Section 8: $NW\frac{1}{4}$, $SW\frac{1}{4}NE\frac{1}{4}$, $SE\frac{1}{4}$
 Section 9: $NW\frac{1}{4}$, $S\frac{1}{2}$
 Section 17: $NW\frac{1}{4}$, $S\frac{1}{2}$
 Section 18: $E\frac{1}{2}W\frac{1}{2}$, $SW\frac{1}{4}NE\frac{1}{4}$, $SE\frac{1}{4}$
 Section 19: Lot 1 (76.96), $E\frac{1}{2}W\frac{1}{2}$, $W\frac{1}{2}SW\frac{1}{4}NE\frac{1}{4}$, $SE\frac{1}{4}$
 Section 20: $NW\frac{1}{4}SW\frac{1}{4}$, $S\frac{1}{2}NE\frac{1}{4}SW\frac{1}{4}$
 Section 21: $NW\frac{1}{4}$, $S\frac{1}{2}$ (except approx. 7.10 ac. ROW to Community Ditch and Reservoir Co.)
 Section 31: $W\frac{1}{2}SE\frac{1}{4}SE\frac{1}{4}$, $SE\frac{1}{4}SE\frac{1}{4}SE\frac{1}{4}$
 Section 33: $NW\frac{1}{4}$, $S\frac{1}{2}$ (except approx. 8.60 ac ROW to Community Ditch and Reservoir Co.)

Township 2 North, Range 68 West

- Section 29: $SW\frac{1}{4}NE\frac{1}{4}SW\frac{1}{4}$, $S\frac{1}{2}SW\frac{1}{4}$
 Section 33: $W\frac{1}{2}NE\frac{1}{4}$, $SE\frac{1}{4}$

Boulder County, ColoradoTownship 1 North, Range 69 West

- Section 5: Lot 2 (77.61), $S\frac{1}{2}NW\frac{1}{4}$, $S\frac{1}{2}$
 Section 7: Lot 1 (79.30), $E\frac{1}{2}NW\frac{1}{4}$, $S\frac{1}{2}NE\frac{1}{4}$
 Section 13: $W\frac{1}{2}SE\frac{1}{4}$, $W\frac{1}{2}SW\frac{1}{4}NE\frac{1}{4}SE\frac{1}{4}$, $SE\frac{1}{4}SE\frac{1}{4}$ less southeasterly 20 acres
 Section 25: $W\frac{1}{2}NW\frac{1}{4}$, $SW\frac{1}{4}$

Township 1 North, Range 70 West

- Section 1: $SW\frac{1}{4}NE\frac{1}{4}$, $S\frac{1}{2}$

Containing 5,844.08 acres, more or less

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1602713

COUNTY OF BOULDER
STATE OF COLORADO
FILED IN MY OFFICE ON

Dec 27 8 56 AM '72

FILED # 801

RECORDED AND

INDEXED

STATE OF COLORADO }
COUNTY OF WELD }

I HEREBY CERTIFY THAT THIS INSTRUMENT
WAS FILED FOR RECORD IN MY OFFICE AT

24 Dec 30 1972

AND IS IN FULL PAYMENT OF DEBT NO. 681

PAGE

Amos J. Jones

RECORDER

DEPUTY

Richard C. Fulton

Unesco Production Company

Attn: D. E. Jones

Security Dept. Bldg

Denver 80202

6.00