

This form must not be filed
after August 31, 1952.
BUREAU OF LAND MGMT.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Form approved.
Budget Bureau No. 42-R000.1.

Office Denver, Colorado
Serial No. _____
Receipt No. 05173

OFFER TO LEASE AND LEASE FOR OIL AND GAS
(Sec. 17 Noncompetitive 5-Year Public Domain Lease)

THIS OFFER WILL 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. (SEE ITEM 9 OF GENERAL INSTRUCTIONS)

~~RECEIVED~~ COLORADO

(Fill in on a typewriter or print plainly in ink and sign in ink)

1. ~~Mrs.~~ Genevieve Juhan

ORIGINAL

P. O. Address 415 Symes Building, Denver 2, Colorado

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 25, 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.

2. Land requested

Colorado Garfield
(State) (County)

T. 7 S. R. 95 W. 6th Principal Meridian

Sec. 1, Lots 3, 4, SW $\frac{1}{4}$ NW $\frac{1}{4}$
Sec. 2, S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$
Sec. 12, SW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, S $\frac{1}{2}$
Sec. 13, N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$
Sec. 14, N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$
Sec. 23, Lots 1 to 9 incl. 11, 12, 13, 14, 16
Sec. 24, Lots 4, 5, 18, 19
Sec. 25, Lots 4, 13, ~~14~~

Total Area 2525.36 Acres

3. Land included in lease

(Not to be filled in by Offeror)

Colorado Garfield
(State) (County)

T. 7 S. R. 95 W. 6th Principal Meridian

Sec. 1: Lots 3, 4, SW $\frac{1}{4}$ NW $\frac{1}{4}$
Sec. 2: S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$
Sec. 12: SW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, S $\frac{1}{2}$
Sec. 13: N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$
Sec. 14: NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$
Sec. 23: Lots 1, 2, 3, 5, 6, 7, 8, 9, 11, 12, 13, 14, 16
Sec. 24: Lots 4, 5, 18, 19
Sec. 25: 4, 13. (Lots)

Total Area 2365.43 Acres

Rental retained \$ 1183.00

4. Amount remitted: Filing fee \$10, Rental \$ 1280.00, Total \$ 1290.00

5. Undersigned certifies as follows:

(a) Offeror is a citizen of the United States. Native born Yes. Naturalized _____ Corporation or other legal entity (specify what kind): _____

(b) Offeror's other interests direct and indirect in oil and gas leases and applications or offers therefor in the same State do not exceed 15,360 chargeable acres. (c) Offeror accepts as a part of this lease, to the extent applicable, the Reclamation, and Forest stipulations provided for in 43 CFR 191.6. (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 and unsurveyed lands by metes and bounds, and further states that there are no settlers on unsurveyed lands described herein.

6. 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 at the time the offer is filed.

7. It is hereby certified that the statements made herein are true, complete and correct to the best of offeror's knowledge and belief, and are made in good faith.

This form is submitted in lieu of official Form 4-1158, second edition, and contains all of the provisions thereof as of the date of filing of this offer.

IN WITNESS WHEREOF, Offeror has duly executed this instrument this 6th day of Aug 1952

WITNESSES

Harold M. Quist
(Name and address)
415 Symes Bldg.
(Name and address)

Genevieve Juhan
(Lessee signature)
(Lessee signature)
(Attorney-in-fact)

A lease for the lands described in item 3 above is hereby issued, subject to the provisions of the offer and on the reverse side hereof.

THE UNITED STATES OF AMERICA

By Harold M. Quist
(Signature)
MANAGER, COLORADO LAND & SURVEY OFFICE
(Title)

Effective date of lease JAN 1 1953

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 as to any matter within its jurisdiction.

This 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 192.42 (a).
16-03087-3

LEASE TERMS

SECTION 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 and helium gas on the leased lands, 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 5 years, and so long thereafter as oil or gas is produced in paying quantities; subject to any agreement hereunder or hereafter approved by the Secretary of the Interior, the provisions of said agreement to govern the lands subject thereto where inconsistent with the terms of this lease.

Sec. 2. The lessee agrees:
(a) **Bonds.**—(1) To file any bond required by this lease and the current regulations and until such bond is filed not to enter on the land under this lease. (2) To maintain any bond furnished by the lessee as a condition for the issuance of this lease. (3) To furnish a bond in a sum double the amount of \$1 per acre annual rental, but not less than \$1,000 nor more than \$5,000, upon the inclusion of any part of the leased land within the known geologic structure of a producing oil or gas field. (4) To furnish prior to beginning of drilling operations and maintain at all times thereafter as required by the lessor a bond in the penal sum of \$5,000 with approved corporate surety, or with deposit of United States bonds as surety therefor, conditioned upon compliance with the terms of this lease, unless a bond in that amount is already being maintained or unless such a bond furnished by an operator of the leased land. (5) Until a bond is furnished by the lessee to furnish and maintain a bond in the penal sum of not less than \$1,000 in those cases in which a bond is required by law for the protection of the owners of surface rights. (6) In all other cases where a bond is not otherwise required, to furnish not less than 90 days before the due date of the next unpaid annual rental, a \$1,000 bond conditioned on the lessee's compliance with the lease obligations, but this requirement may be successively dispensed with by payment of each successive annual rental not less than 90 days prior to its due date. In lieu of any of the bonds described herein, the lessee may file such other bond as the regulations may permit.

(b) **Cooperative or unit plan.**—Within 30 days of demand, or, if the leased land is to be an approved cooperative or unit plan, within 30 days of demand made thereafter, to subscribe to and to operate under such reasonable cooperative or unit plan for the development and operation of the area, field, pool, or part thereof, embracing the leased land, as the Secretary of the Interior may then determine to be practicable and necessary or advisable, which plan shall adequately protect the rights of all parties in interest, including the United States.

(c) **Wells.**—(1) To drill and produce all wells necessary to protect the leased land from drainage by wells on lands not the property of the lessor, or of the United States, and to pay the royalty rate, or as to which the royalties and rentals are paid into different funds than those of this lease; or in lieu of any part of such drilling and production, with the consent of the Director of the Geological Survey, to compensate the lessor in full each month for the estimated loss of royalty through drainage in amount determined by said Director. (2) At the election of the lessee, to drill and produce other wells in conformity with any system of well spacing or production allotments affecting the field or area in which the leased lands are situated, which is authorized and sanctioned by applicable law or by the Secretary of the Interior; and (3) promptly after due notice in writing to drill and produce such other wells as the Secretary of the Interior may reasonably require in order that the leased premises may be properly and timely developed and produced in accordance with good operating practice.

(d) **Rentals and royalties.**—(1) To pay rentals and royalties in amount or value of production removed or sold from the leased lands as follows:

Rentals.—To pay the lessor in advance an annual rental at the following rates:

- If the lands are wholly outside the known geologic structure of a producing oil or gas field:
- For the first lease year, a rental of 50 cents per acre or fraction thereof.
- For the second and third lease years, no rental.
- For the fourth and fifth lease years, 25 cents per acre or fraction thereof.
- For the sixth and each succeeding year, 50 cents per acre or fraction thereof, or if the lands are in Alaska, 25 cents per acre or fraction thereof.

(b) If the lands are wholly or partly within the known geologic structure of a producing oil or gas field:

- Beginning with the first lease year after 30 days' notice in writing to drill and produce such other wells as the Secretary of the Interior may reasonably require in order that the leased premises may be properly and timely developed and produced in accordance with good operating practice.
- If this lease is committed to an approved cooperative or unit plan, the rental shall be determined by the provisions of production, the rental prescribed for the respective lease years in subparagraph (a) of this section, shall apply to the acreage not within a participating area, except that the rental for the second and the third lease years in such acreage shall be 25 cents per acre or fraction thereof.

Minimum royalty.—Commencing with the lease year beginning on or after a discovery on the leased land, to pay the lessor in lieu of rental, a minimum royalty of \$1 per acre or fraction thereof at the expiration of each lease year, the difference between the actual royalty received during the year if less than \$1 per acre, and the prescribed minimum royalty of \$1 per acre, provided that if this lease is unitized, the minimum royalty shall be payable only on the participating acreage and rental shall be payable on the nonparticipating acreage as provided in subparagraph (b)(ii) above.

Royalty on production.—To pay the lessor 12½ percent royalty on the production removed or sold from the leased lands computed in accordance with the Oil and Gas Operating Regulations (30 CFR Pt. 221). Provided, however, that if this lease covers lands in Alaska and the leased drills and makes the first discovery of oil or gas in commercial quantities in any geologic structure, the royalty on all production hereafter shall be 5 percent for 10 years following the date of such discovery, and thereafter the royalty rate shall be 12½ percent. If this lease is committed to an approved unit or cooperative plan (under which such a discovery is made), the 5-percent rate for 10 years following such discovery shall, for the purpose of computing royalty due the United States, inure to the benefit of all the land to which an allocation is made under such plan.

(2) It is expressly agreed that the Secretary of the Interior may establish reasonable minimum values for purposes of computing royalty on any or all oil, gas, natural gasoline, and other products obtained from gas, due consideration being given to the highest price paid for a part or for a majority of production of like quality in the same field, to the price received by the lessee, to posted prices, and to other relevant matters, and, whenever appropriate, after notice and opportunity to be heard.

(3) When paid in value, such royalties on production shall be due

and payable monthly on the last day of the calendar month next following the calendar month in which produced. When paid in amount of production, such royalty products shall be delivered in merchantable condition on the premises where produced without cost to lessor, unless otherwise agreed to by the parties hereto, at such times and in such tanks provided by the lessee as reasonably may be required by the lessor, but in no case shall the lessee be required to hold such royalty oil or other products in storage beyond the last day of the calendar month of production, and the lessee shall be held liable for the loss or destruction of royalty oil or other products in storage from causes over which he has no control.

(4) Rentals or minimum royalties may be waived, suspended or reduced and royalties on the entire leasehold or any portion thereof segregated for royalty purposes may be reduced if the Secretary of the Interior finds that, for the purpose of securing the greatest ultimate recovery of oil or gas and in the interest of conservation of natural resources, it is necessary, in his judgment, to do so in order to promote development, or because the lease cannot be successfully operated under the terms fixed herein.

(e) **Payments.**—Unless otherwise directed by the Secretary of the Interior, to make rental, royalty, or other payments to the lessor, to the order of the Treasurer of the United States, such payments to be tendered to the manager of the land office in the district in which the lands are located or to the Director of the Bureau of Land Management if there is no land office in the State in which the lands are located. (f) **Contract for production.**—To file with the Oil and Gas Supervisor of the Geological Survey not later than 30 days after the effective date thereof any contract, or evidence of other arrangement, for the sale or disposal of oil, gas, natural gasoline, and other products of the leased land; *Provided*, That nothing in any such contract or other arrangement shall be construed as modifying any of the provisions of this lease, and that, in no case, to provide for the sale of gas, water, taking royalty in kind, and the method of computing royalties due as based on a minimum valuation and in accordance with the Oil and Gas Operating Regulations.

(g) **Statements, plans and reports.**—At such times and in such form as the lessor may prescribe, to furnish detailed statements showing the production of oil, gas, natural gasoline, and other products of the leased land, the proceeds therefrom, and the amount used for production purposes or unavoidably lost; a plat showing development work and improvements on the leased lands; and a report with respect to stockholders, investments, depreciation and costs.

(h) **Well records.**—To keep accurate drilling record, a log, and complete information of all well surveys and tests in form acceptable to or prescribed by the lessor of all wells drilled on the leased lands, and an acceptable record of all subsurface investigations affecting said lands, and to furnish them, or copies thereof, to the lessor when required. All information obtained under this paragraph, upon the request of the lessor, shall not be open to inspection by the public until the expiration of the lease.

(i) **Inspection.**—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 on the leased lands, and to permit the lessor to obtain 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.

(j) **Diligence, prevention of waste, health and safety of workmen.**—To exercise reasonable diligence in drilling and producing the wells herein provided for unless consent to suspend operations temporarily is granted by the lessor; to carry on all operations in accordance with approved methods and practice as provided in the Oil and Gas Operating Regulations, having due regard for the prevention of waste of oil or gas or damage to deposits or formations containing oil, gas, or water or to coal measures or other mineral deposits, for conservation of gas energy, for the preservation and conservation of the property for future productive operations, and for the health and safety of workmen and employees; to plug properly and effectively all wells drilled in accordance with the provisions of this lease or of any prior lease or permit upon which the right to this lease was predicated before abandoning the same; to carry out at expense of the lessee all reasonable orders of the lessor relative to the matters in this paragraph, and that on failure of the lessee so to do the lessor shall have the right to enter on the property and to accomplish the purpose of such orders at the lessee's cost; *Provided*, That the lessee shall not be held responsible for delays or casualties occasioned by causes beyond lessee's control.

(k) **Assignment and assignment of lease.**—When due, all taxes, ad valorem assessments and levies under the laws of the State or of the United States upon improvements, oil and gas produced from the lands hereunder, or other rights, property, or assets of the lessee; to accord all workmen and employees complete freedom of purchase, and to pay all wages due workmen and employees at least twice each month in the lawful money of the United States.

(l) **Non-discrimination.**—Not to discriminate against any employee or applicant for employment because of race, creed, color, or national origin, and to require an identical provision to be included in all subcontracts.

(m) **Assignment of oil and gas lease or interest therein.**—As required by applicable law, to file for approval within 90 days from the date of final execution any instrument of transfer made of this lease, or any interest therein, including assignments of record title, working or royalty interests, operating agreements and subleases, such instrument to take effect upon the final approval by the Director, Bureau of Land Management, of the first day of the lease month following the date of filing in the proper land office.

(n) **Pipelines to purchase or convey at reasonable rates and without discrimination.**—If owner, or operator, or owner of a controlling interest in any pipeline or of any company operating the same which may be operated accessible to the oil or gas derived from lands under this lease, to accept and, if a purchaser of such products, to purchase at reasonable rates and without discrimination the oil or gas of the Government or of any citizen or company not the owner of any pipeline, operating a lease or purchasing or selling oil, gas, natural gasoline, or other products under the provisions of the act, or under the provisions of the act of August 7, 1947 (61 Stat. 913, 30 U. S. C. sec. 351).

(o) **Lands patented with oil and gas deposits reserved to the United States.**—To comply with all statutory requirements and regulations thereunder, if the lands embraced herein have been, or shall hereafter be disposed of under the laws reserving to the United States the deposits of oil and gas thereon, subject to such conditions as may hereafter be provided by the laws reserving such oil or gas.

(p) **Reserved or segregated lands.**—If any of the land included in this lease is embraced in a reservation or segregated for any particular purpose, to conduct operations thereunder in conformity with such requirements as may be made by the Director, Bureau of Land Management, of the proper land office, and to comply with the provisions of the act, or under the provisions of the act of August 7, 1947 (61 Stat. 913, 30 U. S. C. sec. 351).

(q) **Protection of surface, natural resources and improvements.**—To take such steps as may be necessary to prevent operations from unnecessarily: (1) Causing or contributing to soil erosion or damaging any forage and timber growth thereon, (2) polluting the waters of

reservoirs, springs, streams or wells, (3) damaging crops, including forage, timber, or improvements of a surface owner, or (4) damaging range improvements whether owned by the United States or by its grazing permittees or lessees, and from conclusion of operations, so far as can reasonably be done, to restore the surface to its former condition. The lessor may prescribe the steps to be taken and restoration to be made with respect to lands of the United States and improvements thereon.

(r) **Overriding royalties.**—Not to create overriding royalties in excess of five percent except as otherwise authorized by the regulations.

(s) **Deeds, premises, and cases of forfeiture.**—To deliver up to the lessor in good order and condition the land leasehold including all improvements which are necessary for the preservation of producing wells.

Sec. 3. The lessor reserves:

(a) **Easements and rights-of-way.**—The right to permit for joint or several use easements or rights-of-way, including easements in tunnels upon, through, or in the lands leased, occupied, or used as may be necessary or appropriate to the working of the same or of other lands containing the deposits described in the act, and the treatment and shipment of products thereof by or under authority of the Government, its lessees or permittees, and for other public purposes.

(b) **Disposition of surface.**—The right to lease, sell, or otherwise dispose of the surface of the leased lands under existing law or laws hereafter enacted, insofar as said surface is not necessary for the use of the leased lands, and the removal of the oil and gas thereon, or to dispose of any resource in such lands which will not unreasonably interfere with operations under this lease.

(c) **Monopoly and fair prices.**—Full power and authority to promulgate and enforce all orders necessary to insure the sale of the production of the leased lands to the United States and to the public at reasonable prices, to regulate the markets for the production of the leased lands, to prevent monopoly, and to safeguard the public welfare.

(d) **Helium.**—Pursuant to section 1 of the act, and section 1 of the act of March 3, 1927 (44 Stat. 1387), as amended, the ownership and the right to extract helium from all gas produced under this lease, subject to such rules and regulations as shall be prescribed by the Secretary of the Interior, in order to protect the interests of the United States, the lessee shall deliver all gas containing same, or portion thereof desired, to the lessor at any point on the leased premises in the manner required by the lessor, for the extraction of the helium in such plant or reduction works for that purpose as the lessor may provide, whereupon the lessor shall have the right to remove the helium and to deliver the same to the United States, and to prevent any substantial delay in the delivery of gas produced from the well or wells of the lease. The lessee shall not suffer a diminution of value of the gas from which the helium has been extracted, or loss otherwise, for which he is not reasonably compensated, save for the value of the helium extracted. The lessor further reserves the right to erect, maintain and operate such plant and reduction works and other equipment necessary for the extraction of helium on the premises leased.

(e) **Taking of royalties.**—All rights pursuant to section 36 of the act, to take royalties in amount or in value of production.

(f) **Casing.**—All rights pursuant to section 40 of the act to purchase casing, and lease or operate valuable water wells.

(g) **Use of materials.**—Pursuant to the provisions of section 5 (b) (7) of the act of August 1, 1946 (60 Stat. 724, 760; 42 U. S. C. 1801, 1805), all uranium, thorium, and other materials determined to be peculiarly essential to the production of fissionable materials, contained in whatever concentration, together with the right of the United States through its authorized agents or representatives at any time to place all wells on the land to be relinquished in condition for entry upon the land and to prospect for, mine and remove the same, making just compensation for any damage or injury occasioned thereby.

Sec. 4. Drilling and producing restrictions.—It is agreed that the rate of prospecting and developing and the quantity and rate of production from the lands covered by this lease shall be subject to control in the public interest by the Secretary of the Interior, and in the exercise of his judgment the Secretary may take into consideration, among other things, Federal laws, State laws, and regulations issued thereunder, or lawful agreements among operators regulating either drilling or production, or both. After utilization, the Secretary of the Interior, or any person, committee, or State or Federal officer or agency so authorized in the unit plan, may alter or modify from time to time, the rate of prospecting and developing and the quantity and rate of production from the lands covered by this lease.

Sec. 5. Surrender and termination of lease.—The lessee may surrender this lease or any legal subdivision thereof by filing in the proper land office a written relinquishment, in triplicate, which shall be effective as of the date of filing subject to the continued obligation of the lessee and his surety to make payment of all accrued rentals and royalties and to place all wells on the land to be relinquished in condition for suspension or abandonment in accordance with the applicable lease terms and regulations.

Sec. 6. Purchase of materials, etc., on termination of lease.—Upon the expiration of this lease, or the earlier termination thereof pursuant to the last preceding section, the lessee shall have the privilege at any time within a period of 90 days thereafter of removing from the premises all machinery, equipment, and materials other than improvements needed for producing wells. Any materials, tools, appliances, machinery, structures, and equipment subject to removal as above provided, which are allowed to remain on the leased lands shall become the property of the lessor on expiration of the 90-day period or such extension thereof as may be granted because of adverse climatic conditions throughout said period; *Provided*, That the lessee shall remove any or all of such property where so directed by the lessor.

Sec. 7. Proceedings in case of default.—If the lessee shall not comply with any of the provisions of the act or the regulations thereunder or of the lease or make default in the performance or observance of any of the terms hereof and such default shall continue for a period of 30 days after service of written notice thereof by the lessor, this lease may be canceled by the Secretary of the Interior in accordance with section 31 of the act, except that if this lease covers lands known to contain valuable deposits of oil or gas, the lease may be canceled only by judicial proceedings in the manner provided in section 31 of the act; but this provision shall not be construed to prevent the lessor from the lessor of any legal or equitable remedy which the lessor might otherwise have. Upon cancellation of this lease, any casing, material or equipment determined by the lessor to be necessary for use in plugging or preserving any well drilled on the leased land shall become the property of the lessor. A State, or a citizen or company who is the owner of the leased land, shall not be prevented by the cancellation and forfeiture of this lease for any cause of forfeiture, or for the same cause occurring at any other time.

Sec. 8. Heirs and successors-in-interest.—It is further agreed that each obligation hereunder shall extend to and be binding upon, and every benefit hereof shall inure to, the heirs, executors, administrators, successors, or assigns of the respective parties hereto.

Sec. 9. Unlawful interest.—It is also further agreed that no Member of Congress, or Senator, or Representative in Congress, or any other officer or appointee, or other before or after he has qualified in office, or his continuance in office, and that no officer, agent, or employee of the Department of the Interior, except as provided in 43 CFR 7.4 (n) (1), shall be admitted to any share or part in this lease or derive any benefit that may arise therefrom; and the provisions of Sec. 3741 of the Revised Statutes of the United States, as amended (41 U. S. C. Sec. 223), and Secs. 431, 432 and 433, Title 18 U. S. Code, relating to contracts, enter into and form a part of this lease so far as the same may be applicable.

INSTRUCTIONS

A. GENERAL INSTRUCTIONS

1. This offer must be filed in on a typewriter or printed plainly in ink and must be signed in ink.

2. This form is to be used in offering to lease nonconforming public domain lands or oil and gas deposits reserved to the United States in disposal of such large parcels of land, including, but not limited to, removing and disposing of oil and gas deposits, except helium. This form should not be used in offering to lease acquired lands or lands on a known geologic structure of a producing oil or gas field.

3. Offers to lease may be made by individuals 21 years of age or over who are citizens of the United States, and by corporations, partnerships or associations.

4. This offer must be prepared in quintuplicate and filed in the proper land office. The term "filing" means the actual receipt of the offer in the proper land office. If the land is in a State in which there is no land office, the offer must be filed with the Bureau of Land Management, Department of the Interior, Washington 25, D. C. If less than five copies are filed, the offer will have 15 days from the date of first filing to file the other required copies, failing in which the offer will be rejected and returned to the offeror and will afford no priority.

5. The offeror shall mark one of the copies first filed at the top with the word "original." If that is not done, the manager will so mark one copy. If there is any variation in the land descriptions among the five copies, the one marked "original" shall govern as to the lands covered by the lease.

6. If additional space is needed in furnishing any of the required information it should be prepared on additional sheets, initialed and attached and made part of this offer to lease, such additional sheets to be attached to each copy of the form submitted.

7. If any of the land described in item 2 of the offer is open to oil and gas lease, when the offer is filed but is omitted from the lease for any reason and thereafter becomes available for leasing to the offeror, the original lease will be amended to include the omitted land, unless, before the issuance of the amendment on Form 4-1163, the land office receives the withdrawal of the offer as to such land or an election to receive a separate lease for the omitted land. If the lease is amended the rental charged and the lease term will be the same as though the added land had been included in the original lease when it was issued.

8. As an incident to the assignment of the whole interest in all or any part of the lease, the lessee may assign the whole interest in all or any part of the offer. As an incident to the assignment of an undivided fractional interest in the whole lease, the lessee may assign an undivided fractional interest in the whole offer. Applications for approval of assignments of an offer must include a statement that the assignee agrees to be bound by the offer to the extent it is assigned and must be signed by the assignee. In other instances assignments of the offer will not be approved prior to the issuance of a lease for the land, or deposits covered by said assignments.

9. The offer will be rejected and returned to the offeror and will afford the applicant no priority if: (a) The land description is insufficient to identify the lands or the lands are not entirely within a 6-mile square. (b) The total acreage exceeds 2,560 acres, except where the rule of approximation applies. (c) The total acreage exceeds 2,560 acres, except where the rule of approximation applies. (d) The offer is not accompanied by a statement of the offeror's own signature with respect to the offer, and the offer is not accompanied by the agent's authority to execute the offer and lease. (e) Less than five copies of the offer are filed and the copies lacking are not received in the land office before the expiration of 15 days from the date of receipt of the copies first filed. (f) The offer is noncompliance with item 2 (b), (d), and (e) of the special instructions, or (g) the offer form is filed subsequent to the expiration date in the upper left hand corner. The offeror will be given an opportunity to file a new offer within 30 days from service of the rejection, and the fee and rental payments on the old offer will be applied to the new offer if the new offer shows the serial and receipt numbers of the old offer. The new offer will be returned unless within the 30-day period another offer is filed.

B. SPECIAL INSTRUCTIONS

Item 2.—Total area of land requested should be shown in acres in space provided at bottom of item 2. That area, except where the rule of approximation applies, must not exceed 2,560 acres. All of the land must be within a 6-mile square. The land must be described by legal subdivisions, showing meridian, State, township, range, and section, and if unsurveyed, by metes and bounds connected by course and distance with some corner of the public land survey. Where possible the approximate legal subdivisions of unsurveyed lands should be stated.

This space will contain the identification of the leased area and total acres.

Item 4.—The total amount remitted should include a \$10 filing fee and the first year's rental of the land requested at the rate of 50 cents an acre or fraction thereof. The \$10 filing fee is retained as a service charge, even in those cases where the offer to lease is completely rejected. In order to protect the offeror's priorities with respect to the land requested, it is important that the rental payment submitted with the offer be sufficient to cover all the land requested at the rate of 50 cents an acre or fraction thereof. If the land requested includes lots or irregular quarter-quarter sections, the exact area of which is not known to the offeror, rental may be submitted for the purpose of the offer on the basis of each such lot or quarter-quarter section containing 40 acres. If the offer is withdrawn in whole or in part before a lease is issued or if the offer is rejected in whole or in part, the rental remitted for the parts withdrawn or rejected will be returned. Where, at the time the lease is to be issued, the land applied for or any part of it is within a known geologic structure of a producing oil or gas field, the lessee will be billed for the additional rental of 50 cents an

acre on all the leased land as the yearly rental on such lands is \$1 per acre. In Alaska, the rental payment to accompany the offer should be at the rate of 25 cents per acre.

Item 5 (a).—The offeror must indicate whether a citizen by birth or naturalization. If production is obtained under this lease, or allocated to it, the citizenship status of the lessee will be verified.

If lessee is a corporation it must show it is qualified with respect to the citizenship provision by filing a copy of its articles of incorporation, and it must furnish a statement showing the percentage of each class of stock owned by citizens of the United States, and whether such stock is owned or controlled by or on behalf of persons whom the corporation knows to be or who the corporation has reason to believe are aliens, or who have addresses outside of the United States, indicating which classes of stock have voting rights. If more than 10 percent of the voting stock of the corporation is owned by aliens, or if more than 10 percent of such persons, the corporation must give their names and addresses, the amount and class of stock held by each, and, to the extent known to the corporation, or which can be reasonably ascertained by it, the facts as to the citizenship of each such person. If any appreciable percentage of the stock of the corporation is held by aliens of the accepted class, its application will be denied. If 20 percent or more of the stock of any class is owned or controlled by or on behalf of any one stockholder, a separate showing of his citizenship and holdings must be furnished. If a certificate of incorporation has been filed, a reference to the previous record by serial number, together with a statement of any additional amendments, will be sufficient. A single copy of any additional information required by the provisions of this paragraph will be sufficient.

Item 5 (b).—Acreage included in unit plans and certain section 18 and 19 leases is not chargeable.

Item 5 (c).—Whenever applicable, the stipulations referred to will be made a part of this lease and will be furnished the lessee with the lease when issued. The forms covering the stipulations are as follows: (a) 216 stipulations on lands in national forests, (b) 467a stipulations on lands potentially irrigable, (c) 467b stipulations on the flow limits of a reservoir site, (d) 467b stipulations in the drainage area of a constructed reservoir. Whenever other stipulations are necessary, lessee will be required to agree to them before the issuance of the lease.

Item 5 (d).—If lessee is a corporation, an offer to lease will be accepted if accompanied either by the minutes of the meeting of the board of directors, or by a resolution of the board indicating the offeror's authority to lease, or by a certificate of the secretary or the assistant secretary of the corporation to that effect over the corporate seal. A single copy of any additional information required by the provisions of this paragraph will be sufficient.

Item 5 (e).—If there are settlers attach a sheet giving the name and post-office address of each and description of the lands claimed by metes and bounds and approximate legal subdivision.

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Form No. 4-1-50
Second Edition

This form is not to be used after August 1, 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Form approved
Budget Bureau No. 43-R-000.1.

COLORADO
Office _____
Serial No. **05173**
Receipt No. _____

OFFER TO LEASE AND LEASE FOR OIL AND GAS
(Sec. 17 Noncompetitive 5-Year Public Domain Lease)

THIS OFFER WILL 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. SEE ITEM 9 OF GENERAL INSTRUCTIONS

(Fill in on a typewriter or print plainly in ink and sign in ink)

1. ~~XXXX~~ **Denaviers Juhon**

P. O. Address **415 Symes Building, Denver 2, Colorado**

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 25, 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.

2. Land requested

Colorado
(State)

Garfield
(County)

T 7 S. R 95 W. 6th Principal Meridian

Sec. 1, Lots 3, 4, SW $\frac{1}{4}$ NW $\frac{1}{4}$
Sec. 2, S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$
Sec. 12, SW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, S $\frac{1}{2}$
Sec. 13, NE $\frac{1}{4}$, NE $\frac{1}{4}$ S $\frac{1}{2}$, SW $\frac{1}{4}$ S $\frac{1}{2}$, N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$
Sec. 14, NE $\frac{1}{4}$, NE $\frac{1}{4}$ S $\frac{1}{2}$, N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$
Sec. 23, Lots 1 to 9 incl. 11, 12, 13, 14, 16
Sec. 24, Lots 4, 5, 18, 19
Sec. 25, Lots 4, 13, ~~14~~

Total Area **2525.36** Acres

3. Land included in lease

(Not to be filled in by Offeror)

Colorado
(State)

Garfield
(County)

T 7 S. R 95 W. 6th Principal Meridian

Sec. 1, Lots 3, 4, SW $\frac{1}{4}$ NW $\frac{1}{4}$
Sec. 2, S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$
Sec. 12, SW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, S $\frac{1}{2}$
Sec. 13, NE $\frac{1}{4}$, NE $\frac{1}{4}$ S $\frac{1}{2}$, SW $\frac{1}{4}$ S $\frac{1}{2}$, N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$
Sec. 14, NE $\frac{1}{4}$, NE $\frac{1}{4}$ S $\frac{1}{2}$, N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$
Sec. 23, Lots 1, 2, 3, 5, 6, 7, 8, 9, 11, 12, 13, 14, 16
Sec. 24, Lots 4, 5, 18, 19
Sec. 25, Lots 4, 13, (Lots)

See August 1993 Decision
revising acreage description

Total Area **2365.43** Acres

Rental retained: **1183.00**

4. Amount remitted: Filing fee \$10, Rental \$ **1280.00**, Total \$ **1290.00**

Offeror certifies as follows:

(a) Offeror is a citizen of the United States. Native born Yes Naturalized _____ Corporation or other legal entity _____ specify what kind: _____

(b) Offeror's other interests direct and indirect in oil and gas leases and applications or offers therefor in the same State do not exceed 360 chargeable acres. (c) Offeror accepts as a part of this lease, to the extent applicable, the Reclamation, and Forest stipulations provided for in 43 CFR 191.6. (d) Offeror is 21 years of age or over (or if a corporation or other legal entity, is duly qualified as such). (e) Offeror has described all surveyed lands by legal subdivisions and unsurveyed lands by metes and bounds, and further states that there are no settlers on unsurveyed lands described herein.

6. Signature to this offer shall also constitute offeror's signature to, and acceptance of, this lease and any amendment thereto. Any 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 shall not 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 offeror, and (b) this offer and lease shall apply only to lands not within a known geologic structure of a producing oil or gas field at the time the offer is filed.

7. Offeror certifies that the statements made herein are true, complete and correct to the best of offeror's knowledge and belief, and are made in good faith.

8. This offer is submitted in lieu of official Form 4115K, second edition, and contains all of the provisions thereof as of the date of filing.

IN WITNESS WHEREOF Offeror has duly executed this instrument this 6th day of Aug 1952

Witnesses

Gerald M. Quiat

(Name and address)

415 Symes Bldg

(Name and address)

(Lease signature)

(Lease signature)

(Attorney-in-fact)

A lease for the lands described in item 3 above is hereby issued, subject to the provisions of the offer and on the reverse side hereof.

THE UNITED STATES OF AMERICA

By

MANAGER, COLORADO LAND & SURVEY OFFICE

Effective date of lease

JAN 1 1953

Jan. 1, 1953

DEC 18 1952