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All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules and Regulations and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply herewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have right at anytime to redeem for lessor, by payment, any mortgages, taxes, or other liens on the above described lands, in the event of default of payment by lessor, and be surrogated to the rights of the folder thereof, and the under signed lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein in so far as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease, or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so to promote the conservation of oil, gas, or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be in a unit or unit of size not to exceed that set or approved by the Oil and Gas regulator commission of the State or agency of jurisdiction. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated and instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties n production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such proportion of the royalty stipulated herein as the amount of his acreage place in the unit or his royalty interest herein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

Lessee agrees to prepay surface damages in the amount of $1000.00 per oil or gas test well drilled on this lease prior to its spud date.

Lessee agrees to re-seed with grass on a timely basis any pasture ground where drillsite locations are leveled or scraped and trails are damaged by drilling operations.

In WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written.

Witnesses:

Kenneth M Salzman

~~Carla~~ J Salzman

STATE OF COLORADO)
) SS:
COUNTY OF YUMA)

Before me, the undersigned, a notary public within and for said County and State on This 10th day of January, 2000, personally appeared Kenneth M Salzman and Carla J Salzman to me personally known to be the identical persons who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

N WITNESS WHEREOF, I have hereunder set my hand and official seal the day and year last above written.

My Commission Expires: 9-26-2002

Notary Public

KARMA J. WELLS NOTARY PUBLIC STATE OF COLORADO

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