

125-07932


APPROVAL - CERTIFICATION - DETERMINATION



Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j) and delegated to the Area Oil and Gas Supervisors of the U. S. Geological Survey, I do hereby:

- A. Approve the attached communitization agreement covering the all of Section 5 - Township 3 South, Range 43 West, Yuma County, Colorado, as to natural gas and associated liquid hydrocarbons producible from the Niobrara Formation.
- B. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved: AUG 30 1976

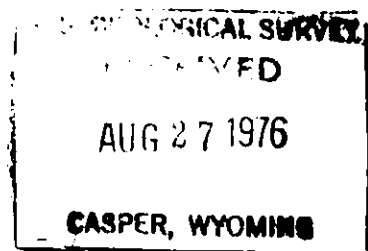

Area Oil and Gas Supervisor
U. S. Geological Survey

Effective: JUL 1 1976

Contract No.: Com. Agr. COM.AGR.-NRM. 1019

COMMUNITIZATION AGREEMENT

Contract No. _____



THIS AGREEMENT, entered into as ^{COM. AGR. NRM. 1019} of the 16th day of December, 1975, by and between the parties subscribing, ratifying or consenting hereto, such parties being hereinafter referred to as "parties hereto";

W I T N E S S E T H :

WHEREAS, the Act of February 25, 1920, 41 Stat. 437, as amended by the Act of August 8, 1946, 60 Stat. 950, 30 U.S.C. Secs. 181 et seq., authorizes communitization or drilling agreements communitizing or pooling a Federal Oil and Gas Lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interest, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement;

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "Communitized area") are described as follows;

Township 3 South, Range 43 West

Section 5: All
Yuma County, Colorado

containing 640.32 acres, more or less, and this agreement shall include the Niobrara Formation underlying said lands and the natural gas and associated liquid hydrocarbons (hereinafter referred to as "Communitized substances") producible from the Niobrara Formation.

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit B, designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any for communitizing or pooling any patented or fee lands within the communitized area.

3. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Area Oil and Gas Supervisor.

4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.

5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

6. (a) The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued.

(b) It is agreed that for any Federal lease bearing a sliding-scale or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease and any noncommunitized lease production.

7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within the comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

10. This agreement is effective July 1, 1976 upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of two (2) years and for so long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction.

11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior.

12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor and in the applicable oil and gas regulations of the Department of the Interior.

13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.

14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. Nondiscrimination: In connection with the performance of work under this agreement, the operator agrees to comply with all of the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30 F.R. 12319), which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first written and have set opposite their respective names the date of execution.

ATTEST:

KANSAS-NEBRASKA NATURAL GAS COMPANY, INC.

Maxine D. Denton
Maxine D. Denton, Asst. Secretary

By: Robert E. Johnson
Robert E. Johnson, Vice President

ATTEST:

RESOURCES EXPLORATION, LTD.

Anna M. Dietz
Anna M. Dietz, Secretary

By: Stephen D. Davies
Stephen D. Davies, President

ATTEST:

BOLYARD OIL & GAS LTD.

Stephen G. Bolyard

By: Dudley W. Bolyard
Dudley W. Bolyard, President

Stephen D. Davies
Stephen D. Davies, as Attorney-in-Fact for Robert H. Davies, James T. Rutherford, Jr., Harold S. Wood, Stephen G. Bolyard, H. Robert Wood, Donald G. McLean, J. W. Chandler, and Joseph D. Sargent

ATTEST:

MOUNTAIN PETROLEUM CORPORATION

S. J. Kuhl
S. J. Kuhl, Asst. Secretary

By: Clyde E. Thompson
Clyde E. Thompson, Vice President

STATE OF COLORADO)
COUNTY OF JEFFERSON) ss

The foregoing instrument was acknowledged before me this 15th day of April, 1976, by Robert E. Johnson as Vice President of Kansas-Nebraska Natural Gas Company, Inc., a Kansas corporation.

WITNESS my hand and official seal.

My commission expires:
June 23, 1979

Viola K. Gourdin
Viola K. Gourdin - Notary Public

STATE OF COLORADO)
COUNTY OF JEFFERSON) ss

The foregoing instrument was acknowledged before me this 13th day of April, 1976, by Stephen D. Davies as President of Resources Exploration, Ltd.

WITNESS my hand and official seal.

My commission expires:
June 23, 1979

Viola K. Gourdin
Viola K. Gourdin - Notary Public

STATE OF COLORADO)
COUNTY OF Denver) ss

The foregoing instrument was acknowledged before me this 9th day of April, 1976, by Dudley W. Bolyard as President of Bolyard Oil and Gas, Ltd.

WITNESS my hand and official seal.

My commission expires:
My Commission expires Feb. 19, 1979

Anna M. Sietzen
- Notary Public

STATE OF COLORADO)
COUNTY OF JEFFERSON) ss

The foregoing instrument was acknowledged before me this 13th day of April, 1976, by Stephen D. Davies, as Attorney-in-Fact for Robert H. Davies, James T. Rutherford, Jr., Harold S. Wood, Stephen G. Bolyard, H. Robert Wood, Donald G. McLean, J. W. Chandler and Joseph D. Sargent, under that certain Power of Attorney dated , 1978, and recorded in Book 501 at Page 202-09 of the records of Gunn County, Colorado.

WITNESS my hand and official seal.

My commission expires:
June 23, 1979

Viola K. Gourdin
Viola K. Gourdin - Notary Public

STATE OF COLORADO

COUNTY OF DENVER

} ss

The foregoing instrument was acknowledged before me this 21st day of APRIL, 1976, by Clyde E. Thompson as Vice President of Mountain Petroleum Corporation.

WITNESS my hand and official seal.

My commission expires:

APRIL 28, 1977

Sharon R. Bouldin
- Notary Public

Exhibit "A"

**Plat of Commutized Area Covering
All of Section 5, Township 3 South,
Range 43 West, 6th P.M., Yuma County,
Colorado.**

40.17	40.11	<u>TRACT 1</u> 40.05 RESOURCES EXPL., LTD.	39.99 1040' FNL 800' FEL Whomble "1-5"
		520.32 ACRES	
<u>TRACT 3</u> MOUNTAIN PETROLEUM CORP. 80.00 ACRES	<u>TRACT 2</u> K.N.N.G. 40.00 ACRES USA C-20614		
B. ALLEN, ET UX		C.F. WHOMBLE, ET UX	

EXHIBIT "B"

To a Communitization Agreement dated December 16, 1975, embracing the following described land in Yuma County, Colorado, to wit:

Township 3 South, Range 43 West, 6th P.M.
Section 5: All

Operator of Communitized Area: Kansas-Nebraska Natural Gas Company, Inc.

Description of Leases Committed

Tract No. 1

Lease No. 1

Lease Date: April 30, 1973

Lease Term: 5 years

Lessor: Chester F. Whomble and Doris J. Whomble

Lessee on Effective
Date of Agreement
If Different From
Present Lessee:

Present Lessee: Resources Exploration, Ltd.

Description of Land Committed: Township 3 South, Range 43 West
Section 5: Lots 1,2,3,4, S/2 N/2, SE/4, SE/4 SW/4

Number of Acres: 520.32 acres, gross and net

Pooling Clause: See copy of Oil and Gas lease attached.

Basic Royalty Rate: 12½%

Name and Percent
ORRI Owners:

Dudley W. Bolyard --4.5455%
William G. Odell --- .1515%
Robert D. Poulson -- .1515%
James S. Holmberg -- .1515%

Name and Percent
W.I. Owners:

Resources Exploration, Ltd. - 10%
Robert H. Davies ----- 10%
James T. Rutherford, Jr. ---- 5%
Harold S. Wood ----- 5%
Stephen G. Bolyard ----- 2%
H. Robert Wood ----- 3%
Donald G. McLean ----- 5%
J. W. Chandler ----- 25%
Joseph D. Sargent ----- 10%
Bolyard Oil & Gas, Ltd. ----- 25%

Tract No. 2

Lease No. 1, Serial No. C-20614 (C-471)

Lease Date: May 1, 1974

Lease Term: 10 years

Lessor: United States of America

Lessee on Effective
Date of Agreement
If Different From
Present Lessee:

Present Lessee: Kansas-Nebraska Natural Gas Company, Inc.

Description of
Land Committed: Township 3 South, Range 43 West
Section 5: NE/4 SW/4

Number of Acres: 40 acres, gross and net

Pooling Clause: None in lease.

Basic Royalty Rate: 12½%

Name and Percent
ORRI Owners: Marilyn Meinhart - 2½%
Irwin Rubenstein - 2½%

Name and Percent
W.I. Owners: Kansas-Nebraska Natural Gas Company, Inc. - 100%

Tract No. 3

Lease No. 1

Lease Date: July 8, 1974

Lease Term: 5 years

Lessor: Berl Allen and Hattie L. Allen

Lessee on Effective
Date of Agreement
If Different From
Present Lessee:

Present Lessee: Mountain Petroleum Corporation

Description of
Land Committed: Township 3 South, Range 43 West
Section 5: W/2 SW/4

Number of Acres: 80 acres, gross and net

Pooling Clause: See copy of Oil and Gas lease attached.

Basic Royalty Rate: 12½%

Name and Percent
ORRI Owners: None

Name and Percent
W.I. Owners: Mountain Petroleum Corporation - 100%

Recapitulation

<u>Tract No.</u>	<u>Number of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	520.32	81.2594
2	40.00	6.2469
3	80.00	12.4937
	<u>640.32</u>	<u>100.0000</u>

Recorded Feb. 4, 1976 8:30 O'Clock A.M.

Reception 397223 Gary E. Stone, Recorder

POWER OF ATTORNEY

BOOK 501 PAGE 202

KNOW ALL MEN BY THESE PRESENTS:

I, ROBERT H. DAVIES, now residing in YUMA County, State of COLORADO

do hereby make, constitute and appoint Stephen D. Davies, as President of Resources Exploration, Ltd., my true and lawful Attorney for me and in my name, place and stead on my behalf to write, sign and execute any and all documents pertaining to 3 gas wells that are currently producing described as follows:

#1-29 State Township 2 South, Range 43 West
Sec. 29: SW $\frac{1}{4}$ NE $\frac{1}{4}$

#1 Ekberg Township 2 South, Range 43 West
Sec. 33: SE $\frac{1}{4}$ NW $\frac{1}{4}$

#1-31 State Township 2 South, Range 43 West
Sec. 31: SW $\frac{1}{4}$ NE $\frac{1}{4}$

All of the above lands situated in Yuma County, Colorado

and 2 wells to be drilled described as follows:

Township 2 South, Range 43 West
Sec. 32

Township 3 South, Range 43 West
Sec. 5

All of the above lands situated in Yuma County, Colorado

and the lands described as follows:

Township 2 South, Range 43 West

Sec. 29: S $\frac{1}{2}$ SE $\frac{1}{4}$

Sec. 31: E $\frac{1}{2}$ SE $\frac{1}{4}$; SW $\frac{1}{4}$ SE $\frac{1}{4}$

Sec. 32: W $\frac{1}{2}$; NW $\frac{1}{4}$ NE $\frac{1}{4}$; SW $\frac{1}{4}$ SE $\frac{1}{4}$; E $\frac{1}{2}$ NE $\frac{1}{4}$;
N $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$; NW $\frac{1}{4}$ SE $\frac{1}{4}$; S $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$

Sec. 33: W $\frac{1}{2}$ NW $\frac{1}{4}$; SW $\frac{1}{4}$ SW $\frac{1}{4}$

Township 3 South, Range 43 West

Sec. 4: SW $\frac{1}{4}$

Sec. 5: Lots 1, 2, 3, 4; S $\frac{1}{2}$ N $\frac{1}{2}$; SE $\frac{1}{4}$;
SE $\frac{1}{4}$ SW $\frac{1}{4}$

Sec. 6: Lots 1, 2; S $\frac{1}{2}$ NE $\frac{1}{4}$

All of the above lands situated in Yuma County, Colorado

where my interest pertains.

I hereby give and grant unto my said Attorney full power and authority to do and perform all acts necessary to carry out the foregoing powers and I do hereby ratify and confirm and approve all that my said Attorney shall lawfully do or cause to be done by virtue hereof.

This Power of Attorney shall remain in effect as long as Resources Exploration, Ltd. and the undersigned own interests in the above wells and lands.

WITNESS my hand and seal in the City of TULSA
and County of YUMA, this 3rd day of
DECEMBER, 1975.

Robert H. Davies

STATE OF COLORADO }
COUNTY OF YUMA } 88

The foregoing instrument was acknowledged before me this 3rd
day of DECEMBER, 1975, by Robert H. Davies

WITNESS my hand and official seal.
R. D. SITES

Recorded Feb. 4, 1976 at 8:30 P.M.

Reception 397224 Cary E. Stone, Recorder

POWER OF ATTORNEY

BOOK 501 PAGE 203

KNOW ALL MEN BY THESE PRESENTS:

I, Harold S. Wood, now residing in Tulsa County, State of Oklahoma do hereby make, constitute and appoint Stephen D. Davies, as President of Resources Exploration, Ltd., my true and lawful Attorney for me and in my name, place and stead on my behalf to write, sign and execute any and all documents pertaining to 3 gas wells that are currently producing described as follows:

#1-29 State Township 2 South, Range 43 West Sec. 29: SW 1/4 NE 1/4

#1 Ekberg Township 2 South, Range 43 West Sec. 33: SE 1/4 NW 1/4

#1-31 State Township 2 South, Range 43 West Sec. 31: SW 1/4 NE 1/4

All of the above lands situated in Yuma County, Colorado and 2 wells to be drilled described as follows:

Township 2 South, Range 43 West Sec. 32

Township 3 South, Range 43 West Sec. 5

All of the above lands situated in Yuma County, Colorado and the lands described as follows:

Township 2 South, Range 43 West

Sec. 29: S 1/2 SE 1/4

Sec. 31: E 1/2 SE 1/4; SW 1/4 SE 1/4

Sec. 32: W 1/2; NW 1/4 NE 1/4; SW 1/4 SE 1/4; E 1/2 NE 1/4; N 1/2 SW 1/4 NE 1/4; NW 1/4 SE 1/4; S 1/2 SW 1/4 NE 1/4

Sec. 33: W 1/2 NW 1/4; SW 1/4 SW 1/4

Township 3 South, Range 43 West

Sec. 4: SW 1/4

Sec. 5: Lots 1, 2, 3, 4; S 1/2 N 1/2; SE 1/4; SE 1/4 SW 1/4

Sec. 6: Lots 1, 2; S 1/2 NE 1/4

All of the above lands situated in Yuma County, Colorado where my interest pertains.

I hereby give and grant unto my said Attorney full power and authority to do and perform all acts necessary to carry out the foregoing powers and I do hereby ratify and confirm and approve all that my said Attorney shall lawfully do or cause to be done by virtue hereof.

This Power of Attorney shall remain in effect as long as Resources Exploration, Ltd. and the undersigned own interests in the above wells and lands.

WITNESS my hand and seal in the City of Tulsa and County of Tulsa, this 3rd day of December, 1975.

Handwritten signature of Harold S. Wood

STATE OF Oklahoma } COUNTY OF Tulsa } ss

The foregoing instrument was acknowledged before me this 3rd day of December, 1975, by Harold S. Wood

WITNESS my hand and official seal.

My Commission Expires: 6-26-77

Handwritten signature of the witness

Recorded Feb. 4, 1976 8:30 A.M.

Reception 397225 Gary E. Stone, Recorder

POWER OF ATTORNEY

BOOK 501 PAGE 204

KNOW ALL MEN BY THESE PRESENTS:

I, H Robert Wood, now residing in Tulsa County, State of Oklahoma, do hereby make, constitute and appoint Stephen D. Davies, as President of Resources Exploration, Ltd., my true and lawful Attorney for me and in my name, place and stead on my behalf to write, sign and execute any and all documents pertaining to 3 gas wells that are currently producing described as follows:

#1-29 State Township 2 South, Range 43 West
Sec. 29: SW $\frac{1}{4}$ NE $\frac{1}{4}$

#1 Ekberg Township 2 South, Range 43 West
Sec. 33: SE $\frac{1}{4}$ NW $\frac{1}{4}$

#1-31 State Township 2 South, Range 43 West
Sec. 31: SW $\frac{1}{4}$ NE $\frac{1}{4}$

All of the above lands situated in Yuma County, Colorado

and 2 wells to be drilled described as follows:

Township 2 South, Range 43 West
Sec. 32

Township 3 South, Range 43 West
Sec. 5

All of the above lands situated in Yuma County, Colorado

and the lands described as follows:

Township 2 South, Range 43 West
Sec. 29: S $\frac{1}{2}$ SE $\frac{1}{4}$
Sec. 31: E $\frac{1}{2}$ SE $\frac{1}{4}$; SW $\frac{1}{2}$ SE $\frac{1}{4}$
Sec. 32: W $\frac{1}{2}$; NW $\frac{1}{4}$ NE $\frac{1}{4}$; SW $\frac{1}{4}$ SE $\frac{1}{4}$; E $\frac{1}{2}$ NE $\frac{1}{4}$;
N $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$; NW $\frac{1}{4}$ SE $\frac{1}{4}$; S $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$
Sec. 33: W $\frac{1}{2}$ NW $\frac{1}{4}$; SW $\frac{1}{4}$ SW $\frac{1}{4}$

Township 3 South, Range 43 West
Sec. 4: SW $\frac{1}{4}$
Sec. 5: Lots 1, 2, 3, 4; S $\frac{1}{2}$ N $\frac{1}{2}$; SE $\frac{1}{4}$;
SE $\frac{1}{4}$ SW $\frac{1}{4}$
Sec. 6: Lots 1, 2; S $\frac{1}{2}$ NE $\frac{1}{4}$

All of the above lands situated in Yuma County, Colorado

where my interest pertains.

I hereby give and grant unto my said Attorney full power and authority to do and perform all acts necessary to carry out the foregoing powers and I do hereby ratify and confirm and approve all that my said Attorney shall lawfully do or cause to be done by virtue hereof.

This Power of Attorney shall remain in effect as long as Resources Exploration, Ltd. and the undersigned own interests in the above wells and lands.

WITNESS my hand and seal in the City of Tulsa and County of Oklahoma, this 9 day of Dec, 19 75.

STATE OF Oklahoma }
COUNTY OF Tulsa } ss

The foregoing instrument was acknowledged before me this 9th day of December, 19 75, by H Robert Wood

WITNESS my hand and official seal.

Recorded Feb. 4, 1976 at 8:30 AM

Reception 397226 Cor. & State, Recorder

POWER OF ATTORNEY

BOOK 501 PAGE 200

KNOW ALL MEN BY THESE PRESENTS:

I, DONALD G. McLEAN, now residing in ADAMS County, State of COLORADO do hereby make, constitute and appoint Stephen D. Davies, as President of Resources Exploration, Ltd., my true and lawful Attorney for me and in my name, place and stead on my behalf to write, sign and execute any and all documents pertaining to 3 gas wells that are currently producing described as follows:

#1-29 State Township 2 South, Range 43 West
Sec. 29: SW $\frac{1}{4}$ NE $\frac{1}{4}$

#1 Ekberg Township 2 South, Range 43 West
Sec. 33: SE $\frac{1}{4}$ NW $\frac{1}{4}$

#1-31 State Township 2 South, Range 43 West
Sec. 31: SW $\frac{1}{4}$ NE $\frac{1}{4}$

All of the above lands situated in Yuma County, Colorado

and 2 wells to be drilled described as follows:

Township 2 South, Range 43 West
Sec. 32

Township 3 South, Range 43 West
Sec. 5

All of the above lands situated in Yuma County, Colorado

and the lands described as follows:

Township 2 South, Range 43 West

Sec. 29: S $\frac{1}{2}$ SE $\frac{1}{4}$
Sec. 31: E $\frac{1}{2}$ SE $\frac{1}{4}$; SW $\frac{1}{4}$ SE $\frac{1}{4}$
Sec. 32: W $\frac{1}{2}$; NW $\frac{1}{4}$ NE $\frac{1}{4}$; SW $\frac{1}{4}$ SE $\frac{1}{4}$; E $\frac{1}{2}$ NE $\frac{1}{4}$;
N $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$; NW $\frac{1}{4}$ SE $\frac{1}{4}$; S $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$
Sec. 33: W $\frac{1}{2}$ NW $\frac{1}{4}$; SW $\frac{1}{4}$ SW $\frac{1}{4}$

Township 3 South, Range 43 West

Sec. 4: SW $\frac{1}{4}$
Sec. 5: Lots 1, 2, 3, 4; S $\frac{1}{2}$ N $\frac{1}{2}$; SE $\frac{1}{4}$;
SE $\frac{1}{4}$ SW $\frac{1}{4}$
Sec. 6: Lots 1, 2; S $\frac{1}{2}$ NE $\frac{1}{4}$

All of the above lands situated in Yuma County, Colorado

where my interest pertains.

I hereby give and grant unto my said Attorney full power and authority to do and perform all acts necessary to carry out the foregoing powers and I do hereby ratify and confirm and approve all that my said Attorney shall lawfully do or cause to be done by virtue hereof.

This Power of Attorney shall remain in effect as long as Resources Exploration, Ltd. and the undersigned own interests in the above wells and lands.

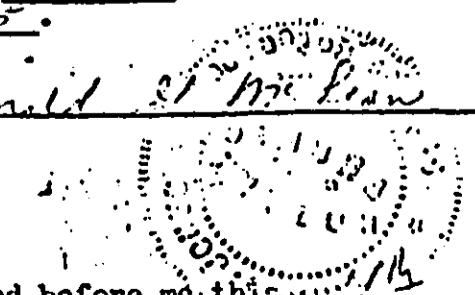
WITNESS my hand and seal in the City of Littleton and County of Adams, this 21st day of December, 1975.

Donald G. McLean

STATE OF Colorado }
COUNTY OF ADAMS } ss

The foregoing instrument was acknowledged before me this 21st day of December, 1975, by Donald G. McLean

WITNESS my hand and official seal.



Stephen D. Davies

Feb. 4, 1976 8:30 A
Recorded.....at.....
Reception...397227.....Gary E. Stone, Recorder

POWER OF ATTORNEY

BOOK 501 PAGE 206

KNOW ALL MEN BY THESE PRESENTS:

I, J. W. Chandler, now residing in Delaware County, State of Colorado do hereby make, constitute and appoint Stephen D. Davies, as President of Resources Exploration, Ltd., my true and lawful Attorney for me and in my name, place and stead on my behalf to write, sign and execute any and all documents pertaining to 3 gas wells that are currently producing described as follows:

#1-29 State Township 2 South, Range 43 West
Sec. 29: SW $\frac{1}{4}$ NE $\frac{1}{4}$

#1 Ekberg Township 2 South, Range 43 West
Sec. 33: SE $\frac{1}{4}$ NW $\frac{1}{4}$

#1-31 State Township 2 South, Range 43 West
Sec. 31: SW $\frac{1}{4}$ NE $\frac{1}{4}$

All of the above lands situated in Yuma County, Colorado

and 2 wells to be drilled described as follows:

Township 2 South, Range 43 West
Sec. 32

Township 3 South, Range 43 West
Sec. 5

All of the above lands situated in Yuma County, Colorado

and the lands described as follows:

Township 2 South, Range 43 West
Sec. 29: S $\frac{1}{2}$ SE $\frac{1}{4}$
Sec. 31: E $\frac{1}{2}$ SE $\frac{1}{4}$; SW $\frac{1}{4}$ SE $\frac{1}{4}$
Sec. 32: W $\frac{1}{2}$; NW $\frac{1}{4}$ NE $\frac{1}{4}$; SW $\frac{1}{4}$ SE $\frac{1}{4}$; E $\frac{1}{2}$ NE $\frac{1}{4}$;
N $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$; NW $\frac{1}{4}$ SE $\frac{1}{4}$; S $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$
Sec. 33: W $\frac{1}{2}$ NW $\frac{1}{4}$; SW $\frac{1}{4}$ SW $\frac{1}{4}$

Township 3 South, Range 43 West
Sec. 4: SW $\frac{1}{4}$
Sec. 5: Lots 1, 2, 3, 4; S $\frac{1}{2}$ N $\frac{1}{2}$; SE $\frac{1}{4}$;
SE $\frac{1}{4}$ SW $\frac{1}{4}$
Sec. 6: Lots 1, 2; S $\frac{1}{2}$ NE $\frac{1}{4}$

All of the above lands situated in Yuma County, Colorado

where my interest pertains.

I hereby give and grant unto my said Attorney full power and authority to do and perform all acts necessary to carry out the foregoing powers and I do hereby ratify and confirm and approve all that my said Attorney shall lawfully do or cause to be done by virtue hereof.

This Power of Attorney shall remain in effect as long as Resources Exploration, Ltd. and the undersigned own interests in the above wells and lands.

WITNESS my hand and seal in the City of Grand Junction and County of Garfield, this 13 day of November, 1975.

STATE OF Colorado }
COUNTY OF Garfield } ss

The foregoing instrument was acknowledged before me this 7 day of November, 1975, by J. W. Chandler

WITNESS my hand and official seal.
My Commission Expires: 11/11/77

Richard J. ...
Notary Public

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

I, Stephen G. Bolyard, now residing in Arapahoe County, State of Colorado do hereby make, constitute and appoint Stephen D. Davies, as President of Resources Exploration, Ltd., my true and lawful Attorney for me and in my name, place and stead on my behalf to write, sign and execute any and all documents pertaining to 3 gas wells that are currently producing described as follows:

#1-29 State Township 2 South, Range 43 West
Sec. 29: SW $\frac{1}{4}$ NE $\frac{1}{4}$

#1 Ekberg Township 2 South, Range 43 West
Sec. 33: SE $\frac{1}{4}$ NW $\frac{1}{4}$

#1-31 State Township 2 South, Range 43 West
Sec. 31: SW $\frac{1}{4}$ NE $\frac{1}{4}$

All of the above lands situated in Yuma County, Colorado

and 2 wells to be drilled described as follows:

Township 2 South, Range 43 West
Sec. 32

Township 3 South, Range 43 West
Sec. 5

All of the above lands situated in Yuma County, Colorado

and the lands described as follows:

Township 2 South, Range 43 West
Sec. 29: S $\frac{1}{2}$ SE $\frac{1}{4}$
Sec. 31: E $\frac{1}{2}$ SE $\frac{1}{4}$; SW $\frac{1}{2}$ SE $\frac{1}{4}$
Sec. 32: W $\frac{1}{2}$; NW $\frac{1}{2}$ NE $\frac{1}{4}$; SW $\frac{1}{2}$ SE $\frac{1}{4}$; E $\frac{1}{2}$ NE $\frac{1}{4}$;
N $\frac{1}{2}$ SW $\frac{1}{2}$ NE $\frac{1}{4}$; NW $\frac{1}{2}$ SE $\frac{1}{4}$; S $\frac{1}{2}$ SW $\frac{1}{2}$ NE $\frac{1}{4}$
Sec. 33: W $\frac{1}{2}$ NW $\frac{1}{4}$; SW $\frac{1}{2}$ SW $\frac{1}{4}$

Township 3 South, Range 43 West
Sec. 4: SW $\frac{1}{4}$
Sec. 5: Lots 1, 2, 3, 4; S $\frac{1}{2}$ N $\frac{1}{2}$; SE $\frac{1}{4}$;
SE $\frac{1}{2}$ SW $\frac{1}{4}$
Sec. 6: Lots 1, 2; S $\frac{1}{2}$ NE $\frac{1}{4}$

All of the above lands situated in Yuma County, Colorado

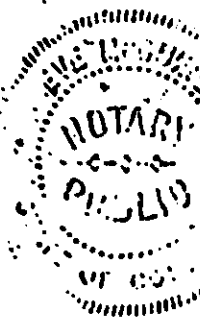
where my interest pertains.

I hereby give and grant unto my said Attorney full power and authority to do and perform all acts necessary to carry out the foregoing powers and I do hereby ratify and confirm and approve all that my said Attorney shall lawfully do or cause to be done by virtue hereof.

This Power of Attorney shall remain in effect as long as Resources Exploration, Ltd. and the undersigned own interests in the above wells and lands.

WITNESS my hand and seal in the City of Littleton and County of Arapahoe, this 26th day of November, 1975.

[Signature]



STATE OF Colorado } ss
COUNTY OF Arapahoe

The foregoing instrument was acknowledged before me this 26th day of November, 1975, by Stephen G. Bolyard

WITNESS my hand and official seal.

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

JAMES T. RUTHERFORD, now residing in Jefferson County, State of COLORADO do hereby make, constitute and appoint Stephen D. Davies, as President of Resources Exploration, Ltd., my true and lawful Attorney for me and in my name, place and stead on my behalf to write, sign and execute any and all documents pertaining to 3 gas wells that are currently producing described as follows:

#1-29 State Township 2 South, Range 43 West
Sec. 29: SW $\frac{1}{4}$ NE $\frac{1}{4}$

#1 Ekberg Township 2 South, Range 43 West
Sec. 33: SE $\frac{1}{4}$ NW $\frac{1}{4}$

#1-31 State Township 2 South, Range 43 West
Sec. 31: SW $\frac{1}{4}$ NE $\frac{1}{4}$

All of the above lands situated in Yuma County, Colorado

and 2 wells to be drilled described as follows:

Township 2 South, Range 43 West
Sec. 32

Township 3 South, Range 43 West
Sec. 5

All of the above lands situated in Yuma County, Colorado

and the lands described as follows:

Township 2 South, Range 43 West

Sec. 29: S $\frac{1}{2}$ SE $\frac{1}{4}$

Sec. 31: E $\frac{1}{2}$ SE $\frac{1}{4}$; SW $\frac{1}{4}$ SE $\frac{1}{4}$

Sec. 32: W $\frac{1}{2}$; NW $\frac{1}{4}$ NE $\frac{1}{4}$; SW $\frac{1}{4}$ SE $\frac{1}{4}$; E $\frac{1}{2}$ NE $\frac{1}{4}$;
N $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$; NW $\frac{1}{4}$ SE $\frac{1}{4}$; S $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$

Sec. 33: W $\frac{1}{2}$ NW $\frac{1}{4}$; SW $\frac{1}{4}$ SW $\frac{1}{4}$

Township 3 South, Range 43 West

Sec. 4: SW $\frac{1}{4}$

Sec. 5: Lots 1, 2, 3, 4; S $\frac{1}{2}$ N $\frac{1}{2}$; SE $\frac{1}{4}$;
SE $\frac{1}{4}$ SW $\frac{1}{4}$

Sec. 6: Lots 1, 2; S $\frac{1}{2}$ NE $\frac{1}{4}$

All of the above lands situated in Yuma County, Colorado

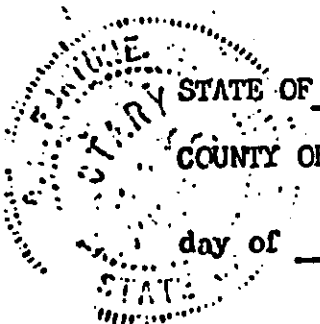
where my interest pertains.

I hereby give and grant unto my said Attorney full power and authority to do and perform all acts necessary to carry out the foregoing powers and I do hereby ratify and confirm and approve all that my said Attorney shall lawfully do or cause to be done by virtue hereof.

This Power of Attorney shall remain in effect as long as Resources Exploration, Ltd. and the undersigned own interests in the above wells and lands.

WITNESS my hand and seal in the City of Denver and County of Denver, this 26 day of February, 1976.

James T. Rutherford



STATE OF Colo.
COUNTY OF Yuma ss

The foregoing instrument was acknowledged before me this 26 day of February, 1976, by James T. Rutherford

WITNESS my hand and official seal.

My Commission Expires: 10/29/75

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

I, JOSEPH D. SARGENT, now residing in Hartford County, State of Connecticut do hereby make, constitute and appoint Stephen D. Davies, as President of Resources Exploration, Ltd., my true and lawful Attorney for me and in my name, place and stead on my behalf to write, sign and execute any and all documents pertaining to 3 gas wells that are currently producing described as follows:

- #1-29 State Township 2 South, Range 43 West
Sec. 29: SW $\frac{1}{4}$ NE $\frac{1}{4}$
- #1 Ekberg Township 2 South, Range 43 West
Sec. 33: SE $\frac{1}{4}$ NW $\frac{1}{4}$
- #1-31 State Township 2 South, Range 43 West
Sec. 31: SW $\frac{1}{4}$ NE $\frac{1}{4}$

All of the above lands situated in Yuma County, Colorado

and 2 wells to be drilled described as follows:

- Township 2 South, Range 43 West
Sec. 32
- Township 3 South, Range 43 West
Sec. 5

All of the above lands situated in Yuma County, Colorado

and the lands described as follows:

- Township 2 South, Range 43 West
Sec. 29: S $\frac{1}{2}$ SE $\frac{1}{4}$
Sec. 31: E $\frac{1}{2}$ SE $\frac{1}{4}$; SW $\frac{1}{2}$ SE $\frac{1}{4}$
Sec. 32: W $\frac{1}{2}$; NW $\frac{1}{2}$ NE $\frac{1}{4}$; SW $\frac{1}{2}$ SE $\frac{1}{4}$; E $\frac{1}{2}$ NE $\frac{1}{4}$;
N $\frac{1}{2}$ SW $\frac{1}{2}$ NE $\frac{1}{4}$; NW $\frac{1}{2}$ SE $\frac{1}{4}$; S $\frac{1}{2}$ SW $\frac{1}{2}$ NE $\frac{1}{4}$
Sec. 33: W $\frac{1}{2}$ NW $\frac{1}{4}$; SW $\frac{1}{2}$ SW $\frac{1}{4}$
- Township 3 South, Range 43 West
Sec. 4: SW $\frac{1}{4}$
Sec. 5: Lots 1, 2, 3, 4; S $\frac{1}{2}$ N $\frac{1}{2}$; SE $\frac{1}{4}$;
SE $\frac{1}{4}$ SW $\frac{1}{4}$
Sec. 6: Lots 1, 2; S $\frac{1}{2}$ NE $\frac{1}{4}$

All of the above lands situated in Yuma County, Colorado

where my interest pertains.

I hereby give and grant unto my said Attorney full power and authority to do and perform all acts necessary to carry out the foregoing powers and I do hereby ratify and confirm and approve all that my said Attorney shall lawfully do or cause to be done by virtue hereof.

This Power of Attorney shall remain in effect as long as Resources Exploration, Ltd. and the undersigned own interests in the above wells and lands.

WITNESS my hand and seal in the City of Hartford and County of Hartford, this 11th day of December, 1975.

Joseph D. Sargent

Notary Public

STATE OF Connecticut
COUNTY OF Hartford } ss

The foregoing instrument was acknowledged before me this 12th day of December, 1975, by Joseph D. Sargent
WITNESS my hand and official seal.

My Commission Expires: Mar. 31, 1980

Joseph D. Sargent

Notary Public



BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

IN THE MATTER OF THE PROMULGATION)
AND ESTABLISHMENT OF FIELD RULES TO) CAUSE NO. 300
GOVERN OPERATIONS IN THE BEECHER)
ISLAND FIELD, YUMA COUNTY, COLORADO) ORDER NO. 300-1

REPORT OF THE COMMISSION

This cause came on for hearing before the Commission on September 16, 1975 at 9 a.m., in Room 532, State Services Building, Denver, Colorado, after giving Notice of Hearing as required by law, on the application of Kansas-Nebraska Natural Gas Co., Mountain Petroleum, Ltd. and Resources Exploration, Ltd., for an order establishing 640-acre drilling and spacing units for the production of gas from the Niobrara formation underlying certain lands in Yuma County, Colorado. The application was amended at the time of hearing requesting that consideration be given to the status of an old existing gas well operated by the land owner.

FINDINGS

The Commission finds as follows:

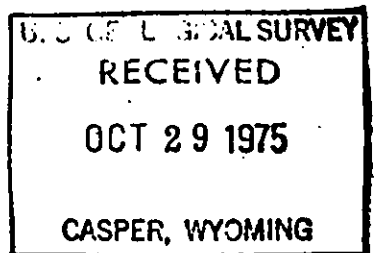
1. That due notice of the time, place and purpose of the hearing has been given in all respects as required by law.
2. That the Commission has jurisdiction over the subject matter embraced in said Notice, and of the parties interested therein, and jurisdiction to promulgate the hereinafter prescribed order.
3. That evidence presented at the hearing indicates that the Niobrara formation constitutes a common source of supply of gas underlying the following described lands in Yuma County, Colorado, to-wit:

Township 2 South, Range 43 West, 6th P. M.
Sections 3 thru 5; 7 thru 10; 15 thru 18; 19
thru 22; 27 thru 33: All

Township 2 South, Range 44 West, 6th P. M.
Section 24: All Section 36: All
Section 25: All

Township 3 South, Range 43 West, 6th P. M.
Section 4: All Section 6: All
Section 5: All

Township 3 South, Range 44 West, 6th P. M.
Section 1: All



4. That in order to prevent the waste of gas, as defined by law; to protect the correlative rights of all parties concerned; to prevent the drilling of unnecessary wells, and to insure proper and efficient development and promote conservation of the gas resources of the State, an order should be made establishing 640-acre drilling and spacing units for the production of gas from the Niobrara formation, common source of supply underlying the lands defined herein; that said units should be 640-acre drilling units, and consist of a section of land according to the governmental survey thereof, and that the

(over)

permitted well for each such drilling unit should be located no closer than 990 feet from the boundaries of the unit; however, the Well No. 2 State, located 580 feet from the east line and 220 feet from the south line of Section 30, Township 2 South, Range 43 West, 6th P. M., should be considered an exception and be the permitted well for the unit upon which it is located.

5. That all available geological and engineering data concerning said Niobrara formation indicate that one well will efficiently and economically drain an area of approximately 640-acres, and that drilling units of the size and shape hereinabove described are not smaller than the maximum area that can be efficiently drained by one well produced from said Niobrara formation.

6. That the old existing gas well, located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 20, Township 2 South, Range 43 West, 6th P. M., which is non-commercial and is being used by the land owner for his own use, should be considered an additional well on the unit upon which it is located and not made subject to the provisions of this order.

ORDER

NOW, THEREFORE, IT IS ORDERED, that the following rules and regulations shall apply hereafter to wells drilled, completed, or recompleted in the Niobrara formation underlying the Beecher Island Field herein described, in addition to other applicable rules and regulations and orders of the Commission, if any, heretofore adopted and not in conflict herewith:

Rule 1. Six Hundred Forty (640) acre drilling and spacing units shall be and the same are hereby established for the production of gas from the Niobrara formation underlying the following described lands in the Beecher Island Field, Yuma County, Colorado, to-wit:

Township 2 South, Range 43 West, 6th P. M.
Section 3 thru 5; 7 thru 10; 15 thru 18; 19
thru 22; 27 thru 33: All

Township 2 South, Range 44 West, 6th P. M.
Section 24: All Section 36: All
Section 25: All

Township 3 South, Range 43 West, 6th P. M.
Section 4: All Section 6: All
Section 5: All

Township 3 South, Range 44 West, 6th P. M.
Section 1: All

Rule 2. Said drilling units shall consist of six hundred forty (640) acres, and each such drilling unit shall consist of a section of land, according to the governmental survey thereof, and the permitted well for each such drilling unit shall be located no closer than 990 feet from the boundaries of the unit; however, the Well No. 2 State, located 580 feet from the east line and 220 feet from the south line of Section 30, Township 2 South, Range 43 West, 6th P. M., shall be considered an exception and be the permitted well for the unit upon which it is located.

IT IS FURTHER ORDERED, that the well located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 20, Township 2 South, Range 43 West, 6th P. M., shall be considered an additional well on the unit upon which it is located and shall not be made subject to the provisions of this order.

as being considered

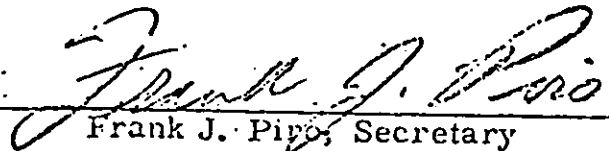
IT IS FURTHER ORDERED, that the rules and regulations contained herein shall become effective forthwith.

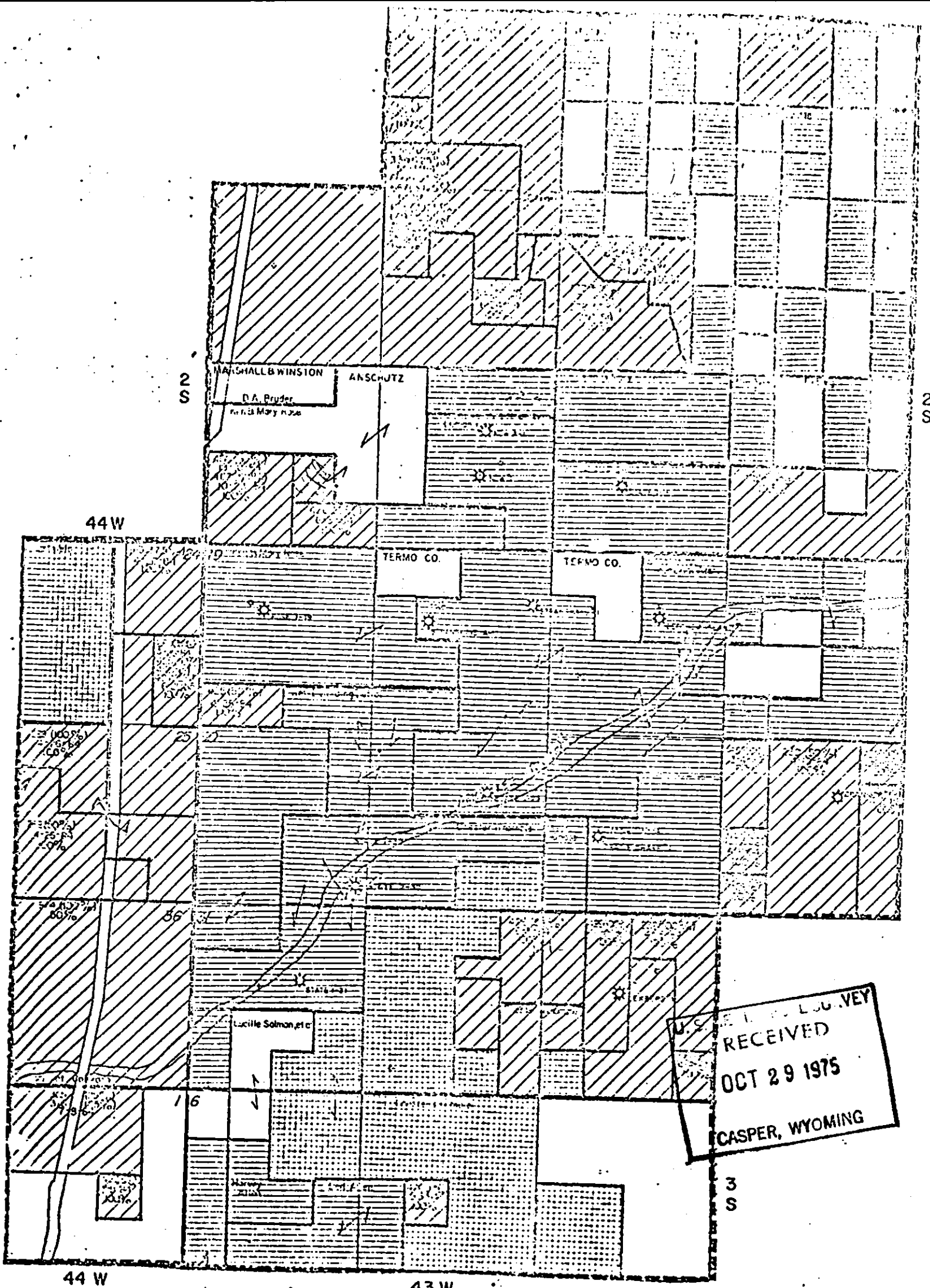
IT IS FURTHER ORDERED, that the Commission expressly reserves its right, after notice and hearing, to alter, amend or repeal any and/or all of the above orders, rules and regulations.

ORDERED this 16th day of September, 1975.

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

By


Frank J. Piro, Secretary



U.S. GEOLOGICAL SURVEY
 RECEIVED
 OCT 29 1975
 CASPER, WYOMING

BEECHER ISLAND
 YUMA COUNTY, COLORADO


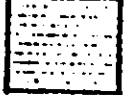

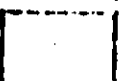
-  KANSAS-NEBRASKA
-  MOUNTAIN PETROLEUM
-  RESOURCES EXPLORATION LTD.
-  TEXACO

EXHIBIT "A"

STATE OF Colorado

COUNTY OF Yuma

ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Kans., Okla., and Colo.)

Before me, the undersigned, a Notary Public, within and for said county and state, on this 7th day of May, 1973, personally appeared

Chester F. Whomble and Doris J. Whomble, husband and wife

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

My commission expires January 1973 Richard L. Hedger Notary Public.

STATE OF _____ } ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Kans., Okla., and Colo.)
COUNTY OF _____

Before me, the undersigned, a Notary Public, within and for said county and state, on this _____ day of _____, 19____, personally appeared _____ and _____

to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that _____ executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires _____ Notary Public.

STATE OF _____ } ss. ACKNOWLEDGMENT FOR CORPORATION
COUNTY OF _____

On this _____ day of _____, A. D., 19____, before me, the undersigned, a Notary Public in and for the county and state aforesaid, personally appeared _____ to me personally known to be the identical person who signed the name of the maker thereof to the within and foregoing instrument as its _____ President and acknowledged to me that _____ executed the same as _____ free and voluntary act and deed, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.

My commission expires _____ Notary Public.

OIL AND GAS LEASE

FROM Chester F. Whomble, et al.
Doris J. Whomble
TO Ed Shepardson

Date _____ 19____
Section _____ Twp _____ Rge _____
No. of Acres _____ Term _____
County _____

STATE OF Colorado } ss.
County of Yuma

This instrument was filed for record on the 1st day of June, 1973 at 9:10 o'clock A.M., and duly recorded in Book 479 Page 492 of the records of this office.

R. W. Wilson Register of Deeds.
By Margie Eustace, Deputy
When recorded, return to _____

THE KANSAS BLUE PRINT CO.
WICHITA, KANSAS
PHOTOSTAT SERVICE-UP-TO-DATE OIL MAPS
YUMA COUNTY ABSTRACT CO.

NOTE: When signature by mark in Kansas, said mark to be witnessed by at least one person and also acknowledged. For acknowledgment by mark, use regular Kansas acknowledgment.

STATE OF _____ } ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Kans., Okla., and Colo.)
COUNTY OF _____

Before me, the undersigned, a Notary Public, within and for said county and state, on this _____ day of _____, 19____, personally appeared _____ and _____

to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that _____ executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires _____ Notary Public.

PHOTODUPLICATIONS
KANSAS
0800330

Compliance with any now or hereafter existing act, bill or statute purporting to be enacted by any Federal or State legislative authority, or with orders, judgments, decrees, rules, regulations made or promulgated by State or Federal courts, State or Federal officers, boards, commissions or committees purporting to be made under authority of any such act, bill or statute, shall not constitute a violation of any of the terms of this lease or be considered a breach of any clause, obligation, covenant, undertaking, condition or stipulation contained herein, nor shall it be or constitute a cause for the termination, forfeiture, reversion or reversion of any estate or interest herein and hereby created and set out, nor shall any such compliance confer any right of entry or become the basis of any action for damages or suit for the forfeiture or cancellation hereof; and while any such purport to be in force and effect they shall, when complied with by lessee or assigns, to the extent of such compliance operate as modifications of the terms and conditions of this lease where inconsistent therewith.

Lessee may at any time surrender this lease, in whole or in part, by delivering or mailing a release to the lessor, or by placing a release of record in the proper county. In the event of a partial release, the annual delay rental above mentioned shall be reduced proportionately.

Lessor hereby releases and relinquishes any right of homestead, dower or curtesy they or either of them may have in or to the leased land.

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment, any mortgage, taxes or other liens on the above described lands in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof.

This lease and all its terms, conditions and stipulations binds each executing lessor and shall extend to and be binding on his assigns, heirs and devisees and successors, and those of the lessee, though unsigned by other lessors named herein.

IN WITNESS WHEREOF, We sign the day and year first above written.

Berl Allen (SEAL)
Berl Allen (SEAL)
SS# 521-50-1227 (SEAL)

Hattie L. Allen (SEAL)
Hattie L. Allen (SEAL)

STATE OF Colorado } SS.
COUNTY OF Yuma

Arizona, Colorado, Idaho, Kansas, Montana
Nebraska, Nevada, New Mexico, North Dakota,
South Dakota, Utah, Wyoming
ACKNOWLEDGMENT - INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 8th day of July, 19 74, personally appeared Berl Allen and Hattie L. Allen, Husband and Wife, to me known to be the identical person 8 described in and who executed the within and foregoing instrument of writing 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.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.
My Commission Expires June 11, 1977
James H. Brady Notary Public

STATE OF COLORADO } SS.
COUNTY OF COLORADO

Arizona, Colorado, Idaho, Kansas, Montana
Nebraska, Nevada, New Mexico, North Dakota,
South Dakota, Utah, Wyoming
ACKNOWLEDGMENT - INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 19____, personally appeared _____ and _____, to me known to be the identical person _____ described in and who executed the within and foregoing instrument of writing and acknowledged to me that _____ executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.
My Commission Expires _____
Notary Public

OIL AND GAS LEASE	
FROM	<u>Berl Allen, et al</u>
TO	<u>Hattie L. Allen</u>
Dated	<u>Mountain Petroleum Corp.</u>
Lot	
Block	
Section	
Township	
Range	
County	
No. of acres	
Term	
STATE OF <u>Colorado</u>	SS.
COUNTY OF <u>Yuma</u>	
This instrument was filed for record on the <u>30th</u> day of <u>July</u> , 19 <u>74</u> , at <u>10:30</u> o'clock A.M., and duly recorded in Book <u>488</u> , Page <u>211</u> of the records of this office.	
<u>B. P. Allison</u> County Clerk - Registrar of Deeds.	
<u>Margie E. Systeum</u> Deputy.	
When Recorded	<u>July 29, 1974</u>
Return to	<u>Gretna - 1776 Fiscal St. Denver 80203</u>

392462 MICROFILMED

STATE OF _____ } SS.
COUNTY OF _____

Arizona, New Mexico, Utah, Wyoming
ACKNOWLEDGMENT - CORPORATION

On this _____ day of _____, 19____, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is _____ President of _____, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation; that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said _____ acknowledged said instrument to be the free act and deed of said corporation.

WITNESS my hand and official seal the day and year last above written.
My Commission Expires _____
Notary Public

Attached to and made a part of that certain oil and gas lease dated July 8, 1974 by and between Berl Allen and Hattie L. Allen, Husband and Wife, Idalia, Colorado as Lessors and Mountain Petroleum Corporation, Denver, Colorado as Lessee.

Township 3 South - Range 44 West 6th. P.M.

- Section 1: Lots 2, 3, 4, SW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$
 Section 2: SE $\frac{1}{4}$ NE $\frac{1}{4}$
 Section 12: N $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$; SE $\frac{1}{4}$ and all that part of W $\frac{1}{2}$ lying east of Highway 51
 Section 13: W $\frac{1}{2}$

Township 3 South - Range 43 West 6th. P.M.

- Section 5: W $\frac{1}{2}$ SW $\frac{1}{4}$
 Section 6: Lots 5, 6, 7, E $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$
 Section 7: Lot 1, W $\frac{1}{2}$ NE $\frac{1}{4}$
 Section 18: Lots 3, 4, E $\frac{1}{2}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$
 Section 19: NE $\frac{1}{4}$
 Section 20: NE $\frac{1}{4}$

Containing 2,230.37 gross acres more or less.