



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

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

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

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

12. This lease does not cover oil shale.  
13. The rights granted under this lease are granted without covenants of title or to give possession or for quiet enjoyment.

14. Lessor reserves the right to use such portions of the leased premises as may not be required by Lessee in the conduct of its operations hereunder, for all purposes not inconsistent with the rights granted hereby, and Lessee shall so conduct its operations as not to interfere unreasonably with such use; provided, nevertheless, that the use of the leased premises by the Lessor shall not unreasonably interfere with the operations of the Lessee.

15. Lessee shall not make any entry upon or under any portion of the right of way or station grounds of Lessor for any of the purposes of this lease, and shall not drill any well or maintain any structures within two hundred feet (200') (a) of any railroad tracks or buildings on said right of way or station grounds, or (b) of any buildings upon the leased premises.

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

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

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

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

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

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

UNION PACIFIC RAILROAD COMPANY

By J. A. Redeker  
Its Attorney in Fact

STATE OF COLORADO } ss.  
COUNTY OF ARAPAHOE }

Colorado-Wyoming  
Acknowledgment

The foregoing instrument was acknowledged before me by J. A. Redeker  
attorney in fact for UNION PACIFIC RAILROAD COMPANY, this 2nd day of December

1970

WITNESS my hand and official seal.

Notary Public

My Commission expires October 23, 1971

STATE OF \_\_\_\_\_ } ss.  
COUNTY OF \_\_\_\_\_ }

Utah-Nebraska  
Acknowledgment

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

WITNESS my hand and notarial seal the date last aforesaid.

Notary Public

My Commission expires \_\_\_\_\_

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**OIL AND GAS LEASE**

FROM  
UNION PACIFIC RAILROAD COMPANY  
TO  
PAN AMERICAN PETROLEUM CORPORATION

Dated \_\_\_\_\_, 19\_\_\_\_,  
Township \_\_\_\_\_ Range \_\_\_\_\_  
No. of Acres \_\_\_\_\_  
County, \_\_\_\_\_

STATE OF \_\_\_\_\_ } ss.  
COUNTY OF \_\_\_\_\_ }

This instrument was filed for record on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_ at \_\_\_\_\_ o'clock \_\_\_\_\_ M., and duly recorded in book \_\_\_\_\_, page \_\_\_\_\_ of the records of this office.

By \_\_\_\_\_

When Recorded Return to \_\_\_\_\_

Have recorded return by \_\_\_\_\_  
DENVER COLORADO 622

LAND ACQUISITION-EXHIBIT 'A'

Township 3 North, Range 67 West  
Section 13: SW/4 NE/4, S/2 NE/4 NE/4  
Section 15: W/2 NE/4, NW/4 NE/4  
Section 19: W/2 SW/4, SE/4 SW/4

Township 2 North, Range 67 West  
Section 25: S/2 NW/4, W/2 SW/4, S/2 NW/4 NW/4  
Section 31: SW/4, S/2 SW/4  
Section 35: W/2 NE/4, SE/4 SW/4

Township 2 North, Range 68 West  
Section 1: NW/4 SE/4, SW/4 SE/4  
Section 9: SE/4 SW/4

Township 3 North, Range 66 West  
Section 29: SW/4  
Section 31: E/2 SW/4, NW/4, SW/4 SW/4, S/2 SW/4 NE/4

Township 2 North, Range 66 West  
Section 3: Lot 2 (N/2 NE/4) (73.69), S/2 NW/4, SW/4, SW/4 NE/4  
Section 9: SW/4, S/2 NE/4  
Section 17: S/2 SW/4, NW/4 SW/4  
Section 21: W/2 NE/4, SW/4 NE/4  
Section 33: SW/4, S/2 NE/4

Township 1 North, Range 66 West  
Section 9: SW/4, S/2 SW/4  
Section 31: SW/4 SW/4, NW/4 SW/4

Township 1 North, Range 67 West  
Section 3: SW/4, S/2 SW/4  
Section 7: Lots 1 and 2 (W/2 W/2) (147.88), E/2 W/2, SW/4  
Section 11: SW/4, S/2 NW/4  
Section 15: W/2, NW/4 SW/4  
Section 17: NW/4, S/2  
Section 21: W/2, SW/4 SW/4  
Section 27: NW/4, S/2  
Section 35: NW/4, S/2 SW/4

Township 1 North, Range 68 West  
Section 1: NW/4 SE/4, W/2 SW/4 SW/4

Containing 5741.57 acres, more or less

1559652

UNITED STATES DEPARTMENT OF THE INTERIOR

LAND OFFICE

WASHINGTON, D. C. 20240

RECEIVED

Wesley McKernan

APR 1971

San Antonio Hill Co  
Hill Country  
Hill Country, Texas