

AMENDMENT TO OIL AND GAS LEASE

**WHEREAS**, on the 14th day of February, 1946, John T. Bailey and Hugh Foster, Lessors, did execute and deliver to Paul L. Davis, Lessee, an Oil and Gas Lease covering the following described land in La Plata County, Colorado, to wit:

SW/4 of Section 12; SE/4 SE/4 of Section 11; N/2 NW/4, NW/4 NE/4 of Section 13; T 33 N, R 9 W, La Plata County, Colorado, N.M.P.M.

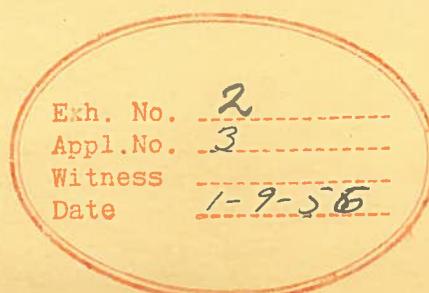
said lease having been recorded in Volume 257 at Page 233 of the Records of La Plata County, Colorado; and

**WHEREAS**, the above described lease is in full force and effect; and

**WHEREAS**, the undersigned parties are the owners of all or a part of the oil and gas in and under the above described land, subject to said lease, and desire to amend and supplement said lease so as to include the additional provisions hereinafter set forth;

**NOW THEREFORE**, in consideration of the premises and the sum of One Dollar (\$1.00) and other good and valuable considerations in hand paid to the undersigned parties, the receipt and sufficiency of which are hereby acknowledged, the undersigned parties do hereby and by these presents amend and supplement the above described oil and gas lease so as to include therein the following:

Lessee, at its option, is hereby given the right and power to pool or combine the land covered by this lease, or any portion thereof, as to gas, with any other land lease or leases when in Lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said premises, such pooling to be into a well unit or units not exceeding three hundred and twenty (320) acres, except that larger or smaller units may be created to conform to any spacing or well unit pattern that may be prescribed by governmental authorities having jurisdiction. Lessee may pool or combine acreage covered by this lease, or any portion thereof, as above provided, as to gas in any one or more strata, and units so formed need not conform in size or area with the unit or units into which the lease is pooled or combined as to any other stratum or strata. The pooling in one or more instances shall not exhaust the rights of the Lessee hereunder to pool this lease or portions thereof into other units. Lessee shall execute in writing and place of record an instrument or instruments identifying and describing the pooled acreage. The entire acreage so pooled into a unit shall be treated for all purposes, except the payment of royalties, as if it were included in this lease, and drilling or reworking operations thereon or production of gas therefrom, or the completion thereon of a well as a shut-in gas well, shall be considered for all purposes, except the payment of royalties, as if such operations were on or such production were from or such completion were on the land covered by this lease, whether or not the well or wells be located on the premises covered by this lease. In lieu of the royalties elsewhere herein specified Lessor shall receive from a unit so formed, only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein bears to the total acreage so pooled in the particular unit involved. Should any unit as originally created hereunder contain less than the maximum number of acres hereinabove specified, then lessee may at any time thereafter, whether before or after production is obtained on the unit, enlarge such unit by adding additional acreage thereto, but the enlarged unit shall in no event exceed the acreage content hereinabove specified. In the event an existing unit is so enlarged, Lessee shall execute and place of record a supplemental declaration of unitisation identifying and describing the land added to the existing unit; provided, that if such supplemental declaration of unitisation is not filed until after production is obtained on the unit as originally created, then and in such event the supplemental declaration of unitisation shall not become effective until the first day of the calendar month next following the filing thereof. In the absence of production, Lessee may terminate any unitised area by filing of record notice of termination.



Except as herein amended and supplemented, the terms and provisions of the above described lease shall remain in full force and effect as originally written. This instrument shall be binding upon all of the parties who sign the same regardless of whether it is signed by all of the parties owning interests in the oil and gas in and under the above described land. This amendment may be executed in as many counterparts as deemed necessary, and, when so executed shall have the same effect as if all parties had executed the same instrument.

EXECUTED THIS 8<sup>th</sup> day of Dec., 1955

T H McElvain  
T.H. McElvain

Ruth M. Vaughan  
Ruth M. Vaughan

J. Wm. McElvain  
J. Wm. McElvain

Warner G. Vaughan  
Warner G. Vaughan

Mabelle M. Miller (formerly Mabelle M. Raymond)  
Mabelle M. Miller (formerly Mabelle M. Raymond)

STATE OF New Mexico )  
COUNTY OF Santa Fe )

The foregoing instrument was acknowledged before me this 8<sup>th</sup> day of December, 1955 by T.H. McElvain

WITNESS MY HAND AND OFFICIAL SEAL.

Harold M. Norvell  
Notary Public

My Commission Expires:

Apr 17 1959

STATE OF Illinois )  
COUNTY OF DeWitt )

The foregoing instrument was acknowledged before me this 17<sup>th</sup> day of December, 1955 by J. Wm. McElvain

WITNESS MY HAND AND OFFICIAL SEAL.

Willard J. Furbach  
Notary Public

My Commission Expires:

4-10-59

STATE OF *Pennsylvania* )  
COUNTY OF *Montgomery* )

The foregoing instrument was acknowledged before me this 12<sup>th</sup> day of December, 1955 by Werner C. Vaughan - NAME SHOULD READ WERNER G. VAUGHAN

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

January 17, 1959

Margaret E. McNeill  
Notary Public  
*Admon. Pa.*

STATE OF *Pennsylvania* )  
COUNTY OF *Montgomery* )

The foregoing instrument was acknowledged before me this 12<sup>th</sup> day of December, 1955 by Ruth M. Vaughan

WITNESS MY HAND AND OFFICIAL SEAL

My Commission Expires:

January 17, 1959

Margaret E. McNeill  
Notary Public  
*Admon. Pa.*

STATE OF )  
COUNTY OF )

The foregoing instrument was acknowledged before me this 19<sup>th</sup> day of December, 1955 by Mabelle M. Miller

WITNESS MY HAND AND OFFICIAL SEAL

My Commission Expires:

January 17, 1959

Flarance M. Korrall  
Notary Public