

RECORDING REQUESTED BY

211 PAGE 132

WHEN RECORDED MAIL TO

Reichhold Energy Corp.
P.O. Box 8710
Be Wilson Or 97051
Attn: Barbara Cappel

ORIGINAL SPACE ABOVE THIS LINE FOR RECORDERS USE

OIL, GAS AND MINERAL LEASE

(SHORT FORM)

THIS LEASE AND AGREEMENT, made and entered into APRIL 9 19 75 40
by and between COLUMBIA COUNTY, a Political Subdivision of the State of Oregon,

hereinafter called "Lessor" (whether one or more), and REICHHOLD ENERGY CORPORATION, hereinafter called "Lessee,"

WITNESSETH:

Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the land hereinafter described, for the purposes and with the exclusive right of prospecting, exploring, mining, drilling and operating said land for oil, gas, other hydrocarbons, associated substances, sulphur, nitrogen, carbon dioxide, helium and other commercially valuable substances which may be produced through wells on said land, whether or not similar to the above-mentioned substances. The land hereby leased is situated in Columbia County, Oregon and is described as follows:

(see Attachment "A")

Recorded By
Pioneer National
Title Insurance Company

This lease is made for the term and upon and subject to each and all the terms, provisions, covenants and conditions set forth in the certain Oil, Gas and Mineral Lease of even date herewith between the parties hereto covering the land hereinabove described, and said Oil, Gas and Mineral Lease is hereby incorporated herein with the same force and effect as though herein set forth at length.

IN WITNESS WHEREOF, said parties have caused this lease to be duly executed as of the date first hereinabove written.

..... COLUMBIA COUNTY, a Political Subdivision
of the State of Oregon

BY: *[Signature]*
BY: *[Signature]*
BY: *[Signature]*
LESSOR

REICHHOLD ENERGY CORPORATION
LESSEE
By: *[Signature]*
Vice President

ORIGINAL

ATTACHMENT "A"

TOWNSHIP 7 NORTH, RANGE 5 WEST, W.M.

- Section 20: E $\frac{1}{2}$ SE $\frac{1}{4}$; SE $\frac{1}{4}$ NE $\frac{1}{4}$;
- Section 21: All
- Section 22: W $\frac{1}{2}$ EXCEPTING THEREFROM NE $\frac{1}{4}$ NW $\frac{1}{4}$;
- Section 23: SW $\frac{1}{4}$ SE $\frac{1}{4}$;
- Section 25: NE $\frac{1}{4}$ NE $\frac{1}{4}$; S $\frac{1}{2}$ NE $\frac{1}{4}$; SW $\frac{1}{4}$ NW $\frac{1}{4}$; N $\frac{1}{2}$ SW $\frac{1}{4}$; SE $\frac{1}{4}$ SW $\frac{1}{4}$;
- Section 26: S $\frac{1}{2}$ NE $\frac{1}{4}$;
- Section 27: S $\frac{1}{2}$ SW $\frac{1}{4}$; NW $\frac{1}{4}$ NW $\frac{1}{4}$;
- Section 28: SW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ N $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$ N $\frac{1}{2}$ NE $\frac{1}{4}$;
NE $\frac{1}{4}$ NW $\frac{1}{4}$; NE $\frac{1}{4}$ SW $\frac{1}{4}$; NW $\frac{1}{4}$ SE $\frac{1}{4}$; SW $\frac{1}{4}$ NE $\frac{1}{4}$;
- Section 29: S $\frac{1}{2}$ NE $\frac{1}{4}$; S $\frac{1}{2}$ SW $\frac{1}{4}$; NE $\frac{1}{4}$ SW $\frac{1}{4}$; SE $\frac{1}{4}$;
- Section 30: SE $\frac{1}{4}$ SE $\frac{1}{4}$;
- Section 31: All *with*

Section 32: NE $\frac{1}{4}$ SW $\frac{1}{4}$; W $\frac{1}{2}$ SW $\frac{1}{4}$; W $\frac{1}{2}$ NW $\frac{1}{4}$; SE $\frac{1}{4}$ NW $\frac{1}{4}$; a portion of the NW $\frac{1}{4}$ SE $\frac{1}{4}$ as conveyed by James Miller to Columbia County by Deed recorded in Book 28, at page 573 of Deed Records Columbia County, Oregon; a portion of SW $\frac{1}{4}$ NE $\frac{1}{4}$ described as follows: Beginning at a point on the quarter section line, from which the southwest corner of the NE $\frac{1}{4}$ of said Section 32 bears South 86° 30' West a distance of 200 feet; thence East along quarter section line 988.8 feet; thence North 1° 30' West 440 feet; thence South 88° 30' West 230.8 feet; thence South 63° West 642 feet; thence South 37° 45' West 270 feet to P.O.B.

TOWNSHIP 6 NORTH, RANGE 5 WEST, W.M.

- Section 33: NE $\frac{1}{4}$; SE $\frac{1}{4}$; N $\frac{1}{2}$ NW $\frac{1}{4}$; S $\frac{1}{2}$ SW $\frac{1}{4}$;
 - Section 34: E $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$; E $\frac{1}{2}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$; E $\frac{1}{2}$ SE $\frac{1}{4}$; W $\frac{1}{2}$ SW $\frac{1}{4}$; N $\frac{1}{2}$ NW $\frac{1}{4}$;
 - Section 35: All EXCEPTING THEREFROM NE $\frac{1}{4}$ NE $\frac{1}{4}$
- Section 1: SE $\frac{1}{4}$ NW $\frac{1}{4}$; NE $\frac{1}{4}$ SW $\frac{1}{4}$; E $\frac{1}{2}$ SE $\frac{1}{4}$; SW $\frac{1}{4}$ NW $\frac{1}{4}$; SW $\frac{1}{4}$ NE $\frac{1}{4}$; NW $\frac{1}{4}$ SW $\frac{1}{4}$;
- Section 2: All
- Section 3: All
- Section 4: All
- Section 5: SE $\frac{1}{4}$; SW $\frac{1}{4}$; SW $\frac{1}{4}$ NE $\frac{1}{4}$; Lot 1; SE $\frac{1}{4}$ NE $\frac{1}{4}$;
- Section 6: Lots 1 - 7 inclusive; SE $\frac{1}{4}$ SW $\frac{1}{4}$; S $\frac{1}{2}$ SE $\frac{1}{4}$; NE $\frac{1}{4}$ NE $\frac{1}{4}$; Portion of the SE $\frac{1}{4}$ NE $\frac{1}{4}$ lying North of Old Railroad Grade.
- Section 7: NE $\frac{1}{4}$ SE $\frac{1}{4}$; NE $\frac{1}{4}$ SW $\frac{1}{4}$; NE $\frac{1}{4}$; E $\frac{1}{2}$ NW $\frac{1}{4}$; Lots 1 and 2;
- Section 8: NE $\frac{1}{4}$; N $\frac{1}{2}$ SE $\frac{1}{4}$; SW $\frac{1}{4}$ SE $\frac{1}{4}$; N $\frac{1}{2}$ SW $\frac{1}{4}$; NW $\frac{1}{4}$;

4-17-75-27
4-17-75-28
4-17-75-29
4-24-75-30

- 1 -

Township 6 North, Range 5 West, W.M. continued-----

Section 9: N $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$; NW $\frac{1}{4}$; NE $\frac{1}{4}$; the Northerly 880 feet of N $\frac{1}{2}$ SE $\frac{1}{4}$ EXCEPTING THEREFROM the portion which lies South of the C.C.C. Road as same is presently located in the Southerly part hereof; all that portion of Gov. Lot 4 that lies North of a line drawn 880 feet South and parallel with the East and West centerline through Section 9 EXCEPTING THEREFROM portion lying in roads & highways.

Section 10: All

Section 11: N $\frac{1}{2}$; N $\frac{1}{2}$ SE $\frac{1}{4}$; S $\frac{1}{2}$ SE $\frac{1}{4}$;

Section 12: W $\frac{1}{2}$ SW $\frac{1}{4}$; E $\frac{1}{2}$ NW $\frac{1}{4}$; SW $\frac{1}{4}$ NW $\frac{1}{4}$; NE $\frac{1}{4}$ NE $\frac{1}{4}$; S $\frac{1}{2}$ NE $\frac{1}{4}$; E $\frac{1}{2}$ SE $\frac{1}{4}$;

Section 14: N $\frac{1}{2}$ NE $\frac{1}{4}$; N $\frac{1}{2}$ NW $\frac{1}{4}$;

Section 15: N $\frac{1}{2}$ NE $\frac{1}{4}$;

Section 18: NW $\frac{1}{4}$ SE $\frac{1}{4}$; SW $\frac{1}{4}$; S $\frac{1}{2}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$; the South 35 acres of Lot 2; 3 acres in the SE $\frac{1}{4}$ SE $\frac{1}{4}$;

Section 22: S $\frac{1}{2}$; NW $\frac{1}{4}$; N $\frac{1}{2}$ S $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$;

Section 23: S $\frac{1}{2}$ NE $\frac{1}{4}$; SW $\frac{1}{4}$ SE $\frac{1}{4}$; commencing at the Southeast corner of the SW $\frac{1}{4}$ of said Section 23 and running West to the Southwest corner of the SW $\frac{1}{4}$; thence North to the Northwest corner of the SW $\frac{1}{4}$; thence running in a straight line in a diagonal direction to the Southeast corner of the SW $\frac{1}{4}$ being the point of beginning.

Section 26: N $\frac{1}{2}$; SW $\frac{1}{4}$;

Section 27: All

Section 34: All

Section 35: N $\frac{1}{2}$ NW $\frac{1}{4}$; SW $\frac{1}{4}$ NW $\frac{1}{4}$; SE $\frac{1}{4}$;

Section 36: NE $\frac{1}{4}$ NW $\frac{1}{4}$;

TOWNSHIP 6 NORTH, RANGE 4 WEST, W.M.

Section 18: NW $\frac{1}{4}$ NW $\frac{1}{4}$;

Section 23: NE $\frac{1}{4}$; N $\frac{1}{2}$ SE $\frac{1}{4}$; SE $\frac{1}{4}$ SE $\frac{1}{4}$; a portion of Section 23 described as follows: commencing at a point which is the Northeast corner of the NE $\frac{1}{4}$ NW $\frac{1}{4}$; thence West along the Section line 1320 feet; thence South on the quarter line 660 feet; thence East 504 feet parallel to the Northerly line described above; thence South on the line parallel to the quarter line 330 feet; thence East 816 feet to the East line of the NE $\frac{1}{4}$ NW $\frac{1}{4}$; thence North 990 feet to the point of beginning.

Section 24: NE $\frac{1}{4}$; NW $\frac{1}{4}$; SW $\frac{1}{4}$;

4-17-75
4-17-75
4-18-75

4-24-75

Township 6 North, Range 4 West, W.M. continued-----

- ~~Section 25: NW $\frac{1}{4}$; E $\frac{1}{2}$ SW $\frac{1}{4}$; NE $\frac{1}{4}$ NE $\frac{1}{4}$; S $\frac{1}{2}$ NE $\frac{1}{4}$;~~
- Section 28: SW $\frac{1}{4}$ SW $\frac{1}{4}$;
- Section 29: 40 acres in the E $\frac{1}{2}$ NE $\frac{1}{4}$;
- Section 31: SE $\frac{1}{4}$ NW $\frac{1}{4}$; NE $\frac{1}{4}$ SW $\frac{1}{4}$; E $\frac{1}{2}$ NE $\frac{1}{4}$;
- Section 32: W $\frac{1}{2}$ NW $\frac{1}{4}$; W $\frac{1}{2}$ NE $\frac{1}{4}$; E $\frac{1}{2}$ NW $\frac{1}{4}$; E $\frac{1}{2}$ SE $\frac{1}{4}$;
- Section 33: W $\frac{1}{2}$ SW $\frac{1}{4}$;
- Section 34: Tax lot 7 being 13.62 acres in SW $\frac{1}{4}$;
- Section 36: N $\frac{1}{2}$; SE $\frac{1}{4}$; N $\frac{1}{2}$ SW $\frac{1}{4}$; SW $\frac{1}{4}$ SW $\frac{1}{4}$;

TOWNSHIP 5 NORTH, RANGE 4 WEST, W.M.

- Section 3: E $\frac{1}{2}$ NW $\frac{1}{4}$ lying West of the Nehalem River;
- Section 11: NE $\frac{1}{4}$; portion of SW $\frac{1}{4}$ SW $\frac{1}{4}$ lying West of the Nehalem River;
- Section 12: All
- Section 13: NE $\frac{1}{4}$; E $\frac{1}{2}$ SE $\frac{1}{4}$; W $\frac{1}{2}$ SE $\frac{1}{4}$;
- Section 15: E $\frac{1}{2}$ E $\frac{1}{2}$; SW $\frac{1}{4}$ NE $\frac{1}{4}$;
- Section 24: E $\frac{1}{2}$ SE $\frac{1}{4}$; W $\frac{1}{2}$ SE $\frac{1}{4}$; SE $\frac{1}{4}$ SW $\frac{1}{4}$; SE $\frac{1}{4}$ NW $\frac{1}{4}$;
- Section 25: E $\frac{1}{2}$ NW $\frac{1}{4}$; W $\frac{1}{2}$ NE $\frac{1}{4}$; NE $\frac{1}{4}$ SW $\frac{1}{4}$; SE $\frac{1}{4}$ SW $\frac{1}{4}$; E $\frac{1}{2}$ NE $\frac{1}{4}$;
- Section 26: E $\frac{1}{2}$ NE $\frac{1}{4}$; W $\frac{1}{2}$ W $\frac{1}{2}$ NW $\frac{1}{4}$ lying South of Highway; NW $\frac{1}{4}$ SW $\frac{1}{4}$ lying North and West of the Highway;
- Section 27: NE $\frac{1}{4}$ and NE $\frac{1}{4}$ SE $\frac{1}{4}$ lying Southwest of Nehalem Highway, EXCEPTING THEREFROM a tract of land in Deed recorded April 5, 1962 in Book 151 at page 513 of Deeds Recorded in Columbia County, Oregon; ALSO EXCEPTING THEREFROM a tract of land in Deed recorded July 3, 1956 in Book 129 at page 267 of Deeds Recorded in Columbia County, Oregon.

TOWNSHIP 5 NORTH, RANGE 3 WEST, W.M.

- Section 19: E $\frac{1}{2}$ NW $\frac{1}{4}$; E $\frac{1}{2}$; E $\frac{1}{2}$ SW $\frac{1}{4}$; Lots 2, 3 & 4;
- Section 20: All, EXCEPTING SE $\frac{1}{4}$ NE $\frac{1}{4}$ and NE $\frac{1}{4}$ SE $\frac{1}{4}$;
- Section 21: S $\frac{1}{2}$ SW $\frac{1}{4}$; NW $\frac{1}{4}$ NE $\frac{1}{4}$; N $\frac{1}{2}$ SW $\frac{1}{4}$; NW $\frac{1}{4}$;
- Section 28: NW $\frac{1}{4}$; N $\frac{1}{2}$ SW $\frac{1}{4}$; SW $\frac{1}{4}$ SW $\frac{1}{4}$; NW $\frac{1}{4}$ NE $\frac{1}{4}$;
- Section 29: All
- Section 30: SE $\frac{1}{4}$
- Section 31: Lot 4; SE $\frac{1}{4}$ SW $\frac{1}{4}$; NW $\frac{1}{4}$; N $\frac{1}{2}$ SW $\frac{1}{4}$;
- Section 32: NW $\frac{1}{4}$; NE $\frac{1}{4}$; SW $\frac{1}{4}$;

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