

RECORD BOOK PAGE
0294 0132
WARREN COUNTY, PA.

9.003
Fee #1396
DOCUMENT NO. 1955
FILED & ENTERED-WARREN
COUNTY, PA. FEE: \$ 1350

MEMORANDUM OF LEASE AGREEMENT

'90 APR 12 AM 10 59

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, by Lease Agreement dated the 30th day of January, 1990, by and between Pennzoil Products Company, 54 Boylston Street, Bradford, Pennsylvania 16701, Lessor and AZCO Operating Company, an Arizona corporation, with offices at 1309 9th Avenue, Greeley, Colorado 80631, Lessee, said Lessor did lease and let unto Lessee (without warranty of title, either express or implied) for purposes of developing and operating for and producing oil and gas from the following described land, to-wit:

All of that certain tract of land situate in the Township of Sheffield, County of Warren and State of Pennsylvania, described as Lot #9 of Warrant 2445 and being, inter alia, the same tract or parcel of land described in deed from J. K. Palmer, et ux to Enterprise Transit Company, dated February 13, 1880 and recorded in said Warren County in Deed Book No. 43, Page 679, containing 546.69 acres, more or less.

Said lease is confined and limited to those formations found from the surface down to 2,000 feet or 10 feet below the base of the Cooper Sand Formation as evidenced in the Gamma Ray Log of the Pennzoil United, Inc. Well No. P-4, Tract 9, West Fork Field, Warren County, Pennsylvania, whichever is first encountered.

WHEREAS, said lease will remain in force and effect for a primary term to January 30, 1991 and as long thereafter as said lease is extended by any provision contained therein.

NOW, THEREFORE, in consideration of the premises and for the purposes of placing of record the existence of the above described oil and gas lease, the undersigned parties do hereby agree and declare that said lease is a valid and subsisting oil and gas lease.

Executed this 30th day of January, 1990.

WITNESS:

C. Patricia M. Gennaro

PENNZOIL PRODUCTS COMPANY:

BY: A. L. Richmond
A. L. Richmond, District Manager T.C.

ATTEST:

Keith E. Abbott
Keith E. Abbott,
Vice President

AZCO OPERATING COMPANY:

BY: Tom R. May
Tom R. May,
President

Assignment DATE 6.26, 1998

DOCUMENT RECORDED

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WARREN
1357

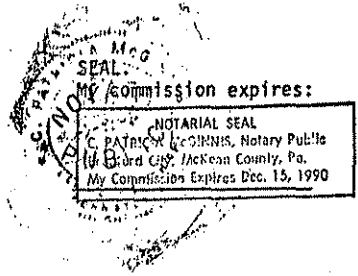
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RECORD BOOK PAGE
0294 8133
WARREN COUNTY, PA.

State of Pennsylvania
County of McKean

On this, the 27th day of February, 1990, before me a Notary Public, the undersigned officer, personally appeared A. L. Richmond, who acknowledged himself to be the District Manager of Pennzoil Products Company, a corporation, and that he as such District Manager, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as District Manager.

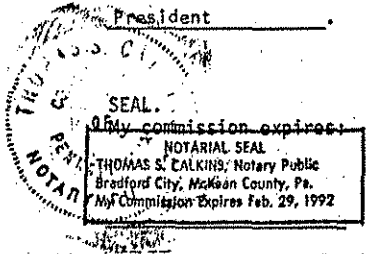
C. Patricia McKeen



State of Pennsylvania
County of McKean

On this, the 30th day of January, 1990, before me a Notary Public, the undersigned officer, personally appeared Tom R. May, who acknowledged himself to be the President of AZCO Operating Company, a corporation, and that he as such President, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as President.

Thomas S. Calkins



~~RELEASE, EXTENSION, ASSIGNMENT,~~
~~SUBORDINATION, POSTPONEMENT FILED.~~

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