

This EXHIBIT "B" is attached hereto and made a part of this Oil and Gas Lease dated the 30th of July, 1979, by and between Walter G. Thomson and Minnie J. Thomson, husband and wife, as Lessors, and American Quasar Petroleum Co. of New Mexico, as Lessee, to wit:

Lessee acknowledges that the lands covered by this Oil and Gas Lease are held by Lessor for the primary purpose of growing timber thereon, and cutting, removing or otherwise utilizing the same from time to time. Lessee will conduct its operations hereunder so as not to interfere unreasonably with Lessor in the operation of Lessor's business, and Lessee will build and use only such roads as are reasonably necessary to conduct its operations under the lease, such roads to be built and used in such a manner so as to avoid, insofar as possible, disturbance of Lessor's growing timber and operations. Lessee agrees to notify Lessor and obtain Lessor's approval prior to construction of any such roads, or to the commencement of its operations on said lands. However, Lessor's approval shall not be withheld unreasonably.

Lessee will provide at Lessee's expense all necessary protective measures to prevent any loss or damage to the property of the Lessor herein described on account of any operations conducted by Lessee, including protection for pipeline and telephone lines.

Lessee will pay for all damages to Lessor's timber, pulpwood, sawlogs, trees, forest growth (standing, cut or fallen) or other properties of any kind, but not by way of limitation, damage caused by forest fire originating on the leased property, or any adjacent and contiguous premises under the direct control of, or being actively operated by, Lessee.

Timber which is eighty (80) years of age, or greater, shall be deemed mature. Any damage to younger timber shall be calculated as follows:

$$\frac{80\text{-age of damaged tree} \times 1000 \text{ board ft} \times \text{FMV}}{80}$$

Lessor shall designate the location for decking marketable logs and proper lengths to be bucked. Lessee will promptly notify Lessor's nearest fire crew of, and will use its best efforts to extinguish, any fire which may result from Lessee's operations. Pits and excavations made during Lessee's operations on said lands will be filled and the surface restored by Lessee, as nearly as reasonably possible, to its original condition; and if Lessee shall fail to do so, the cost to Lessor of such filling and restoration shall be paid to Lessor by Lessee. Such restorations to be made within six (6) months after Lessee's operations have been fully terminated.

Signed for identification purposes:

Walter G. Thomson
Walter G. Thomson

Minnie J. Thomson
Minnie J. Thomson

American Quasar Petroleum
707 United Bank Tower
1700 Broadway
Denver, Colorado

PIONEER NATIONAL TITLE INS. CO. HAS RECORDED THIS INSTRUMENT BY REQUEST AS AN ACCOMMODATION ONLY AND HAS NOT EXAMINED IT FOR SURETY AND SURETY OR AS TO ITS EFFECT UPON THE TITLE TO ANY REAL PROPERTY THAT MAY BE DESCRIBED THEREIN.