RATIFICATION OF AN OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

THAT, WHEREAS, Heretofore under date of the 13th day of August, 1984, a certain oil and gas lease was made, executed, and delivered by Wayne E. Newkirk & Lillie Newkirk, husband and wife, Rural Route #2, Box 295, Winterset, Iowa 50273, as Lessor, to OUTERBRIDGE & ASSOCIATES, INC., currently of 621 Seventeenth Street, #1050, Denver, Colorado 80293, as Lessee, covering the following described lands in Madison County, State of Iowa, to-wit:

Township 76 North, Range 27 West, 5th P.M.
Section 21: That part of the W½ of NE¼ and E½ of NW¼ lying South of the public highway as it traverses said section, and that part of the W½SE¼ and E½SW¼ lying North of Cedar Creek as it traverses said section

Containing 167.00 acres, more or less,

said lease being recorded in Book 36 at Page 175 of the records in the office of the Register of Deeds in and for Madison County, Iowa, reference to said lease and to the recordings thereof being hereby made for all purposes.

WHEREAS, it is the intent and desire of the undersigned to ratify, adopt and confirm the hereinabove described oil and gas lease insofar and only insofar as said lease describes the following lands to-wit:

Compared

FILED NO. 927
BOOK 36 PAGE 237
1984 DEC 24 AM 10:51
MARY E. WELTY
RECORDER
MADISON COUNTY, IOWA

Township 76 North, Range 27 West, 5th P.M.
Section 21: That part of the W½ of NE¼ and E½ of NW¼ lying South of the public highway as it traverses said section, and that part of the W½SE¼ and E½SW¼ lying North of Cedar Creek as it traverses said section, LESS AND EXCEPT a tract of land described as commencing at the SE. corner of the SW¼NE¼ Section 21, thence N. 52.4 feet along the E. line of said SW¼NE¼, thence N. 89° 05' W. 370 feet, thence S. 00° 25' W. 235.5 feet, thence S. 89° 05' E. 369.4 feet, thence N. 00° 43' E. 183.1 feet to the point of beginning,

Fee $10.00

NOW, THEREFORE, In consideration of the sum of One Dollar ($1.00) and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned, as to and only as to the lands last hereinabove described, does hereby ratify, adopt and confirm the hereinabove described oil and gas lease in all of its terms and provisions and does hereby lease, demise and let said land and premises unto the said lessee hereinabove named, its assigns and successors in interest, as fully and completely as if the undersigned had originally been named as lessor in said lease and had executed, acknowledged and delivered the same; provided, however, that this instrument shall cover and bind all interest of the undersigned which may have been acquired subsequent to the date of

the aforesaid oil and gas lease and is intended further to cover and bind any interest which the undersigned may hereafter acquire by way of reversion or otherwise.

It is provided further that the undersigned shall not be entitled to receive any portion of the rentals payable under said lease but such rentals shall be paid to the persons designated to receive such rentals in accordance with the terms and provisions of said oil and gas lease and their heirs, legal representatives, successors and assigns.

The undersigned hereby agrees and declares that said oil and gas lease in all of its terms and provisions is binding on the undersigned and that said lease is a valid and subsisting oil and gas lease and that this instrument shall be binding upon the respective successors or assigns of the undersigned.

EXECUTED this 15 day of October, 1984.

ATTEST:

Helen Watts
Helen Watts, Secretary

WATTS OIL COMPANY

By: Harry Watts
Harry Watts, President

Watts Oil Company does not have a seal

STATE OF FLORIDA)
) ss.
COUNTY OF PINELLAS)

On this 15th day of October, 1984, before me personally appeared Harry Watts, to me personally known, who, being by me duly sworn, did say that he is the President of Watts Oil Company, and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said Harry Watts acknowledged said instrument to be free act and deed of said corporation.

WITNESS my hand and seal this 15th day of October, 1984.

My Commission Expires:

Notary Public, State of Florida
My Commission Expires Aug. 27, 1985
Bonded Thru Troy Fain-Insurance, Inc.

Edward J. Gruber
Notary Public
Residing at: 3257-58th Ave
St Petersburg FL 33707

Return to: Outerbridge & Associates, Inc., 621 17th Street, Suite 1050
Denver, Colorado 80293