

STIPULATION AND AGREEMENT

WHEREAS, by deeds respectively recorded in Book 188 at page 397, in Book 188 at page 412, in Book 200 at page 463 and in Book 193 at page 219 of the records of the County of Park and the State of Colorado, certain of the following named persons, namely, LOUISE S. WILLIAMS, individually and as the sole surviving partner of THE HARTSEL RANCH, a partnership; JO McDANNALD; CHRISTINE McDANNALD HALL, also known as Christine Hall, and ROBERT MORRIS McDANNALD, also known as R. M. McDannald, individually and as co-executors of the Estate of A. T. McDannald, Deceased; GORDON CLEAVES McDANNALD, also known as G. C. McDannald and as Cleaves McDannald; FRANCES McDANNALD STARK, who also appears of record as Francis Stark; MILDRED McDANNALD HOLMES, also known as Mildred Holmes; BETTY JO McDANNALD LaRUE, also known as Betty Jo LaRue; E. F. HALL; MARY LITTLE McDANNALD, individually and as independent executrix of the Estate of Robert Morris McDannald, Deceased; R. M. McDANNALD, JR. and MARY SUE McDANNALD CARLSON, formerly Mary Sue McDannald, one and the same person as May Sue McDannald, as Grantors, did sell and convey certain lands situated in said county and state and described in said deeds unto ELEVEN MILE GRAZING ASSOCIATION, a Colorado corporation, as Grantee (for the purposes of this Stipulation and Agreement, any party aforementioned who was a grantor in any of the deeds referred to shall hereinafter be referred to as "Grantors" (except in the case of Robert Morris McDannald, now deceased, "Grantors" shall be limited to Mary Little McDannald, R. M. McDannald, Jr. and Mary Sue McDannald Carlson), and Eleven Mile Grazing Association shall hereinafter be referred to as "Grantee"); and

WHEREAS, Grantors and Grantee are desirous of amending said deeds in respect to a reservation of minerals to the Grantors.

NOW, THEREFORE, for and in consideration of the sum of Ten Dollars (\$10.00) in hand paid by Grantee to Grantors and good and valuable considerations moving from said Grantors to Grantee, the receipt and sufficiency of such considerations being expressly acknowledged, Grantors and Grantee hereby

stipulate and agree as follows:

I.

The reservation of minerals made by Grantors and set forth in the deeds respectively recorded in Book 188 at page 397, in Book 188 at page 412, in Book 200 at page 463 and in Book 193 at page 219 of the records of the County of Park, State of Colorado, which reservation is in words substantially as follows:

"Each Grantor does hereby severally except and reserve unto himself or herself and expressly does not convey hereby an undivided Fifty Per Cent (50%) of all of his or her right, title and interest, present or prospective, in and to all oil, gas and other similar and dissimilar minerals in, under and which may be produced from the land described in Schedule A hereof, together with the same undivided interest in the right of ingress and egress at all times and for the purpose of mining, drilling, exploring, operating for and developing said lands for said minerals and storing, handling, transporting and marketing the same therefrom, with the right to remove from said land all property and improvements located thereon or used in connection therewith and owned by any Grantor, provided, however, Grantee shall own the right to execute all oil, gas or mineral leases affecting the interests herein excepted and reserved by each Grantor with the same force and effect as if Grantee were, at the date of the making thereof, the owner of the undivided interests herein excepted and reserved, together with the right to receive all bonuses and delay rental payments which may, at any time, become payable under the terms of any oil, gas or other mineral lease, it being understood that Grantors shall be entitled to receive all royalty and shut-in gas payments accruing under the terms of any oil, gas or mineral lease, insofar as such lease or leases cover the undivided interests herein excepted and reserved by each Grantor,"

is hereby deleted from all of said deeds and by Grantors declared to be of no further force and effect.

II.

In place of the deleted reservation, Grantors and Grantee hereby agree that the following reservation shall be and is hereby substituted in each of the aforementioned deeds:

"Grantors do hereby except and reserve unto themselves and expressly do not convey an undivided one-half ($\frac{1}{2}$) of all of the right, title and interest presently owned by Grantors in and to all oil, gas and other similar and dissimilar minerals in and under the lands described upon Schedule A attached to this Deed. Notwithstanding the above exception and reservation to Grantors, it is expressly agreed that Grantee shall have the exclusive right to explore for, mine

and develop all minerals, including those excepted and reserved, in and under the lands described upon Schedule A, together with the exclusive right to enter into oil, gas and other mineral leases or agreements of any kind affecting such minerals and Grantee shall be entitled to receive all bonuses and delay rental payments which may become payable under the terms of any oil, gas or other mineral lease. Grantee shall also have the right to commit said minerals to pooling and unitization agreements. It is further agreed that Grantee shall have no obligations or duties whatsoever to Grantors, their heirs, successors, or assigns, to exercise the rights of exploring, mining, developing or leasing granted herein and Grantee may develop and utilize the surface without regard to its effect on the mineral interest excepted and reserved herein; provided, however, that Grantors shall be entitled to receive one-half ($\frac{1}{2}$) of the value of all minerals actually produced, saved, marketed and sold by Grantee from the lands described upon Schedule A less Grantors' proportionate share of the entire cost of exploring, developing and producing the same, and provided further that Grantors shall be entitled to receive one-half ($\frac{1}{2}$) of all royalties and shut-in gas payments accruing under the terms of any oil, gas or mineral lease, insofar as such lease or leases cover the undivided interest herein excepted and reserved by Grantors,"

and such substituted reservation shall hereupon and hereafter be effective for all purposes and with the same effect as though it had been set forth in each of the deeds on the date of the making thereof recorded in Book 188 at page 397, in Book 188 at page 412, in Book 200 at page 463 and in Book 193 at page 219 of the records of the County of Park and State of Colorado, as to the lands set forth and specifically described upon Schedule A attached to and made a part of each of said deeds, as the same appear of record, except in the case of the deed recorded in Book 193 at page 219, to which no schedule is attached, such substituted reservation shall pertain to the lands specifically described in said deed; and, further, in respect to the deed recorded in Book 193 at page 219, the term "Grantors", as variously used in the foregoing substituted reservation, shall mean the "Grantor" referred to in that particular deed.

III.

Grantors and Grantee hereby sell and convey each to the other such interest in the lands covered by the aforementioned deeds as will effectively vest in Grantors the interest created under the substituted reservation quoted in Paragraph II above, and Grantors relinquish unto Grantee every interest in the lands covered by said deeds which may have heretofore been reserved by

them (or their predecessor, Robert Morris McDannald, now deceased, in the case of Mary Little McDannald, R. M. McDannald, Jr. and Mary Sue McDannald Carlson), which would be inconsistent with the interest vested in them by reason of the substituted reservation aforesaid.

IV.

This Agreement may be executed in any number of counterparts by the Grantors and the Grantee, each of which counterparts, when executed by any one of the Grantors and the Grantee, shall, for all purposes, be regarded as an original and, when so executed, shall bind the particular Grantor and the Grantee.

IN WITNESS WHEREOF, the parties have executed this Stipulation and Agreement as of the first day of April, 1972, but the individual parties named may acknowledge their respective signatures on various dates subsequent thereto.

Louise S. Williams
Louise S. Williams, individually
and as the sole surviving partner
of The Hartsel Ranch, a partner-
ship

Jo McDannald

Christine McDannald Hall, also known as Christine Hall

Gordon Cleaves McDannald, also known as G. C. McDannald and as Cleaves McDannald.

Frances McDannald Stark, also known as Francis Stark

Mildred McDannald Holmes, also known as Mildred Holmes

Betty Jo McDannald LaRue, also
known as Betty Jo LaRue

E. F. Hall

Mary Little McDannald, individually
and as independent executrix of
the Estate of Robert Morris McDan-
nald, Deceased

R. M. McDannald, Jr.

Mary Sue McDannald Carlson, formerly
Mary Sue McDannald, one and the same
person as May Sue McDannald

- Grantors -

ELEVEN MILE GRAZING ASSOCIATION

By Robert H. Shelmaker
President

- Grantee -



James Canterbury
Secretary

STATE OF ILLINOIS)
) ss.
COUNTY OF CHRISTIAN)

The foregoing instrument was acknowledged before me this 22nd
day of April, 1972, by LOUISE S. WILLIAMS, individually and as sole
surviving partner of The Hartsel Ranch.

Witness my hand and notarial seal.

My commission expires July 5, 1974.

Kathryn Bailey
Notary Public

STATE OF TEXAS)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 1972, by JO McDANNALD; CHRISTINE McDANNALD HALL, also
known as Christine Hall; GORDON CLEAVES McDANNALD, also known as G. C. McDannald and as Cleaves McDannald; FRANCES McDANNALD STARK, also known as Francis Stark; MILDRED McDANNALD HOLMES, also known as Mildred Holmes; BETTY JO McDANNALD LaRUE, also known as Betty Jo LaRue; E. F. HALL; MARY LITTLE McDANNALD, individually and as independent executrix of the Estate of Robert Morris McDannald, Deceased; R. M. McDANNALD, JR. and MARY SUE McDANNALD CARLSON, formerly Mary Sue McDannald, one and the same person as May Sue McDannald.

Witness my hand and notarial seal.

My commission expires _____.

Notary Public

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 1972, by _____.

Witness my hand and notarial seal.

My commission expires _____.

STATE OF COLORADO)
) ss.
COUNTY OF FREMONT)

The foregoing instrument was acknowledged before me this 1st day
of April, 1972, by ROBERT N. SHOEMAKER,
as President of ELEVEN MILE GRAZING ASSOCIATION, a Colorado corporation,
and CLARENCE CANTERBURY as Secretary of said Association.

Witness my hand and notarial seal.

My commission expires My Commission expires February 23, 1976



Notary Public

