

OIL AND GAS LEASE
(Negotiated-Subsurface-Royalty)

This oil and gas lease is dated _____, 2015, and is between the Contra Costa County Flood Control and Water Conservation District, a flood control district existing under the laws of the State of California (the "**District**"), and Sunset Exploration Incorporated, a California corporation (the "**Lessee**").

Recitals

- A. The District owns approximately 46 acres of land in the City of Antioch, County of Contra Costa, State of California, which is commonly known as the Upper Sand Creek Detention Basin, as further described in Exhibit A (the "**Leased Land**").
- B. Lessee desires to extract oil and gas from the Leased Land through a well that is not located on the Leased Land. Accordingly, the parties desire to enter into a lease that grants Lessee subsurface rights only and that does not grant Lessee any surface rights.

The parties therefore agree as follows:

Agreement

- 1. Lease. The District hereby leases to the Lessee the right to extract oil and gas and their constituent products from beneath the Leased Land on the terms set forth in this lease. The rights granted under this lease are subsurface rights only; no surface rights are granted by this lease.
- 2. Term. This lease has a primary term of three years and a secondary term that will continue after the primary term for so long as (i) there is production in paying quantities from the Leased Land and the District is receiving a royalty from such production, or (ii) if the Leased Land is pooled with other property pursuant to Section 14 - Pooling, there is production in paying quantities from the combined properties and the District is receiving a royalty from such production.
 - a. Commencement Date. The primary term commences December 1, 2014 and ends November 30, 2017.
 - b. Termination for Failure to Produce. If the Lessee fails to commence drilling operations before, or to prosecute them diligently after, the expiration of the primary term, this lease is terminated. If the Leased Land ceases to produce oil, gas or their constituent products, the lease will continue in force for six months after production ceases, provided the Lessee commences within the six-month period, and prosecutes with reasonable diligence thereafter, well maintenance operations on the Leased Land to restore production, including drilling, deepening, repairing, or redrilling.

- c. Lease Termination. The District may terminate this lease if, after delivery of a 30-day written notice to Lessee, the Lessee fails to (i) pay any royalty payment properly due hereunder, (ii) perform any other material term of this lease, or (iii) comply with applicable statutes and regulations.
 - d. Maximum Term. Notwithstanding any other provision of this lease, this lease expires on the day immediately preceding the thirty-fifth anniversary of the date of this lease.
3. Rights Granted Lessee. The Lessee has the exclusive right to drill for and take oil and gas and their constituent products from any geological zone that is 500 feet or more beneath the Leased Land. The Lessee may not use any portion of the Leased Land that is less than five hundred feet below the surface of the Leased Land. Upon request from the District, the Lessee shall provide the District with drawings that show the exact location of any pipeline that is planned to be, or has been, installed on the Leased Land. The Lessee may not store gas or dispose of produced fluids or other wastes on the Leased Land or within the geological zones underlying the Leased Land. All drilling into or through the Leased Land must be done by directional drilling from adjacent or other nearby lands. This lease does not grant any privilege or right that is not expressly stated.
4. Reservations to the District. The District reserves the right to grant, upon its own terms, joint or several easements or rights of way upon, through or in the Leased Land as may be necessary or appropriate and consistent with this lease, and the right to allow, upon its own terms, the continued use of any existing easement or right of way upon, through or in the Leased Land, provided such easement or right of way does not adversely affect Lessee rights herein. The District reserves the right to lease, sell or otherwise dispose of its interest in the Leased Land.
5. Bond. The Lessee shall furnish upon execution of this lease and maintain a bond in favor of the Contra Costa County Flood Control and Water Conservation District in the sum of \$20,000.00 to guarantee the faithful performance by the Lessee of all provisions of this lease, Division 6 of the Public Resources Code and the regulations of the State of California, including, but not limited to, the plugging and abandonment of all wells and the removal of production facilities and the immediate elimination of any contamination or pollution caused by or resulting from operations under this lease. The bond shall require the surety to give at least one hundred fifty (150) days written notice of its intention to cease acting as guarantor. If a surety gives notice of its intention to cease acting as guarantor, the Lessee shall provide to the District within forty-five (45) days of such notice a replacement bond of equal value to become effective upon the expiration of the existing bond. Failure to provide such a replacement bond within the required time shall constitute a default entitling the District to levy against the entire amount of the existing bond.
6. Upfront Payment. In consideration for the rights granted under this lease during the first year of the primary term, the Lessee shall make a nonrefundable advance payment to the District in the amount of \$15,513.00. County hereby acknowledges receipt of such payment.

7. Royalty Payments. The Lessee shall pay the District a royalty based on the production of all oil, gas, and their constituent products that are allocable to the Leased Land. The royalty payment due to the District is equal to 6.67% of the gross proceeds of the production of all oil, gas, and their constituent products that are allocable to the Leased Land; provided, however, that in no event will the royalty payment due to the District for any one-year period be less than \$4,500 (the "**Minimum Royalty Payment**"). For each month in which the production of oil, gas, and their constituent products occurs from the Leased Land, royalty payments are due no later than the fifth day of the second calendar month following the calendar month in which the substance is produced.
- a. The gross proceeds derived from oil production are to be calculated using the current market price, which may not be less than the highest price in the nearest field at which oil of like gravity and quality is being sold in substantial quantities.
 - b. The net proceeds derived from gas substances are to be calculated using the current market price of all gas substances removed or sold from the Leased Land. Gas substances include dry gas, natural gasoline and other products extracted and saved from the gas produced from the Leased Land. The current market price may not be less than the higher of (i) the highest price in the nearest field at which gas substances of like quality are being sold in substantial quantities, and (ii) the net proceeds or exchange value derived by the Lessee from the gas substances removed or sold from the Leased Land.
 - c. All royalties are payable to the District without any deductions, including deductions for the cost of producing, gathering, separating, compressing, treating, dehydrating, processing, transporting and otherwise making the oil and gas substances marketable.
 - d. The Lessee shall pay royalty on all gas produced from the Leased Land. The Lessee has no right to free use of gas produced from the Leased Land for any purpose, including any operations under this lease.
 - e. The Lessee may not sell gas, oil or their constituent products to an affiliate of the Lessee without the prior written consent of the Lessor, which may not be unreasonably withheld. The term "affiliate of the Lessee," as used in this agreement, means and includes any individual, firm, corporation, partnership, limited liability company, association, joint stock company, pension fund, trust or trustee thereof, estate or executor thereof, unincorporated organization or joint venture, or any other legally recognizable entity (i) that directly or indirectly owns, controls or holds with power to vote 10% or more of the outstanding voting securities of the Lessee, (ii) 10% or more of whose outstanding voting securities are directly or indirectly owned, controlled or held with power to vote by the Lessee, or (iii) that directly or indirectly controls, is controlled by or is under common control with the Lessee. If gas, oil or their constituent products are sold to an affiliate of the Lessee, the value of the sale will be determined using the current market price.

8. Royalty Statements. Once production begins, and continuing throughout the remaining term of this lease, the Lessee shall submit accurate royalty statements to the District each month. The statements must be in whatever form the District prescribes and must state, at a minimum, for the preceding month (i) the amount, gravity and market price of all oil removed or sold from the Leased Land, (ii) the amount and market price of all gas substances removed or sold from the Leased Land, and (iii) the number of days that each well affecting the Leased Land was in production.
9. Annual Reconciliation. If at the end of any calendar year (the "**Subject Year**"), Lessor has not received royalties in an amount equal to, or greater than, the Minimum Royalty Payment, Lessee shall on or before January 25 of the year immediately succeeding the Subject Year, pay to Lessor an amount equal to the result obtained by subtracting the amount of the royalties paid during the Subject Year from the Minimum Royalty Payment.
10. Late Payment. If the Lessee fails to pay any amount payable under this lease when due, then the Lessee shall pay to the District interest on the unpaid amount at the rate of the lesser of the maximum rate permitted by law and the prime rate charged by Mechanics Bank, plus two percent (2%) from the due date until the date of payment.
11. Taxes. The Lessee shall timely pay all taxes, assessments, fees, charges or other amounts levied for any reason under the laws and regulations of any state, county, city or the United States against the Lessee, the Lessee's interest in the Leased Land, improvements placed on the Leased Land by the Lessee or oil, gas or other products produced from the Leased Land. The Lessee may not deduct any tax, assessment, fee, charge or other amount from any amounts payable to the District under this lease.
12. Submission of Sales Contracts and Exchange Agreements. Within 60 days after their execution by all parties, the Lessee shall submit to the District a copy of each contract, or other agreement, related to the sale, exchange or other disposition of all oil and gas substances produced from the Leased Land. The Lessee shall certify that each copy is a true copy.
13. Examination of Records and Inspection of Premises.
 - a. The Lessee shall keep and have in its possession books and records showing the production and disposition of all oil, gas and their constituent products produced from the Leased Land and shall permit the District or its agents to examine such books and records at all reasonable times.
 - b. The District may audit the accounts and records of the Lessee, its successors and assigns, relating to Leased Land and its operations under this lease. This right may be exercised by the District by giving the Lessee written notice. An audit may only be conducted during normal business hours. If an audit reveals an underpayment, the Lessee shall pay the District the amount of the underpayment and reimburse the District for the costs of the audit.

14. Pooling.

- a. Lessee shall pool the Leased Land with adjoining land into one pooled unit containing no more than 320 acres (the "**Pooled Unit**"). Any Pooled Unit so created must include all of the Leased Land. The Lessee shall give the District written notice of the creation of a Pooled Unit. The notice must identify and describe the pooled acreage.

If any oil, gas or other hydrocarbon substance is obtained from a Pooled Unit created pursuant to this Section 14, the Lessee shall allocate to the District that portion of the production from the Pooled Unit that the number of acres of Leased Land bears to the total number of acres included in the Pooled Unit (the "**District's Proportionate Share**").

- b. If any oil, gas or other hydrocarbon substance is obtained from the Pooled Unit created pursuant to this Section 14, the Lessee shall calculate and pay the royalties and other payments due to the District under this lease, other than the upfront fee, based on the District's Proportionate Share, and otherwise in the same manner and subject to the same terms and conditions set forth in this lease.
- c. At any time while this lease is in force, the Lessee may not dissolve the Pooled Unit established under this Section 14 without the District's prior written consent, which may not be unreasonably withheld. If operations are being conducted for drilling on or production of oil or gas from any part of the Pooled Unit, these operations or production will be considered as operations for drilling on or production of oil and gas from the Leased Land.

15. Assignment.

- a. The Lessee may not assign or otherwise transfer operations under this lease to any entity without the prior written consent of the District, which may be withheld in the District's sole discretion. Unless approved by the District, no assignment or transfer is of any effect. The interest of the District hereunder may be assigned, mortgaged or transferred in whole or in part, but no change or division in ownership will have the effect of reducing the rights or enlarging the obligations of the Lessee hereunder.
- b. Any assignment or transfer by the Lessee will take effect on the first day of the month following (i) its approval by the District, and (ii) the filing with the District of an executed copy of the assignment or transfer. If the District approves an assignment or transfer, the assignee or transferee is bound by the terms of this lease to the same extent as if the assignee or transferee were the original lessee.
- c. The Lessee shall submit to the District documentation of any acquisition, merger, name change, corporate reorganization or any other organizational restructuring that affects the Lessee.

16. Designation of Operator. If the Lessee consists of more than one person or entity, the Lessee shall notify the District which person or entity is authorized and required to give and receive notices, make payments and submit all data and materials required by this lease.
17. Joint and Several Liability. If the Lessee consists of more than one person or entity, each person or entity comprising the Lessee is liable jointly and severally for the performance of all of the Lessee's obligations under this lease.
18. Prevention of Waste and Diligence. The Lessee shall use all reasonable precautions to prevent the waste of oil and gas in the Leased Land and to prevent water from entering the oil or gas-bearing geological zone of the Leased Land. The Lessee shall exercise reasonable diligence in its operation of the Leased Land while the products therefrom can be obtained in paying quantities and may not unreasonably or unnecessarily suspend operations. The Lessee shall cause its operations to be conducted in a proper and worker-like manner, in accordance with generally accepted good oil field practices and with the goal of protecting the safety and health of workers.
19. Environmental Review. If an environmental review is required under the California Environmental Quality Act (CEQA) in connection with the Lessee's use of the Leased Land, the Lessee shall pay the entire cost of the review and shall provide all documents and information necessary to complete the review. If mitigation measures are required as a result of a CEQA review, the Lessee shall carry out the mitigation measures at its expense. The Lessee shall obtain, at its expense, any permits required in connection with its use of the Leased Land.
20. Indemnification. The Lessee, its successors and assigns, agree to release, defend, indemnify, save, protect and hold harmless the District, its officers, agents, employees, successors and agents (together, the **"Indemnified Parties"**) from any and all costs, losses, claims, judgments, settlements and damages of every kind and character to real property, personal property or persons (including, without limitation, claims involving environmental laws and regulations, pollution, contamination of ground waters, personal injury and death), lawsuits and/or causes of action (including reasonable attorneys' fees, expert fees and court costs) (collectively **"Claims"**) that may be caused by the activities of the Lessee and the Lessee's agents, invitees, guests, contractors, oil or gas purchasers, oil or gas transporters, servants and employees, whether acting within the scope of their employment or not, and whether negligent or not, on the Leased Land, or any adjacent property, including, without limitation, any Claims arising from loss of subsurface support of the Leased Land, and any Claims arising from the production or transportation of oil or gas produced from the Leased Land or lands pooled therewith. For purposes of this Section 20 and Section 21 - Environmental Liability of this lease, environmental laws and regulations include, without limitation, the federal Oil Pollution Act (OPA), the federal Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), the federal Resource Conservation and Recovery Act (RCRA), the federal Clean Water Act and the federal, state and local rules, regulations, ordinances, orders and governmental directives implementing such statutes. The Lessee's obligations under this Section 20 shall survive the termination of this lease.

21. Environmental Liability.

- a. As used in this lease, the term "Hazardous Materials" means any substance or material defined or identified as hazardous, extra-hazardous , toxic or radioactive or subject to regulation as a solid waste or pollutant under any applicable federal, state or local statute or regulation including, without limitation, the environmental Laws and regulations referenced in Section 20 - Indemnification of this lease. "Remedial Work" means any site investigation or monitoring, any cleanup, containment , remediation, removal, or restoration work performed in response to any federal, state or local government authority or private party action ("action"), or pursuant to any federal, state or local statute, rule, regulation, ordinance , order governmental directive or other laws ("law").
- b. For the benefit of the District, the Lessee shall (i) remove from the Leased Land, if, as and when required by any action or law, any Hazardous Materials placed or released thereon by the Lessee (including its drillers and other contractors), (ii) perform any Remedial Work where the need therefor arises in connection with the Lessee's (including its drillers' and other contractors') operations or activities on the Leased Land or any adjacent property, and (iii) comply in all respects with all laws governing operations by the Lessee (including its drillers and other contractors) and Remedial Work on or associated with the Leased Land and any adjacent property. The Lessee shall cause Remedial Work to be performed by one or more contractors selected by the Lessee under the supervision of an engineer selected by the Lessee. The Lessee shall pay all costs and expenses of Remedial Work resulting from the Lessee's (including its drillers' and other contractors') operations , including, without limitation, the charges of such contractors and/or the consulting engineer and the District's reasonable attorneys' fees and costs incurred in connection with the monitoring or review of Remedial Work. If the Lessee fails to timely commence or cause to be commenced, or fails to diligently prosecute to completion, any Remedial Work, the District may (but is not required to), after first giving the Lessee fifteen (15) days notice of its failure and the Lessee's continued failure to perform, cause the Remedial Work to be performed and the Lessee shall reimburse all reasonable costs of same on demand.
- c. The provisions of this Section 21 do not constitute approval or obligate the District to consent to the imposition of any engineering or institutional control that would restrict or limit future use of the Leased Land for any purpose including, without limitation, any deed restriction or limitation on the use of groundwater or use of the property for residential purposes.
- d. The Lessee shall notify the District of any claim or governmental agency or third party involving the actual or alleged existence of Hazardous Materials on the Leased Land or any adjoining property and provide the District with copies of (i) any notice of any actual or threatened release of Hazardous Materials

given by the Lessee pursuant to any law and (ii) any report of any response to any such release, including all Remedial Work. The Lessee, its successors and assigns, in accordance with the provisions of this Section 21, will release, indemnify, pay and protect, defend and save the Indemnified Parties harmless from all claims, liabilities, fees and expenses of any kind (including reasonable attorneys' fees , expert fees and costs) that arise from the actual or alleged presence or release of any Hazardous Materials in connection with the operations of the Lessee and the Lessee's agents, invitees, guests, contracts, servants and employees on the Leased Land or any adjacent property. This indemnification includes, without limitation, costs in connection with any Remedial Work performed by the District, or any third party in response to any federal, state or governmental authority, laws or regulations, due and payable upon demand by the District. The Lessee's obligations under this Section 21 shall survive the termination of this lease.

22. Insurance. The Lessee agrees, at no cost to the District, to obtain and maintain during the term of this lease, comprehensive liability insurance with a minimum combined single-limit coverage of \$3,000,000.00 for all claims or losses due to bodily injury, sickness or disease or death to any person, or damage to property, and to name the Contra Costa County Flood Control and Water Conservation District, and Contra Costa County, their officers, agents and employees, as additional insureds thereunder. The coverage must provide for a 30-day written notice to the District of cancellation or lapse. Evidence of coverage must be furnished to the District upon execution of this lease.
23. Suspension of Operations.
 - a. The District may temporarily suspend production or any other operation by the Lessee under this lease when, ever the District finds that the operation , unless suspended, would pose an immediate and serious threat to life, health, property, the environment or natural resources. The suspension is effective immediately upon either oral or written notice from the District to the Lessee. The District will follow any oral notice of suspension with a written confirmation. The District may lift the suspension when the Distric t finds, on the basis of evidence submitted by the Lessee or otherwise available, that resumption of the suspended operation would not pose an immediate and serious threat to life, health, property, the environment or natural resources. If the District orders suspension of operations because their continuation would or might cause or aggravate subsidence of the Leased Land or other properties, the Lessee's operations may be resumed only in conformance with a District-approved program for subsidence prevention.
 - b. Upon the written request of the Lessee, the District may temporarily suspend production of any operation by the Lessee under this lease if the District determines, from evidence submitted by the Lessee or otherwise available, that the suspension will facilitate the assignment or unitization of this lease, will allow for negotiation for the use of hydrocarbon transportation facilities, will prevent waste of oil or gas, will provide time for compliance with Federal, State

or local statutes or regulations, will allow for remedying the effects of acts of God, or will otherwise facilitate the proper development of the Leased Land. The suspension will be on terms and conditions provided by the District and will be terminated whenever the District finds that the conditions warranting the suspension no longer exist. During any period of suspension, the Lessee shall immediately inform the District of any change in the conditions warranting suspension.

- c. No suspension ordered or approved under this Section 23 relieves the Lessee of any obligation under this lease, unless otherwise specifically provided in the terms of the suspension.
24. Quitclaim or Relinquishment. The Lessee may quitclaim or relinquish its rights under this lease in whole, but not in part. The quitclaim or relinquishment will be effective when it is accepted and recorded by the District. Notwithstanding the Lessee's quitclaim or relinquishment, the Lessee shall (i) pay the District all accrued royalties, (ii) restore the Leased Land in accordance with Section 25 - Obligations Upon Termination, and (iii) comply with all other terms of this lease. A quitclaim or relinquishment will not release the Lessee from liability for a breach of any obligation it has under this lease.
25. Obligations Upon Termination.
- a. Upon the expiration or sooner termination of this lease, the Lessee shall (i) surrender the Leased Land and restore the Leased Land to the condition it was in at the beginning of the lease, including any remediation required to avoid or eliminate subsidence, at no cost to the District, and (ii) deliver to the District a good and sufficient quitclaim deed.
 - b. The obligations contained in this Section 25 bind the heirs, successors, and assigns of the Lessee. The Lessee's obligations to the District under this Section 25 shall survive the termination of this lease.
26. Notices. Any notice required or permitted under this lease must be in writing and sent by overnight delivery service or registered or certified mail, postage prepaid and directed as follows:

To Lessor: Contra Costa County Flood Control and
Water Conservation District 255 Glacier Drive
Martinez, CA 94553
Attention: Public Works/Principal Real Property

Agent To Lessee: Sunset Exploration Incorporated
10500 Brentwood Boulevard
Brentwood, CA 94513
Attention: Robert E. Nunn

Either party may at any time designate in writing a substitute address for that set forth above and thereafter notices are to be directed to such substituted address. If sent in accordance with this Section 26, all notices will be deemed effective (i) the next business day, if sent by overnight courier, and (ii) three days after being deposited in the United States Postal system.

27. Successors and Assigns. This lease inures to the benefit of and binds the successors and assigns of the parties.
28. Failure to Enforce. The failure of the District to enforce any provision of this lease does not constitute a waiver by the District of that or any other provision.
29. No Warranty. The District makes no warranty of any kind with respect to title to the surface or mineral estate in the Leased Land or any portion of or interest therein. By accepting this lease, the Lessee acknowledges that it has been given full opportunity to investigate and has conducted sufficient investigation to satisfy itself as to the title to the Leased Land. The Lessee assumes all risk of title failures.
30. Noise. The Lessee shall cause noise levels associated with the Lessee's operations on any drill site utilized for the development of the Pooled Unit to be kept to a reasonable minimum.
31. Governing Law and Venue. The laws of the State of California govern this lease. Venue for any action to enforce this lease will lie in Contra Costa County, California.
32. Compliance with Laws. The Lessee covenants that it will strictly comply with all applicable laws, regulations and ordinances in conducting all operations under this lease.
33. Encumbrances. This lease is subject to all licenses, permits, easements, rights of way, surface leases, restrictive covenants, and other contracts of the District, or its predecessors in interest, affecting the Leased Land.
34. Counterparts. This lease may be executed in multiple counterparts, all of which will be deemed to constitute one instrument.

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35. Discrimination. In the administration of this lease or the operation of the Leased Land, the Lessee may not discriminate against any person or entity on the basis of race, color, creed, national origin, sex, marital status, religious or political affiliation, ancestry, disability, age or sexual orientation.

The parties are signing this lease as of the date set forth in the introductory clause.

COUNTY OF CONTRA COSTA FLOOD
CONTROL AND WATER CONSERVATION
DISTRICT, a political subdivision of the
State of California

By: _____
Julia R. Bueren
Chief Engineer

RECOMMENDED FOR APPROVAL:

By: _____
Karen Laws
Principal Real Property Agent

By: _____
David Kramer
Senior Real Property Agent

SUNSET EXPLORATION

By: _____
Robert E. Nunn
President

By: _____
Shirley Nunn
Secretary

APPROVED AS TO FORM:
SHARON L. ANDERSON
COUNTY COUNSEL

By: _____
Kathleen Andrus
Deputy County Counsel

EXHIBIT “A”

Mineral Lease: CCCFC&WCD Parcels 1778, 1782, 5089, 5117

Real property in the City of Antioch, County of Contra Costa, State of California, being a portion of the Southwest one-quarter of Section 9, Township 1 North, Range 2 East, Mount Diablo Meridian, described as follows:

Beginning at the west one-quarter corner of said Section 9 (T.1 N, R.2E, M.D.M.), said quarter corner being the northwesterly corner of Parcel 1782 described in the grant deed to Contra Costa County Flood Control and Water Conservation District recorded April 1, 1996 as Document Number 96-058288, records of said County; thence easterly from said Point of Beginning along the northerly line of said Parcel 1782 (96-058288) south 89°36'57" east, 676.76 feet to the northeasterly corner of said Parcel 1782 (96-058288), also being the northwest corner of Parcel 5089 described in the grant deed to Contra Costa County Flood Control and Water Conservation District recorded July 19, 2011 as Document Number 2011-0142295-00, records of said County; thence continuing south 89°36'57" east, along the north line of said Parcel 5089 (2011-0142295-00), 133.66 feet to the northeast corner of said Parcel 5089 (2011-0142295-00); thence leaving said northerly line and continuing along the easterly line of said Parcel 5089 (2011-0142295-00) the following thirteen (13) courses: **1)** south 47°54'23" east, 471.72 feet; **2)** south 56°33'26" east, 298.66 feet; **3)** north 52°34'21" east, 13.73 feet; **4)** north 54°34'26" east, 124.70 feet; **5)** south 36° 07'26" east, 66.20 feet; **6)** south 53°52'34" west, 72.58 feet; **7)** south 16° 54' 20" east, 13.92 feet; **8)** south 26°41'55" east, 180.15 feet; **9)** south 14°26'21" west, 50.65 feet; **10)** south 16°03'59" west, 343.61 feet; **11)** south 34°57'28" west, 96.92 feet; **12)** south 36°33'10" west, 65.70 feet; **13)** south 1°28'07" east, 96.54 feet to a point on the northerly line of Parcel D as shown on the Map of Subdivision MS 55-83, filed May 14, 1985 in Book 116 of Parcel Maps at

page 1, records of said County and being the southeast corner of said Parcel 5089 (2011-0142295-00); thence westerly along the south line of said Parcel 5089 (2011-0142295-00) north 89°03'03" west, 37.48 feet to the northeast corner of Parcel 5117 described in the final order of condemnation for Contra Costa County Flood Control and Water Conservation District recorded August 16, 2012 as Document Number 2012-0198173-00, records of said County; thence leaving said Parcel 5089 (2011-0142295-00) and continuing along the easterly, southerly, westerly and northerly lines of said Parcel 5117 (2012-0198173-00) the following nineteen (19) courses: **1)** southerly along a non-tangent 480.00 foot radius curve concave to the east and from which a radial bears south 75°19'16" east, through a central angle of 24°10'40" an arc distance of 202.55 feet; **2)** south 11°23'50" east, 31.80 feet; **3)** southerly along a non-tangent 190.51 foot radius curve, concave to the west and from which a radial bears south 73°16'18" west, through a central angle of 56°19'05" an arc distance of 187.26 feet; **4)** south 46°15'00" west, 23.66 feet; **5)** south 56°41'39" west, 23.66 feet; **6)** south 63°23'31" west, 13.30 feet; **7)** south 68°08'03" west, 50.42 feet; **8)** westerly along a non-tangent 577.92 foot radius curve, concave to the north and from which a radial bears north 12°38'48" west, through a central angle of 22°32'20" an arc distance of 227.34 feet; **9)** north 75°14'29" west, 77.73 feet; **10)** north 66°20'47" west, 25.52 feet; **11)** north 59°55'19" west, 101.46 feet; **12)** north 59°41'25" west, 51.57 feet; **13)** north 65°49'24" west, 47.58 feet; **14)** north 74°58'40" west, 263.66 feet; **15)** north 88°42'12" west, 157.50 feet; **16)** north 73°06'04" west, 211.13 feet; **17)** south 58°47'50" west, 32.32 feet; **18)** south 90°00'00" west, 110.79 feet to the west line of said Section 9; **19)** along said west line north 1°23'02" east, 25.26 feet to the southwest corner of Parcel 1743 described in the grant deed to Contra Costa County Flood Control and Water Conservation District recorded October 14, 1993 as Document Number 93-287641, records of said County; thence easterly and northerly along the common line of said Parcel 5117 (2012-0198173-00) and Parcel 1743 (93-287641) the following two (2) courses: **1)** south 88°53'20" east, 804.90 feet; **2)** north 1°06'40" east, 229.90 feet to the south line of Parcel 1778 described in the grant deed to Contra Costa County Flood Control and Water Conservation District recorded June 2, 1995 as Document Number 95-087820, records of said County; thence leaving said common line of Parcel 5117

(2012-0198173-00) and Parcel 1743 (93-287641), westerly along the said north line of said Parcel 1743 (93-287641) and being the south line of said Parcel 1778 (95-087820), the following six (6) courses: **1)** north 88°58'29" west, 131.71 feet; **2)** north 60°57'14" west, 153.99 feet; **3)** north 88°36'42" west, 46.31 feet; **4)** south 62°19'26" west, 132.88 feet; **5)** south 81°18'59" west, 22.38 feet; **6)** north 89°35'08" west, 351.25 feet to the west line of said Parcel 1788 (95-087820), said west line being the west line of said Section 9; thence leaving said common line of Parcel 1743 (93-287641) and Parcel 1778 (95-087820), northerly along said common west line, north 1°23'02" east, 541.65 feet to the northwest corner of said Parcel 1778 (95-087820), being the southwest corner of said Parcel 1782 (96-058288); thence leaving said Parcel 1778 (95-087820), continuing northerly along said west line of said Section 9, being the west line of said Parcel 1782 (96-058288), north 1°23'02" east, 711.85 feet to the Point of Beginning.

Containing an area of 46.44 acres of land, more or less.

Exhibit "B" attached and by this reference made a part hereof.

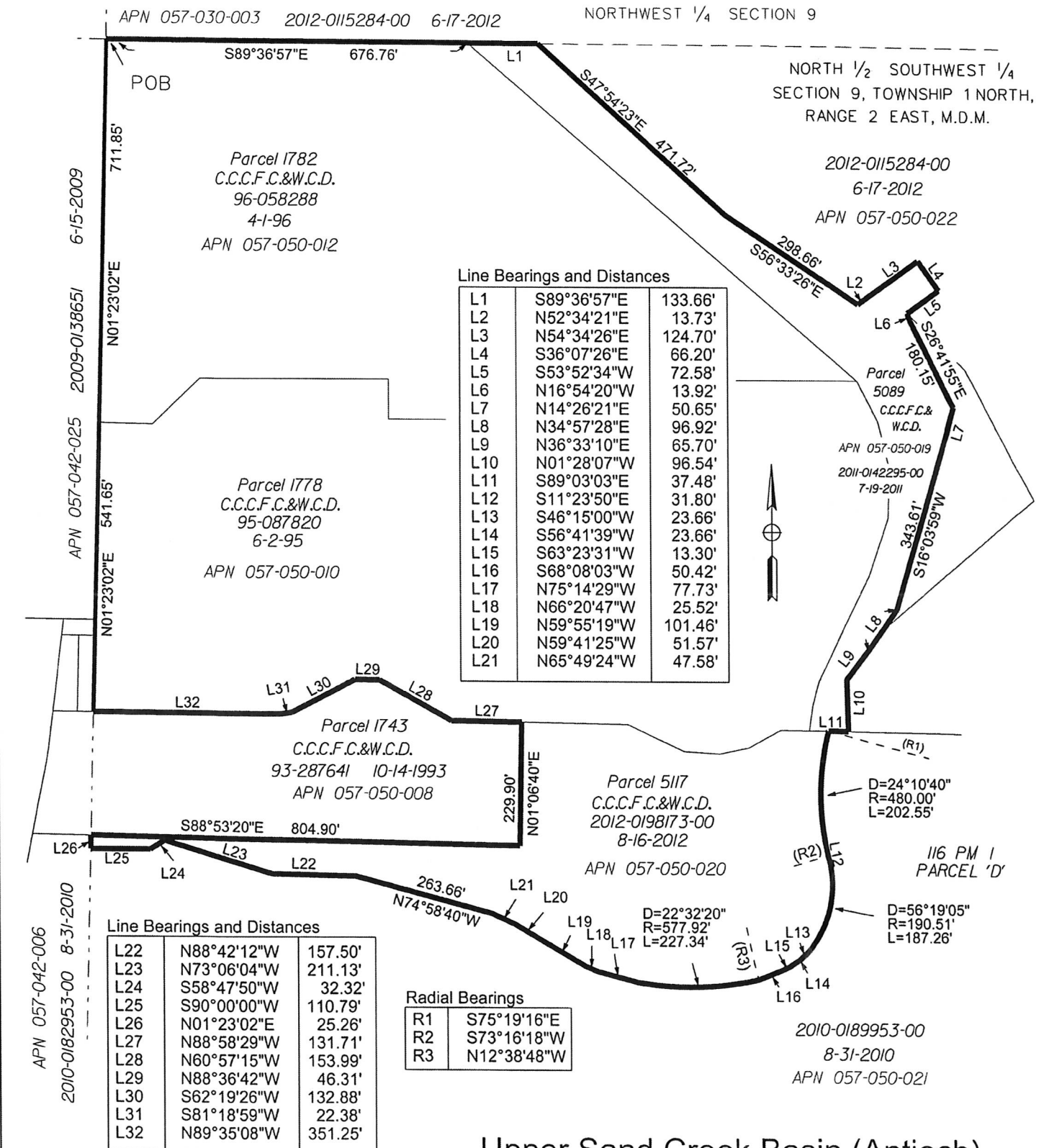
This real property description has been prepared by me or under my direction, in conformance with the Professional Land Surveyors Act.

Signature: Janet L. Hampton LS 7634
Licensed Land Surveyor
Contra Costa County Public Works

Date: Oct. 23, 2014



EXHIBIT "B"



Upper Sand Creek Basin (Antioch) Sunset Exploration Oil & Gas Lease

X=1,634,282 Y=526,933

Mineral License Upper Sand Creek Basin Pcls. 1778, 1782, 5089 & 5117

Drawn By	JLH	Checked By	KT	Date	October 2014	Scale	1"=250'	File	USCB Mineral License.dgn
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