

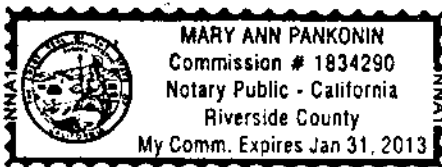
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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of RIVERSIDE

On 22 APRIL 2010 before me, MARY ANN PANKONIN - NOTARY PUBLIC,
Date Here Insert Name and Title of the Officer
personally appeared RICHARD L. OLIVER
Name(s) of Signer(s)



who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Mary Ann Pankonin
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: OIL AND GAS LEASE
Document Date: 22 APRIL 2010 Number of Pages: 2
Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: <u>RICHARD L. OLIVER</u>	Signer's Name: _____
<input checked="" type="checkbox"/> Individual	<input type="checkbox"/> Individual
<input type="checkbox"/> Corporate Officer — Title(s): _____	<input type="checkbox"/> Corporate Officer — Title(s): _____
<input type="checkbox"/> Partner — <input type="checkbox"/> Limited <input type="checkbox"/> General	<input type="checkbox"/> Partner — <input type="checkbox"/> Limited <input type="checkbox"/> General
<input type="checkbox"/> Attorney in Fact	<input type="checkbox"/> Attorney in Fact
<input type="checkbox"/> Trustee	<input type="checkbox"/> Trustee
<input type="checkbox"/> Guardian or Conservator	<input type="checkbox"/> Guardian or Conservator
<input type="checkbox"/> Other: _____	<input type="checkbox"/> Other: _____
Signer Is Representing: _____	Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

RIGHT THUMBPRINT OF SIGNER
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copy

ownership of the land or royalties shall enlarge the obligations or diminish the rights of Lessee. No change in the ownership of the land or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof. In case lessee assigns this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules and Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or such failure is the result of any such Law, Order, Rule or Regulation.

This lease shall be effective as to each lessor on execution hereof as to his or her interest and shall be binding on those signing, notwithstanding some of the lessors above named may not join in the execution hereof. The word "Lessor" as used in this lease means the party or parties who execute this lease as Lessor, although not named above.

Lessee may at any time and from time to time surrender this lease as to any part or parts of the leased premises by delivering or mailing a release thereof to lessor, or by placing a release of record in the proper County.

Lessor specifically grants lessee the right to conduct geophysical operations on the lands covered by this lease and acknowledges ~~lessee will own the seismic data resulting from said geophysical operations and is free to utilize the seismic data for its sole and exclusive benefit.~~ Lessor hereby grants and conveys to Lessee any and all rights in and to existing wellbores located on the lands described above, including the right to re-enter said wellbore(s) and utilize same for Lessee's benefit.

If at any time within the primary term of this lease and while the same remains in force and effect, lessor receives any bona fide offer, acceptable to lessor, to grant an additional lease (top lease) covering all or part of the aforementioned lands, lessee shall have the continuing option by meeting any such offer to acquire such top lease. Any offer must be in writing, and must set forth the proposed lessee's name, bonus consideration and royalty consideration to be paid for such lease and include a copy of the lease form to be utilized which form should reflect all pertinent and relevant terms and conditions of the top lease. Lessee shall have fifteen (15) days after receipt, from lessor, of a complete copy of any such offer to advise lessor in writing of its election to enter into an oil and gas lease with lessor on equivalent terms and conditions. If lessee fails to notify lessor with the aforesaid fifteen (15) day period of its election to meet any such bona fide offer, lessor shall have the right to accept said offer. Any top lease granted by lessor in violation of this provision shall be null and void.

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof.

IN TESTIMONY WHEREOF, we sign this the 22 day of APRIL, 20 10

Richard L. Oliver

Richard L. Oliver

STATE OF CALIFORNIA }
COUNTY OF RIVERSIDE } SS. (ACKNOWLEDGEMENT FOR INDIVIDUAL)

The foregoing instrument was acknowledged before me this 22 day of APRIL, 2010, by Richard L. Oliver

SEE ATTACHED CA NOTARY FORM
Notary Public

My Commission expires: _____

Commission Number: _____

OIL AND GAS LEASE

(PAID UP)

Reserved for Recording Data

Kettle

4727

EMENT, Made and entered into this 7th day of April, 2010, by and between
ard L. Oliver; 31050 Quail Hollow, Homeland, CA 92548, Party of the first part,
after called lessor (whether one or more), and Blue Dolphin Production, LLC;
Kelly Ave., Ste. F1, Edmond, OK 73003-7501, party of the second part,
after called lessee.

ESSETH, That the said lessor, for and in consideration of Ten and More (\$10.00) DOLLARS, cash in hand paid, receipt of
is hereby acknowledged and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and
mod, has granted, demised, leased and let and by these presents does grant, demise, lease and let exclusively unto the said
for the sole and only purpose of exploring by geophysical and other methods, mining and operating for oil (including but not
to distillate and condensate), gas (including casinghead gas and helium and all other constituents), and for laying pipe lines,
piling tanks, power stations and structures thereon, to produce, save and take care of said products, all that certain tract of
together with any reversionary rights therein, situated in the County of Ellis, State of OK, described as follows, to-wit:

Ship 17N, Range 22W, Section 27

3, 4, 5, 6, 7; SE/4 NW/4, including all accretion and riparian rights appurtenant thereto.

containing 188.75 acres more or less.

reed that this lease shall remain in force for a term of Three (3) years from April 07, 2010 (herein called primary term) and
thereafter as oil or gas, or either of them, is produced from said land by the lessee.

ideration of the premises the said lessee covenants and agrees:

deliver to the credit of lessor free of cost, in the pipe line to which it may connect its wells, the 3/16th part of all oil
ing but not limited to condensate and distillate) produced and saved from the leased premises.

o pay lessor for gas of whatsoever nature or kind (with all of its constituents) produced and sold or used off the leased
s, or used in the manufacture of products therefrom, 3/16th of the gross proceeds received for the gas sold, used off the
s, or in the manufacture of products therefrom, but in no event more than 3/16th of the actual amount received by the lessee,
ments to be made monthly. During any period (whether before or after expiration of the primary term hereof) when gas is
g so sold or used and the well or wells are shut in and there is no current production of oil or operations on said leased
s sufficient to keep this lease in force, lessee shall pay or tender a royalty of One Dollar (\$1.00) per year per net royalty acre
here-under, such payment or tender to be made, on or before the anniversary date of this lease next ensuing after the
m of ninety (90) days from the date such well is shut in and thereafter on the anniversary date of this lease during the period
is shut in, to the royalty owners. When such payment or tender is made it will be considered that gas is being produced
the meaning of the entire lease.

pay lessor for gas produced from any oil well and used off the premises, or for the manufacture of casing-head gasoline or
mercial gas, 3/16th of the gross proceeds, at the mouth of the well, received by lessee for the gas during the time such gas
used, said payments to be made monthly. If the lessee shall commence to drill a well or commence reworking operations on
ng well within the term of this lease or any extension thereof, or on acreage pooled therewith, the lessee shall have the right
uch well to completion or complete reworking operations with reasonable diligence and dispatch, and if oil or gas, or either
be found in paying quantities, this lease shall continue and be in force with like effect as if such well had been completed
e term of years first mentioned.

hereby granted the right at any time and from time to time to unitize the leased premises or any portion or portions
s to all strata or any stratum or strata, with any other lands as to all strata or any stratum or strata, for the production
of oil or primarily of gas with or without distillate. However, no unit for the production primarily of oil shall embrace
n 40 acres, or for the production primarily of gas with or without distillate more than 640 acres; provided that if any
ental regulation shall prescribe a spacing pattern for the development of the field or allocate a producing allowable based
e per well, then any such unit may embrace as much additional acreage as may be so prescribed or as may be used in such
of allowable. Lessee shall file written unit designations in the county in which the leased premises are located.

s upon and production from the unit shall be treated as if such operations were upon or such production were from the
remises whether or not the well or wells are located thereon. The entire acreage within a unit shall be treated for all
as if it were covered by and included in this lease except that the royalty on production from the unit shall be as below
and except that in calculating the amount of any shut in gas royalties, only the part of the acreage originally leased and
ally embraced by this lease shall be counted. In respect to production from the unit Lessee shall not

J.C. Land Management, Inc.

Lease ID - 4727

Friday, April 09, 2010

Richard L. Oliver
1050 Quail Hollow
Homeland CA 92548

Please complete the W-9 form on the bottom of this letter.

We are required by law to obtain a tax identification number when making a reportable payment to you. Failure to provide this information could result in a tax withholding of 28% and applicable fines under IRS Section 6723.

Please return the completed form to: J.C. Land Management, Inc. at P.O. Box 721080 Norman, OK 73070. Thank you for attention to this important matter.

Sincerely,

Jay Brannon

Jay Brannon

Address ID: 30046

Please return entire letter. Instructions for form W-9 can be found at <http://www.irs.gov/pub/irs-pdf/fw9.pdf>

Form W-9 (Rev. January 2005) Department of the Treasury Internal Revenue Service	Request for Taxpayer Identification Number and Certification		Give form to the requester. Do not send to the IRS.
	Name (as shown on your income tax return) <u>Richard L. Oliver</u>		
	Business name, if different from above _____		
	Check appropriate box: <input type="checkbox"/> Individual/ Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other _____		<input checked="" type="checkbox"/> Exempt from backup withholding
	Address (number, street, and apt. or suite no.) City, state, and ZIP code <u>1050 Quail Hollow Homeland Ca 92548</u>		Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number								
5	4	6	3	4	9	5	9	5
or								
Employer identification number								

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here	Signature of U.S. person ▶ <u>Richard L. Oliver</u>	Date ▶ <u>4, 24, 10</u>
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Prepared by J.C. Land Management, Inc. P.O. Box 721080 Norman, OK 73070
Phone: (405) 310-2500