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Ent 116808 Bk 942 Pg 794 - 796
Date: 04-SEP-2012 2:00:17PM
Fee: \$22.00 Check
Filed By: LCJ
LOUISE C JONES, Recorder
SAN JUAN COUNTY CORPORATION
For: PARADOX GROUP INC

MEMORANDUM OF OPTION TO LEASE

THIS MEMORANDUM OF OPTION TO LEASE is made and effective this 12th day of July, 2012, by and between Grantor" Frank Redd as Manager of the F.B. REDD FAMILY MINERALS, L.L.C., 607 South 520 West, Orem, Utah 84058, hereinafter called "Grantor", whether one or more, and PARADOX GROUP INC., 1505 Hermosa Place, Colorado Springs, Colorado 80906, hereinafter called "GRANTEE";

WITNESSETH:

1. GRANTOR has granted to GRANTEE an Option to Lease covering the interest of the GRANTOR in the following described land situated in the County of San Juan, State of Utah, to-wit;

SEE COPY OF LEGAL DESCRIPTION PORTION OF THE SUBJECT OIL AND GAS LEASE, ATTACHED AS EXHIBIT "A"

2. Said Option to Lease conveys an exclusive right from GRANTOR to GRANTEE for a specified term and price to purchase an oil and gas lease with certain specific lease provisions. The oil and gas lease which GRANTEE has the right to purchase maybe subject to an existing oil and gas lease, and the primary term of the lease which GRANTEE may purchase is for five (5) years from the termination date (if any) of the existing lease, and for as long thereafter as oil and/ or gas is produced. Said Option to Lease contains other provisions respecting the rights, if any, of the lessee under existing lease, and preventing modification of the existing lease by GRANTOR.

3. It is the purpose of this Memorandum of Option to Lease to give record notice of said Option to Lease.


4. A copy of said Option to Lease may be found at the following address:

PARADOX GROUP INC.
1505 HERMOSA PLACE
COLORADO SPRINGS, COLORADO 80906

5. This Memorandum of Option to Lease shall inure to the benefit of and be binding on the heirs, executors, administrators, personal representatives, successors and assigns of the parties hereto. In the event that GRANTEE does not exercise his Option to Lease by purchasing an oil and gas lease from GRANTOR as therein provided, a release of the said Option as referred to in this Memorandum of Option to Lease shall be recorded by GRANTEE.

IN WITNESS WHEREOF, this instrument is executed the day and year first above written

F.B. REDD FAMILY MINERALS, L.L.C.

X 

Frank Redd, Manager

UT-10198

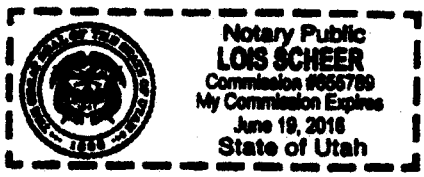
ACKNOWLEDGMENT-INDIVIDUAL

STATE OF UTAH }
COUNTY OF San Juan }

The foregoing instrument was acknowledged before me, this 24 day of July August
_____ 2012. by Frank Redd as Manager of F.B. REDD FAMILY MINERALS.
L.L.C.

Witness my hand and official seal.
My Commission Expires:
6/19/16

Lois Scheer
Notary Public, residing at: Monticello, UT



ACKNOWLEDGMENT-INDIVIDUAL

STATE OF _____ }
COUNTY OF _____ }

The foregoing instrument was acknowledged before me, this _____ day of _____
2012. by _____

Witness my hand and official seal.
My Commission Expires:

Notary Public, residing at:

UT-10198

EXHIBIT "A"

TOWNSHIP 29 SOUTH, RANGE 23 EAST, SLM

Section 31: S1/2SE1/4, NE1/4SE1/4 29S23E317200

TOWNSHIP 30 SOUTH, RANGE 23 EAST, SLM

Section 17: S1/2SW1/4, NW1/4SW1/4 30S23E175400

TOWNSHIP 33 SOUTH, RANGE 24 EAST, SLM

Section 21: SE1/4SE1/4 33S24E212400

TOWNSHIP 35 SOUTH, RANGE 24 EAST, SLM

Section 14: E1/2SW1/4 35S24E142401

TOWNSHIP 36 SOUTH, RANGE 22 EAST, SLM

Section 10: SE1/4SE1/4; Also, beginning at a point 236 feet West of the Southeast corner of NE1/4SW1/4 of Section 10, and running thence North 21 degrees 15' West 625.8 feet, thence North 24 degrees 05' East 100 feet, thence North 43 degrees 57' East 608 feet, thence North 195 feet to the Northeast corner of the NE1/4SW1/4, thence West 1259.6 feet, thence South 63 degrees 15' East 798 feet, thence South 678 feet to the Southwest corner of NE1/4SW1/4. thence East 1084 feet to the point of beginning.

36S22E101200 36S22E109000
36S22E104801, 36S22E104802 36S22E107201 36S22E107205

TOWNSHIP 37 SOUTH, RANGE 22 EAST, SLM

Section 2: SE1/4 37S22E027800, 37S22E027801, 37S22E027802
37S22E027200, 37S22E027201, 37S22E027202, 37S22E027203,
37S22E027204, 37S22E027205, 37S22E027206, 37S22E027207,
37S22E027208, 37S22E028402, 37S22E029000

Containing 572.00 acres more or less

WT-10198