

File No. 28514

HOMER BLACK,)
to) ASSIGNMENT
JAMES C. McKAY.)

ASSIGNMENT OF OPTION
TO AN OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS, that I, HOMER BLACK, of 1605 Holly Avenue, Arcadia California, for and in consideration of the sum of TEN DOLLARS (\$10.00) to me in hand paid by JAMES C. McKAY of the City of Reno, County of Washoe, State of Nevada, do by these presents sell, convey, assign, transfer and set over unto the said JAMES C. McKAY all my rights and interest in a certain Option, to lease certain oil and gas lands, bearing date of August 10, 1950, made by ROGER V. BRUFFEY, of Eureka County, Nevada, to the said HOMER BLACK and GEORGE HADLEY of 6305 Yucca Street, Hollywood, California, the following described lands:

"Any ranch or range lands owned and controlled by me (Roger V. Bruffey) in Sections 11 and 14, Township 27 North, Range 52 East, M.D.B. & M."

That said Option reads as follows:

"The undersigned, ROGER V. BRUFFEY, of Eureka County, Nevada, for and in consideration of the sum of Ten Dollars (\$10.00) to him in hand paid, the receipt whereof being hereby

acknowledged, does hereby give and grant to GEORGE HADLEY of 6305 Yucca Street, Hollywood, California, the exclusive right and option to an oil and gas lease on any ranch or range lands owned and controlled by me in Sections 11 and 14, Township 27 North, Range 52 East, M. D. B. & M.

"This option shall be exercised by the commencement of actual drilling operations on said property, or any portion of same, on or before April 15, 1951, and upon the exercise of said option by the commencement of actual drilling operations with suitable equipment, the undersigned agrees to execute a standard form oil and gas lease on any portion of said lands selected by you, which lease shall contain the regular standard provisions, and to specifically provide that drilling operations shall be diligently prosecuted until a commercial oil or gas well is brought in or the lease abandoned, and shall further provide that the royalty payments shall be payable in cash at the prevailing field market price at the time of production, the value in its natural state of the equal one-eighth part of all oil and gas, "(having due regard for the value of the gasoline or other mineral content of such gas) produced, saved and marketed from the above described premises. Settlement therefor shall be made on the 20th day of each month for minerals produced during the preceding calendar month.

"The term of the lease shall be for the period so long as drilling operations are prosecuted with diligence, and if production results therefrom, then as long as production continues.

"During the period commencing with the date hereof, and expiring April 15, 1951, you are to have the sole and exclusive right to enter upon said land, or any portion thereof for the purpose of making geological surveys, and/or geophysical examinations of the said land.

"In the event that the patent records of said lands disclose the fact that oil and gas have been reserved therefrom, the undersigned agrees to apply for oil and gas leases under the federal regulations at the expense of the optionees, and to convey or assign such federal leases to said optionees upon the exercise hereof.

"The undersigned reserves the right to farm, irrigate, raise and harvest crops and graze and pasture any of said lands during the period of this option or any lease to grow therefrom, except where such operations might materially conflict with optionees' actual drilling or exploration operations.

"The undersigned further stipulates that in any lease to be prepared under this option, that the same shall provide that no well shall be drilled nearer than two hundred (200) feet from the house or barn now on any of said premises without the written consent of the undersigned, and shall further provide that the optionees (leasees) shall pay for any damages caused by their operations to growing crops on said lands.

"IN WITNESS WHEREOF, the undersigned has hereunto set his hand this 10th day of August, 1950.

Roger V. Bruffey

STATE OF NEVADA,)
) SS.
COUNTY OF ELKO.)

On this 10th day of August, 1950, personally appeared before me, a Notary Public in and for said County and State, ROGER V. BRUFFEY, known to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he executed the same freely and voluntarily and for the uses and purposes therein mentioned.

"IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this Certificate first above written.

(SEAL)

VERLA McFARLANE
NOTARY PUBLIC."

TO HAVE AND TO HOLD the same unto the said JAMES C. McKAY, his heirs, executors, administrators and assigns, during all of the period mentioned in said Option above set forth, and agree with the said JAMES C. McKAY that my interest and rights in and under the above Option have not heretofore been assigned by me.

DATED: August 16, 1950.

Homer Black

STATE OF NEVADA)
 : ss.
COUNTY OF WASHOE)

On this 16th day of August, 1950, personally appeared before me, a Notary Public in and for said County and State, HOMER BLACK, known to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he executed the same freely and voluntarily and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this Certificate first above written.

(Notarial Seal)

Wm. K. Woodburn
Notary Public
In and for the County of Washoe,
State of Nevada

Recorded at the Request of Woodburn, Forman & Woodburn Sept. 22, A.D. 1950 At 01 minutes past 4 P.M.

Peter Merialdo--Recorder.