

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 42-R1599	
Serial No.	N-20417 L-21396
New Serial No.	SAME

ASSIGNMENT AFFECTING RECORD TITLE
TO OIL AND GAS LEASE
PART I

- 1/3rd - DEPCO, Inc.
1000 Petroleum Building
110 Sixteenth Street
Denver, Colorado 80202
and
- 1/3rd - General American Oil Company of Texas
Suite 800, Anaconda Tower Building
555 17th Street
Denver, Colorado 80202
- 4/15ths - Pangaea Petroleum, Inc.
715 Republic Building
1612 Tremont Place
Denver, Colorado 80202
- 1/15th - J. Ellerton Consultants, Inc.
7333 South Downing Circle East
Littleton, Colorado 80122

7.00

The undersigned, as owner of 100% percent of record title of the above-designated oil and gas lease issued effective (date) September 1, 1979, hereby transfers and assigns to the assignee shown above, the record title interest in and to such lease as specified below.

2. Describe the lands affected by this assignment (43 CFR 3101.2-3)

Township 18 North, Range 48 East, MDM
 Section 5: Lots 1 thru 4, S $\frac{1}{2}$ N $\frac{1}{2}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$
 Section 6: Lots 1 thru 6
 Section 7: Lots 2 thru 4, SE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$
 Section 18: Lots 1 thru 4, E $\frac{1}{2}$ E $\frac{1}{2}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ E $\frac{1}{2}$, W $\frac{1}{2}$ SE $\frac{1}{4}$

AFTER RECORDED RETURN TO:
 PHILLIPS PETROLEUM COMPANY
 8055 E. TUTTIS AVE. PARKWAY
 DENVER, CO 80231

Containing 1548.07 acres, more or less
Eureka and Lander Counties, Nevada

SEE REASSIGNMENT RIDER ON BACK

- 3. What part of assignor(s) record title interest is being conveyed to assignee? (Give percentage or share) 100%
- 4. What part of the record title interest is being retained by assignor(s)? None
- 5a. What overriding royalty or production payments is the assignor reserving herein? (See Item 4 of General Instructions; specify percentage.) Three percent of eight-eighths (3% of 8/8ths)
- b. What overriding royalties or production payments, if any, were previously reserved or conveyed? (Percentage only) None

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 $\frac{1}{2}$ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 7th day of January, 19 80

Faye J. Veal
 (Assignor's Signature)
 Faye J. Veal

1776 Lincoln Street, Suite 818
 (Assignor's Address)

Harry K. Veal, her spouse

Denver, Colorado 80203
 (City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved as to the lands described below:

SAME AS ITEM 2

Assignment approved effective MAY 1 1980

By Roger A. Jarrell
 (Authorized Officer)

Request for Approval of Assignment Filed

Office of Lands & Minerals Operations

FEB 26 1980

In Lead Case 80-17584

(Title)

(Date)

NOTE: This form may be reproduced provided that copies are exact reproduction of this official form in accordance with the provisions of 43 CFR 3106

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ASSIGNEE'S REQUEST FOR APPROVAL OF ASSIGNMENT

A. ASSIGNEE CERTIFIES THAT

1. Assignee is over 21 years of age
2. Assignee is a citizen of the United States
3. Assignee is Individual Municipality Association Corporation a Delaware corporation
4. Assignee is the sole party in interest in this assignment (information as to interests of other parties in this assignment must be furnished as prescribed in Specific Instructions) **NICOR Exploration Company owns a 50% beneficial interest in the interest assigned herein.**
5. Filing fee of \$10 is attached (see Item 2 of General Instructions)
6. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options, or 246,080 chargeable acres in options and leases in the same state, or 300,000 chargeable acres in leases and options in each leasing district in Alaska.
7. Corporate qualifications for DEPCO, Inc. are in file C-0127473, and corporate qualifications and power of attorney for NICOR Exploration Company in file C-25140.

B. ASSIGNEE AGREES to be bound by the terms and provisions of the lease described here, provided the assignment is approved by the Authorized Officer of the Bureau of Land Management.

This form is submitted in lieu of official Form and contains all of the provisions thereof as of the date of filing of this assignment.

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 8th day of January, 1980.

ATTEST:

DEPCO, Inc.

M. F. Yost
M. F. Yost, Assistant Secretary

By: R. M. Kenyon
(Assignee's Signature)
R. M. Kenyon, Vice President

1000 Petroleum Building
Denver, Colorado 80202

(Address, include zip code)

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REASSIGNMENT RIDER

Assignees accept this Assignment with the express understanding that its provisions will apply to any renewal, exchange, extension or alteration of the basic Lease, in whole or in part. If the Assignees, their successors or assigns, should at any time desire to release, relinquish, surrender, or let expire said Oil and Gas Lease as to all or any portion of the above described lands, Assignees shall notify Assignor in writing at least thirty-five (45) days in advance of the proposed release, relinquishment, surrender, or expiration date. Assignor shall have the right within fifteen (15) days after receipt of any such notice to elect to take reassignment of said Oil and Gas Lease, or any portion thereof. In the event Assignor so elects, he shall notify Assignees in writing within said fifteen (15) day period, and Assignees shall reassign to Assignor the interest which Assignees have elected to release, relinquish, surrender, or let expire. Any reassignment under the terms of this paragraph shall be free and clear of all burdens, encumbrances, or outstanding interests other than those existing on the day hereof.

STATE OF COLORADO)
) SS.
COUNTY OF DENVER)

On this 7th day of January, 1980, before me, the undersigned Notary Public, personally appeared Harry K. Veal and Faye J. Veal, husband and wife, known to me to be the persons described in and who subscribed, signed and executed the within and foregoing instrument, and duly acknowledged to me that they executed said instrument as their own free and voluntary act and deed for the uses and purposes therein set forth.

Witness my hand and official seal.

My Commission Expires:
December 7, 1984

Margaret S. Feely
Notary Public Signature
Margaret S. Feely
Notary's Name
Denver, Colorado
Notary's Residence

STATE OF COLORADO)
COUNTY OF DENVER)

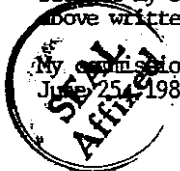
SS.

CORPORATE ACKNOWLEDGEMENT

On January 8, 1980, before me, the undersigned, a Notary Public in and for said State, personally appeared R. M. Kenyon known to me to be the Vice President, and M. F. Yost known to me to be the Corporate Assistant Secretary of DEPCO, Inc. the corporation that executed the within instrument, and known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same pursuant to its by-laws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in said State the day and year in this certificate first above written.

My commission expires:
June 25, 1983



Viola K. Gourdin
Notary Public Viola K. Gourdin in and for said State

RECORDED AT REQUEST OF
Phillips Petroleum Co.
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OFFICIAL RECORDS
EUREKA COUNTY, CALIFORNIA
H.H. RECALEATI, RECORDER
FILE NO. 92753
FEE \$ 7.00