

ASSIGNMENT OF OIL AND GAS LEASE

STATE OF NEVADA §

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF EUREKA §

That, for and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration to it in hand paid, the receipt and sufficiency of which is hereby acknowledged, HUNT OIL COMPANY OF NEVADA, a Nevada corporation whose address is 2900 InterFirst One Building, Dallas, Texas 75202, herein called "Assignor", does hereby grant, convey, sell, assign and transfer unto PEND OREILLE OIL & GAS COMPANY, 1300 Main Street, Suite 1203, Houston, Texas 77002, herein called "Assignee", an undivided six and one-quarter percent (6.25%) of its right, title and interest (a working interest) in and to the oil and gas lease described on Exhibit "A", which is attached hereto and made a part hereof for all purposes.

This assignment is made subject to and Assignor and Assignee shall be bound by the covenants, conditions, and attachments of:

- (a) that certain agreement dated the 1st day of May, 1980, as partially assigned and amended, by and between Shell Oil Company and Hunt Oil Company of Nevada, and
- (b) that certain operating agreement dated May 2, 1980, by and between Hunt Oil Company of Nevada, as Operator, and Southland Royalty Company, Hershey Oil Corporation, and Pend Oreille Oil & Gas Company, as Non-Operators, covering lands and leases located in Eureka County, Nevada.

TO HAVE AND TO HOLD the same unto the said Assignee, its successors and assigns, according to the terms and conditions of said lease, the said Assignee to perform all of such conditions and covenants thereof as to the interest in said lease herein assigned. This Assignment is made without warranty of title either express or implied.

IN WITNESS WHEREOF, the said Assignor has executed this instrument effective as of the 10th day of February, 1984.

HUNT OIL COMPANY OF NEVADA



By: E. T. Moffatt
E. T. Moffatt, Senior Vice President

ATTEST:

By: John R. Scott
Assistant Secretary

STATE OF TEXAS §
COUNTY OF DALLAS §

On this the 10th day of February, 1984, before me personally appeared E. T. Moffatt, the undersigned officer, who acknowledged himself to be the Senior Vice President of Hunt Oil Company of Nevada, a corporation, and that he being authorized so to do, executed the the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Senior Vice President.

IN WITNESS WHEREOF I hereunto set my hand and official seal.



Sherry L. Carruthers
Notary Public in and for the State
of Texas

My Commission Expires:
SHERRY L. CARRUTHERS, Notary Public
in and for State of Texas
My Commission Expires 7-31-84

Acknowledgment page to that certain Assignment of Oil and Gas Lease with Hunt Oil Company of Nevada as Assignor and Pend Oreille Oil & Gas Company as Assignee dated February 10, 1984, covering lands located in Eureka County, Nevada.

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Lease dated February 10, 1984, by and between Hunt Oil Company of Nevada, as Assignor, and Pend Oreille Oil & Gas Company, as Assignee, covering lands located in Eureka County, Nevada, as more particularly described herein below.

LEASE SCHEDULE:

Oil and Gas Lease, HOC #67233, dated March 17, 1980, from Joseph L. Rand et ux, Lessor, and Hunt Oil Company, Lessee, filed and recorded in Book 81, Page 214, File No. 73608, Oil and Gas Records of Eureka County, Nevada, insofar only as such Lease covers the following described lands:

Township 21 North, Range 53 East, M.D.B.&M.

A parcel of land located in the W1/2SW1/4 of Section 1, more particularly described as follows:

Commencing at the SW corner of said Section 1, thence N. 0°12'00" E. 33.00 feet along the West line of said Section 1, to corner No. 1 the true Point of Beginning being on the northerly right-of-way of 11th Street; thence continuing N. 0°12'00" E. 1407.97 feet along the West line of said Section 1, to corner No. 2; thence from a tangent bearing S. 0°12'00" W., on a curve to the left with a radius of 1330.13 feet, through a central angle of 59°24'47" for an arc length of 1379.28 feet, to corner No. 3; thence S. 0°02'29" W. 261.10 feet to corner No. 4; a point on the northerly right-of-way of 11th Street; thence N. 89°57'31" W. 654.02 feet along the northerly line of 11th Street to corner No. 1, the Point of Beginning, containing 8.90 acres more or less.

END OF EXHIBIT "A"

RECORDED AT REQUEST OF
Pend Oreille Oil & Gas Co.
BOOK 121 PAGE 506

84 MAR 16 AID: 22

OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
N.E. REALEATH RECORDER
FILE NO: 92951
FEE \$ 7.00