

94784

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, M. Peyton Bucy (by numerous assignments) conveyed unto Buttes Resources Company ONE HUNDRED PERCENT (100%) of the working interest and record title in certain oil and gas leases and lands covered thereby, more particularly described in Exhibit "A" (attached hereto and made a part hereof); and,

WHEREAS, M. Peyton Bucy in all of such assignments to Buttes Resources Company did SAVE, EXCEPT AND RESERVE an overriding royalty interest equal to TWO AND ONE-HALF PERCENT OF EIGHT-EIGHTHS (2-1/2% of 8/8ths); and,

WHEREAS, M. Peyton Bucy now wishes to transfer and assign a portion of the TWO AND ONE-HALF PERCENT (2-1/2%) overriding royalty interest reserved by him in the assignments to Buttes Resources Company unto Harry K. Veal, Suzanne D. Bucy AND Faye J. Veal.

NOW THEREFORE, in consideration of the TEN AND NO/100 DOLLARS (\$10.00), cash in hand paid and other good and valuable consideration, the adequacy and receipt and sufficiency of which is acknowledged, M. PEYTON BUCY (an individual sometimes hereinafter referred to as "Assignor") does hereby GRANT, SELL, TRANSFER, ASSIGN, and SET OVER unto SUZANNE D. BUCY (an individual), HARRY K. VEAL (an individual) and FAYE J. VEAL (an individual) who have a collective address of 1776 Lincoln Street, Denver, Colorado 80203 (who sometimes hereinafter are collectively referred to as "Assignees") a ONE AND SEVEN-EIGHTHS PERCENT OF EIGHT-EIGHTHS (1-7/8% of 8/8ths) overriding royalty interest in and to those oil and gas leases and lands in Eureka County, Nevada, more particularly described in Exhibit "A" (attached hereto and made a part hereof). Such 1-7/8% overriding royalty interest shall be shared equally as between each individual Assignee so that each is being granted FIVE-EIGHTHS OF ONE PERCENT OF EIGHT-EIGHTHS (5/8ths of 1% of 8/8ths). It is understood that the herein conveyed overriding royalty is out of the above mentioned previously reserved 2-1/2% overriding royalty interest and that Assignor is expressly excepting and reserving unto himself herein the remaining FIVE-EIGHTHS OF ONE PERCENT OF EIGHT-EIGHTHS (5/8ths of 1% of 8/8ths) overriding royalty previously reserved.

TO HAVE AND TO HOLD unto Assignees, their heirs, successors and assigns, subject however to the following:

- i) 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 17½%, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

RETURN TO DEPCO, Inc.

(DEPCO's NV-00187,188,189)
Kobeh-Antelope Area
78-NV-03, Lease Acq.
84-NV-04, ORRI Acq.

1000 Petroleum Bldg.
Denver, Colorado 80202 PAGE 1 OF 2.

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ASSIGNMENT OF OVERRIDING ROYALTY INTEREST
M. PEYTON BUCY TO HARRY K. VEAL,
FAYE J. VEAL, AND SUSANNE D. BUCY
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- ii) The interest herein assigned shall be proportionately reduced in the event:
- a) the interest leased by the lessor(s) of the oil and gas leases described in Exhibit "A" (attached hereto and made a part hereof) is less than the full and undivided mineral fee estate in such lands, and/or,
 - b) if the lands described in Exhibit "A" are pooled, communitized, unitized, spaced with or is combined in any manner with lands not hereby assigned so as to form units for the production of oil and/or gas and their associated products.
- iii) Insofar as applicable, the interest herein assigned is subject to that certain September 27, 1977 Agreement by and between Harry K. Veal et ux et al and Buttes Resources Company.
- iv) Assignor will warrant and defend the interests hereby conveyed and assigned unto Assignees against every person whomsoever now or at any time hereafter lawfully claiming the same or any part thereof, by, through and under Assignor, but not otherwise; however, Assignor makes no other representations or warranties, either expressed or implied.

EXECUTED THIS 31st DAY OF JULY, 1984.


M. Peyton Bucy

STATE OF Colorado)
COUNTY OF Denver) ss.

On this 6th day of August, 1984, before me, the undersigned officer, personally appeared M. PEYTON BUCY, known to me to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In witness whereof I hereunto set my hand and official seal.

My commission expires:

1-14-88

Name: Ryan Evans

Address: 1160 S. Dover
Lakewood CO 80226

SEAL
Affixed

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT OF OVERRIDING ROYALTY INTEREST FROM M. PEYTON BUCY TO HARRY K. VEAL, SUZANNE D. BUCY AND FAYE J. VEAL DATED JULY 31, 1984 COVERING THOSE CERTAIN LANDS LOCATED IN EUREKA COUNTY, NV.

LEASE #	LESSOR	LESSEE	ACRES	LEASE DATE
NV 00187 00187	SERIAL NO. N-17142 T 17 N, R 50 E, MDM SEC 13 ALL SEC 15 ALL	JOHN P. DEVER	1280.00	6/01/78
NV 00188 00188	SERIAL NO. N-17143 T 17 N, R 50 E, MDM SEC 1 L 1-4, S/2N/2, S/2 SEC 3 L 1-4, S/2N/2, S/2 SEC 11 ALL	JOHN P. DEVER	2078.12	6/01/78
NV 00189 00189	SERIAL NO. N-17144 T 17 N, R 51 E, MDM SEC 5 ALL SEC 7 ALL	JOHN P. DEVER	1437.00	5/01/78

----- END OF EXHIBIT "A"

RECORDED AT REQUEST OF
DEPCO, Inc.
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OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
M.N. REBALCATTI, RECORDER
FILE NO. 94784
FFE \$ 7.00