

94785

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, Faye J. Veal (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, Faye J. Veal in all of such assignments to Buttes Resources Company did SAVE, EXCEPT AND RESERVE an overriding royalty interest equal to FIVE PERCENT OF EIGHT-EIGHTHS (5% of 8/8ths); and,

WHEREAS, Faye J. Veal now wishes to transfer and assign a portion of the FIVE PERCENT (5%) overriding royalty interest reserved by her in the assignments to Buttes Resources Company unto M. Peyton Bucy, Suzanne D. Bucy and Harry K. 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, FAYE J. VEAL (an individual sometimes hereinafter referred to as "Assignor") does hereby GRANT, SELL, TRANSFER, ASSIGN, and SET OVER unto M. PEYTON BUCY (an individual), SUZANNE D. BUCY (an individual) and HARRY K. 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 THREE AND THREE-FOURTHS PERCENT OF EIGHT-EIGHTHS (3-3/4% 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 3-3/4% overriding royalty interest shall be shared equally as between each individual Assignee so that each is being granted ONE AND ONE-FOURTH PERCENT OF EIGHT-EIGHTHS (1-1/4% of 8/8ths). It is understood that the herein conveyed overriding royalty is out of the above mentioned previously reserved 5% overriding royalty interest and that Assignor is expressly excepting and reserving unto herself herein the remaining ONE AND ONE-FOURTH PERCENT OF EIGHT-EIGHTHS (1-1/4% 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.
- 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,

RETURN TO DEPCO, Inc.

(DEPCO's NV-00224, etc.)
Kobeh-Antelope Area
78-NV-03, Lease Acq.
84-NV-04, ORRI Acq.

1000 Petroleum Bldg.
Denver, Colorado 80202

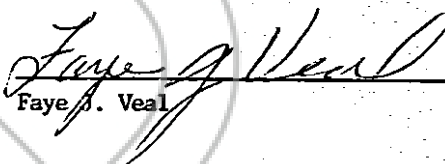
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ii) (continued):

- 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.



Faye J. Veal

STATE OF Colorado)
COUNTY OF Denver) ss.

On this 7th day of August, 1984, before me, the undersigned officer, personally appeared FAYE J. VEAL, known to me to be the person whose name is subscribed to the within instrument and acknowledged that she executed the same for the purposes therein contained.

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

My commission expires:
1-20-86


Name: J. F. Struband
Address: 1568 So Ogden
Denver, Co 80202

SEAL
Affixed

EXHIBIT "A"

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

LEASE #	LESSOR	LESSEE	ACRES	LEASE DATE
NV 00224	00224 SERIAL NO. N-17890 T 19 N, R 49 E, MDM SEC 1 L 1-4, S/2N/2, S/2 T 19 N, R 50 E, MDM SEC 10 ALL SEC 22 ALL SEC 26 ALL	FAYE J. VEAL	2559.72	2/01/79
NV 00225	00225 SERIAL NO. N-17908 T 20 N, R 49 E, MDM SEC 1 L 1-4 SEC 2 L 1-4 SEC 3 L 1-4 SEC 4 L 1-4 SEC 5 L 1-4 SEC 6 L 1-4 SEC 12 ALL SEC 15 ALL SEC 26 ALL	FAYE J. VEAL	2512.65	2/01/79
NV 00226	00226 SERIAL NO. N-17909 T 20 N, R 50 E, MDM SEC 1 ALL SEC 2 ALL SEC 3 ALL SEC 4 ALL SEC 5 ALL SEC 6 ALL SEC 15 ALL SEC 21 ALL SEC 27 ALL	FAYE J. VEAL	2503.00	2/01/79
NV 00227	00227 SERIAL NO. N-17910 T 21 N, R 49 E, MDM SEC 25 ALL T 21 N, R 50 E, MDM SEC 28 ALL SEC 29 ALL	FAYE J. VEAL	1920.00	2/01/79

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DFPCO, Inc.
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END OF EXHIBIT "A"

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OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
M.N. REBALEATI, RECORDER
FILE NO. 94785
FFS 7.00

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