

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,

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

RETURN TO DEPCO, Inc.

1000 Petroleum Bldg.  
Denver, Colorado 80202

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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	FAYE J. VEAL	2559.72	2/01/79
	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			
NV 00225	00225 SERIAL NO. N-17908	FAYE J. VEAL	2512.65	2/01/79
	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			
NV 00226	00226 SERIAL NO. N-17909	FAYE J. VEAL	2503.00	2/01/79
	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			
NV 00227	00227 SERIAL NO. N-17910	FAYE J. VEAL	1920.00	2/01/79
	T 21 N, R 49 E, MDM			
	SEC 25 ALL			
	T 21 N, R 50 E, MDM			
	SEC 28 ALL			
	SEC 29 ALL			

RECORDED AT REQUEST OF  
DFPCO, Inc.  
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END OF EXHIBIT "A"

84 AUG 14 P 1: 15

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

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