

Form 3106 - 5
(October 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
ASSIGNMENT AFFECTING RECORD TITLE
TO OIL AND GAS LEASE

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1985

Lease Serial No.
N 17584
Lease effective date
June 1, 1979
FOR BLM OFFICE USE ONLY

New Serial No.

PART I

1. Assignee's Name
NICOR Exploration Company
Address (include zip code)
1667 Cole Boulevard
Golden Colorado 80401

The undersigned, as owner of 33.333 percent of the record title of the above-designated oil and gas lease, 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
Township 19 North, Range 49 East, M.D.M.
Section 6: Lots 1 thru 7, SE1NW1, S1NE1,
E1SW1, SE1
Section 7: Lots 1 thru 4, E1W1, E1
Section 18: Lots 1 thru 4, E1W1, E1
Section 19: Lots 1 thru 4, E1W1, W1E1,
NE1NE1, SE1SE1
Assignment approved as to lands described below

Containing 2411.75 acres, more or less.
Eureka County, Nevada

This assignment is made by Assignor without any representations or warranties of title, either expressed or implied, and is so accepted by Assignee.

3. Specify interest or percent of assignor's record title interest being conveyed to assignee	<u>50%</u>
4. Specify interest or percent of record title interest being retained by assignor, if any	<u>16.667%</u>
5. Specify overriding royalty being reserved by assignor	<u>-0-</u>
6. Specify overriding royalty previously reserved or conveyed, if any	<u>3%</u>

7. If any payments out of production have previously been created out of this lease, or if any such payments are being reserved under this assignment, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43CFR 3106.

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 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 19th day of August, 19 83
DEPCO, Inc.

By: [Signature]
K. G. Ranum, (Assignor's Signature) Vice President
ATTEST:
[Signature]
Michael D. Shepard, Secretary

1000 Petroleum Building
(Assignor's Address)
Denver Colorado 80201
(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 effective _____ By _____ (Authorized Officer)

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(Title) (Date)

NOTE: This form may be reproduced provided that copies are exact reproductions on one sheet of both sides of this official form in accord.

PART II
ASSIGNEE'S REQUEST FOR APPROVAL OF ASSIGNMENT

- A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0-5(b)) in this assignment are:
1. Citizens of the United States or qualified alien stockholders in a domestic corporation; associations of the United States; or any State or Territory thereof; or municipalities.
 2. Of the age of majority in the State where the lands to be assigned are located.
 3. In compliance with the acreage limitation set forth in 43 CFR 3101.1-5 and 3101.2-4.
- B. ASSIGNEE AGREES That, upon approval of this assignment by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the lands covered by this assignment, including, but not limited to, the obligation to pay all rentals and royalties due and accruing under said lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor to assure compliance with the terms and conditions of the lease and the applicable regulations.
- 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 1st day of September, 1983

RJ Clark
NO AR (Assignee's Signature)
R. J. Clark, Vice President

NICOR EXPLORATION COMPANY
1667 Cole Boulevard
(Assignee's Address)

ATTEST:

BY Verna K. Moret
Verna K. Moret-Secretary

Golden, Colorado 80401
(City) (State) (Zip Code)

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INSTRUCTIONS

1. USE OF FORM - Use only for assignment of record title interest in oil and gas leases. If more than one assignment is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.
2. FILING AND NUMBER OF COPIES - File three (3) completed and manually signed copies in the appropriate BLM office. A \$25.00 nonrefundable filing fee must accompany the assignment. File assignment within ninety (90) days after date of final execution.
3. EFFECTIVE DATE OF ASSIGNMENT - Assignment, if approved, takes effect on the first day of the month following the date of filing of all required papers. If bond is necessary, it must be furnished prior to approval of the assignment.
4. EFFECT OF ASSIGNMENT - Approval of assignment of a definitely described portion of the leased lands creates separate leases of the retained and the assigned portions. It does not change the terms and conditions of the lease or the lease anniversary date for purposes of payment of annual rental.
5. A copy of the lease out of which this assignment is made should be obtained from the assignor.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. 181 et. seq.

PRINCIPAL PURPOSE - The information is to be used to process the assignment and request for approval.

ROUTINE USES:

- (1) The adjudication of the assignee's rights to the land or resources.
- (2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
- (3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
- (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION - If all the information is not provided, the assignment may be rejected.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:

Bureau of Land Management collects this information pursuant to the law (see 43 CFR 3106-3(c)).

Bureau of Land Management uses the information to create a record of lease assignment and to determine the qualifications of assignees.

A Federal lessee is obligated to report this information under provisions of 43 CFR 3106.

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STATE OF COLORADO }
COUNTY OF DENVER } SS.

CORPORATE ACKNOWLEDGEMENT

On August 19, 1983, before me, the undersigned, a Notary Public in and for said State, personally appeared K. G. Ranum known to me to be the Vice President, and Michael D. Shepard known to me to be the Corporate 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 19, 1985

Brenda L. Waldman
Notary Public Brenda L. Waldman in
and for said State

SEAL
Affixed

STATE OF COLORADO)
COUNTY OF JEFFERSON) SS.

The foregoing instrument was acknowledged before me this 1st day of September, 1983, by R. J. Clark as vice president of NICOR Exploration Company.

Witness my hand and official seal.

My Commission Expires:
April 26, 1987

Judith Schaffer
NOTARY PUBLIC
409 First Street
Golden, Colorado 80403

SEAL
Affixed

RECORDED AT REQUEST OF
Nicar Exploration
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OFFICIAL RECORDS
BUREAU COUNTY, NEVADA
MIN. REG. & AT. RECORDS
FILE NO. 89143
FEE \$ 2.00