

ASSIGNMENT AFFECTING RECORD TITLE
TO OIL AND GAS LEASE

Lease Serial No. **N-43112**

Lease effective date **May 1, 1986**

FOR BLM OFFICE USE ONLY

New Serial No.

PART I

1. Assignee's Name
FORELAND CORPORATION

Address (include zip code)
**2668 Grant Ave.
Ogden, Utah 84401**

The undersigned, as owner of **100** percent of the record title in and to the 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 28 North, Range 52 East, MDM
Eureka County, Nevada**

**Section 2: Lots 1 thru 10, SW1NE1, SE1NW1,
W1SE1, E1SW1 (All)**

Section 10: N1NE1, SW1NE1, E1SE1, SW1SE1

Section 11: Lots 6, 9, 10, NW1SE1

Section 12: W1

Section 13: W1, W1NE1, SE1

**Section 14: Lots 1 thru 10, SW1NE1, NW1SE1,
N1SW1**

Section 34: E1

Section 35: All

Section 36: W1

3,766.57 acres

Assignment approved as to lands described below

SAME AS ITEM 2

Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.

3. Specify interest or percent of assignor's record title interest being conveyed to assignee	100%
4. Specify interest or percent of record title interest being retained by assignor, if any	none
5. Specify overriding royalty being reserved by assignor	5% of 8/8ths
6. Specify overriding royalty previously reserved or conveyed, if any	none
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.	

If 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 13 day of October, 1987.

A. E. Milner (Assignor's Signature) *Brideen Milner* (Assignor's Signature) **835 Bootleggers Cove** (Assignor's Address)

Anchorage, AK 99501
(City) (State) (Zip Code)

Title is 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 **FEB 01 1987**

By *N. Wade S. Smith* (Authorized Officer)
Chief, Branch of Lands & Minerals Operations (Title) **MAY 08 1987** (Date)

NOTE: This form may be reproduced provided that copies are exact reproductions on one sheet of both sides of this official form in accordance with provisions of 43CFR 3106.

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 22 day of January, 19 87.

FORELAND CORPORATION

by: Shad Steele
President (Assignee's Signature)

2668 Grant Ave.
(Assignee's Address)

Ogden, Utah 84401

(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.

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 proceedings.

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 3100-3(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 3100.

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GPO 830-728

STATE OF ALASKA
COUNTY OF ANCHORAGE JUDICIAL DISTRICT) ss

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 31 day of October, 1986 personally appeared A. E. Milner and _____

Brideen Milner, his wife, to me known to be the identical persons described in and who executed the within and foregoing instrument of writing and acknowledged to me that they duly executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires:
March 20, 1990

[Signature]
Notary Public

RECORDED AT THE REQUEST OF
Kane Aascich
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OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
M.M. REBALEATI, RECORDER
FILE NO. 110587
FEE \$ 7.00

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