

Form 3106-5  
(October 1982)

110593

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

ASSIGNMENT AFFECTING RECORD TITLE  
TO OIL AND GAS LEASE

Lease Serial No.	N-43114
Lease effective date	5-1-86
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 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	Assignment approved as to lands described below
<p><b>Township 30 North, Range 52 East</b>  Section 4: Lots 1-4, S/2N/2, S/2 (A11)  Section 10: A11  Section 16: E/2, NE/4NW/4  Section 22: A11  Section 28: N/2, N/2SE/4, NE/4SW/4  Section 32: W/2NW/4, SE/4NW/4, SW/4, NE/4NE/4  Eureka County, Nevada  Containing 3,042.26 acres more or less</p> <p>This Assignment is made subject to the terms and provisions of the attached Rider.</p>	<p><b>T. 30 N., R. 52 E., MDM, Nevada</b>  sec. 4, lots 1, 2, 3, 4, S<math>\frac{1}{2}</math>N<math>\frac{1}{2}</math>, S<math>\frac{1}{2}</math> (A11);  sec. 10, A11;  sec. 16, E<math>\frac{1}{2}</math>, NE<math>\frac{1}{2}</math>NW<math>\frac{1}{4}</math>;  sec. 22, A11;  sec. 28, N<math>\frac{1}{2}</math>, N<math>\frac{1}{2}</math>SE<math>\frac{1}{4}</math>, NE<math>\frac{1}{2}</math>SW<math>\frac{1}{4}</math>;  sec. 32, W<math>\frac{1}{2}</math>NW<math>\frac{1}{4}</math>, SE<math>\frac{1}{2}</math>NW<math>\frac{1}{4}</math>, SW<math>\frac{1}{4}</math>, NE<math>\frac{1}{2}</math>NE<math>\frac{1}{4}</math>.</p> <p>Eureka County, Nevada  Containing: 3042.26 acres</p> <p>Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.</p>

3. Specify interest or percent of assignor's record title interest being conveyed to assignee	100% of 8/8ths
4. Specify interest or percent of record title interest being retained by assignor, if any	-0-
5. Specify overriding royalty being reserved by assignor	5% of 8/8ths
6. Specify overriding royalty previously reserved or conveyed, if any	-0-

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 43 CFR 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. This assignment is made without warranty of title either express or implied.

Executed this 19th day of January, 19 87.  
ENRON OIL & GAS COMPANY (formerly HNG Oil Company)

BY: <u>R. W. USREY</u> R. W. USREY (Assignor's Signature) Vice President - Land	1801 California St. #4800 (Assignor's Address)
BY: <u>Robert E. Spencer</u> Assistant Secretary	Denver, Colorado 80202-2648 (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.

A. ASSIGNEE CERTIFIED THAT the assignee and all other parties in interest (as defined in 43 CFR 3100-5(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 13 day of March, 1987.

FORCLAND CORPORATION

By Grant Steele (Assignee's Signature) 2668 Grant Ave. (Assignee's Address)

Grant Steele (Assignee's Name) Ogden, Utah 84401

(City) (State) (Zip Code)

THIS 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.

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) 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.

STATE of Texas )  
COUNTY of Harris )

The foregoing instrument was acknowledged before me this 19th day of January  
by R. W. USREY Vice President - Land of ENRON OIL & GAS  
COMPANY.



Witness my hand and official seal.  
DEBRA J. DENNIS  
My Commission expires: Notary Public in and for The State  
of Texas  
My Commission Expires December 14, 1987.

Debra J. Dennis  
Notary Public



Attached to and made a part of that certain Assignment Affecting Record Title to Oil and Gas Lease N-43114 dated 1-19 1987 from Enron Oil & Gas Company (formerly HNG Oil Company), as Assignor, to Foreland Corporation, as Assignee.

In the event Assignee should at any time desire to surrender or relinquish this oil and gas lease as to all or any portion of the lands described in the Assignment to which this rider is attached, Assignee shall so notify Assignor in writing at least ninety (90) days in advance of the next delay rental paying due date under said lease. If Assignor desires to reacquire such lease as to all or any portion of the lands Assignee desires to surrender, Assignor shall so notify Assignee in writing within thirty (30) days after receipt of such notice from Assignee and, thereupon, Assignee shall reassign such interest to Assignor within fifteen (15) days of Assignee's receipt of Assignor's request. If Assignor does not within thirty (30) days after its receipt of such notice from Assignee elect to reacquire said lease as to any portion of such lands and so notify Assignee in writing of its election, Assignee shall then have the right to surrender such interests. Assignee's liability for failure to comply with this reassignment provision shall not exceed the cash consideration paid to Assignor for the Assignment to which this rider is attached.

Any reassignment made under the terms of this rider shall be free and clear of all burdens, encumbrances, or outstanding interests other than those existing on the date of the Assignment to which this rider is attached.

The terms of this rider shall extend to and be binding upon not only Assignee and Assignor, but their respective successors and assigns.

RECORDED AT THE REQUEST OF  
Lane Garrich

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OFFICIAL RECORDS  
EUREKA COUNTY, CALIFORNIA  
PLM REGALERT RECORDS  
FILE NO. 110593  
FEE \$ 8.00

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