

Form 1004-2  
October 1982

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

ASSIGNMENT AFFECTING RECORD TITLE  
TO OIL AND GAS LEASE  
115951

FORM APPROVED  
GSA GEN. REG. NO. 27  
EFFECTIVE DATE: August 31, 1985

Lease Serial No.  
N-44077  
Lease effective date  
October 1, 1986  
FOR BLM OFFICE USE ONLY  
New Serial No.  
N-46546

PART 1

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 conveys 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 27 North, Range 52 East MDM  
Eureka County, Nevada  
Section 3: Lot 5 (45.19)  
Lot 6 (41.87)  
Lot 7 (40.81)  
Lot 8 (41.11)  
Lot 9 (40.13)  
Lot 10 (40.12)  
Lot 11 (39.74)  
Lot 12 (39.74)  
SE 1/4  
Containing 488.71 acres

Assignment approved as to lands described below  
SAME AS ITEM 2  
Containing: 488.72 acres  
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 43 CFR 15.110. 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 17.12 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 11 day of December, 1986

*Donald E. Krohn*  
Donald E. Krohn (Assignor's Signature)  
Box 110898 (Assignor's Address)  
*Karen J. Krohn*  
Karen J. Krohn, his wife  
Anchorage, Alaska 99511-0898  
(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 statement or representation as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective: FEB 01 1987  
By: *Mavis A. Hill*  
(Authorized Officer)

Chief, Branch of Lands  
& Mineral Operations

PART II  
ASSIGNMENT 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 presented 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, 1997.

Forehand Corporation

Grant Stiel  
(Assignee's Signature)

President

2668 Grand Ave  
(Assignee's Address)

Cyden, UT 84401  
(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) Information from the records and/or the record will be transmitted to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or proceedings.

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

RECORDED AT THE REQUEST OF  
Forehand Corporation  
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OFFICIAL RECORDS  
BUREAU OF LAND MANAGEMENT  
MINNEAPOLIS, MINN.  
FILE NO. 115951  
FEB 4 1997

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 assignee.

A total of seven (7) copies of this information and request for approval are being prepared.

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