## 117984

## ASSIGNMENT OF RIGHT TO APPLY FOR. Agreement No. R117-88 030

This Assignment of Right to Apply for Federal Oil and Gas Lease executed this 30th day of 1988, by and between the State of Nevada acting by and through its Department of Transportation, hereinafter called ASSIGNOR and the FORELAND CORPORATION of 2668 Grant Avenue, Ogden. Utah, 84401, hereinafter called ASSIGNEE,

### WITNESSETH:

That, WHEREAS, under and by virtue of the Act of November 9, 1921, (Section 17), ASSIGNOR, by due authorization and approval by the United States Department of the Interior, Bureau of Land Management, is the holder of a right-of-way 200 feet on each side of the centerline for a public road under the application designated as NEV-011316, across the following described Government lands in the County of Eureka, State of Nevada, to wit:

Township 29 North, Range 52 East, M.D.M. Section 28: E 1/2

WHEREAS, under the provisions of that certain enactment known as the Act of May 21, 1930 (30 U.S.C. 301-306) the holder of the right-of-way acquired under any law of the United States is entitled to a preferential right to an oil and gas lease from the United States covering the oil and gas deposits thereunder, which said preferential right is by such enactment made assignable, subject to the approval of the Secretary of the Interior; and

WHEREAS, subject to ASSIGNOR'S said preferential right to an oil and gas lease from the United States covering the said deposits under ASSIGNOR'S said right-of-way for public road, the ASSIGNEE last listed above is the holder of an oil and gas lease from the United States which describes the subdivisions hereinabove set out; and

WHEREAS, subject to the terms and conditions hereinafter set forth, ASSIGNOR 1s willing to assign its preferential right, as aforesaid, to ASSIGNEE.

BOHT OF WAY DIVISION
Benedic Department of Transporte
1263 South Stewart Street
Cathon City, Nevedo 9713

NOW, THEREFORE, in consideration of the sum of Ten and more Dollars (\$10.00 and more), in hand paid to ASSIGNOR, the receipt of which is hereby acknowledged, ASSIGNOR does hereby assign, transfer and relinquish unto ASSIGNEE all rights and interests of ASSIGNOR in and to a preferential right to an oil and gas lease from the United States of America covering the oil and gas deposits under ASSIGNOR'S right-of-way for its public road upon the lands herein specifically described, it being the intent and understanding of the ASSIGNOR that this assignment covers only its interest, if any, under the identified Act of May 21, 1930, and does not cover any other right held or claimed by ASSIGNOR with respect to the right-of-way for its public road upon said above described land;

SUBJECT, HOWEVER, to the following terms, conditions and covenants:

- 1. ASSIGNEE hereby covenants and agrees that any activities and operations which they may conduct, or cause to be conducted, in or about the vicinity of the public road and appurtenances of the ASSIGNOR on the land above described, will be conducted as not to cause subsidence of the surface of the land within or in proximity of said right-of-way or otherwise interfere with, endanger or damage any of the said public road and appurtenances of ASSIGNOR, and so as not to interfere with, endanger or interrupt services furnished by ASSIGNOR.
- 2. ASSIGNEE agrees to reimburse ASSIGNOR for any expense incurred, as ASSIGNOR may deem necessary, to protect its facilities from hazards arising from or incident to the activities or operation of ASSIGNEE upon or in proximity of said right-of-way, and for any expense incurred by ASSIGNOR.
- 3. ASSIGNEE agrees to indemnify and save harmless ASSIGNOR from and against any and all claims, losses, damages, liabilities, cost and expenses which ASSIGNOR may sustain or bear, resulting in any manner from the activities or operations of ASSIGNEE upon or in

proximity of ASSIGNOR'S said right-of-way or the breach of any of the terms, conditions and covenants contained herein.

- 4. ASSIGNEE further agrees to repair and make whole, at its own expense, any and all damage caused to the right-of-way owned and controlled by the Department of Transportation by exercise of ASSIGNEE'S exploration, drilling or extraction of oil and gas under its lease.
- The rights and interests herein assigned, transferred, and 5. relinquished shall only be assigned, transferred and relinquished for such period of time as ASSIGNEE'S presently existing lease N-46695 or any extension or renewal thereof, from the United States to ASSIGNEE covering oil and gas deposits under said land is in effect; it being the intention of the parties hereto that the duration of both the rights and interests assigned herein and the ASSIGNEE'S effective lease shall be co-extensive and that when such lease of ASSIGNEE, including any extension or renewal of same, shall terminate, the herein assigned rights and interests in said right-of-way with respect to such terminated lease shall immediately also terminate; provided, however, that any liabilities of ASSIGNEE to ASSIGNOR then accrued but unsatisfied shall not cease and determine. Upon such termination of any or all of said right and interests, subject to the above provision, they shall thereupon revert unto ASSIGNOR.

It shall be the sole duty and obligation of ASSIGNEE hereunder to obtain the necessary consent or approval of the Secretary of the Interior to this agreement.

The terms, provisions and covenants hereof shall extend to and be binding upon the ASSIGNOR, the ASSIGNEE, and their respective successors and assigns.

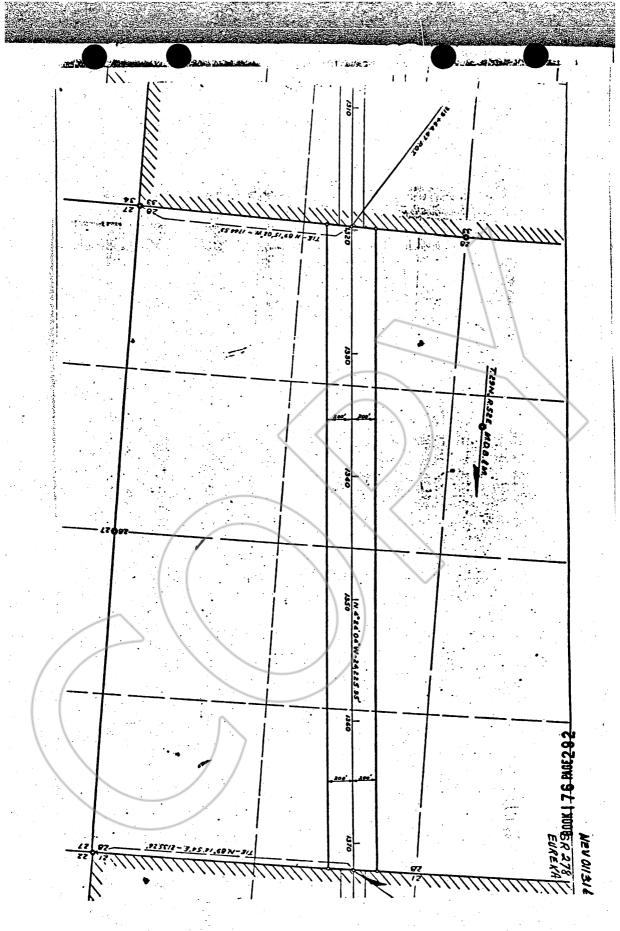
IN WITNESS WHEREOF the parties hereto have executed this agreement the day and year first above written. FORELAND CORPORATION REVIEWED AND RECOMMENDED BY: Secretary TEWED AND RECOMMENDED BY: APPROVED FOR LEGALITY AND FORM: Right-of-Way Agent eputy Attorney General STATE OF NEVADA acting by and through its Department of Transportation: STATE OF WITH and for the County of Houland. MIMTH Pablic in an , State of On this 30th day of undersigned, a Notary Comption known to me to be the person described in and who executed the foregoing instrument who executed the same freely and voluntarily and for the uses acknowledged to me that he\_ and purposes thereby mentioned. IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written. Thurston On this 1978 day of public in and for Carson City, State of Nevada, Deputy Department of Transportation of the State of Nevada who executed the foregoing instrument for the Nevada Department of Transportation under authorization of Nevada Revised Statutes, for the Nevada Department of Transportation under authorization of Nevada Revised Statutes, for the Nevada Department of Transportation under authorization of Nevada Revised Statutes, for the Nevada Department is the seal of Chapter 408.205; that he affirms that the seal affixed to said instrument is the seal of said Department; and that said instrument was executed for the Nevada Department of said Department; and that said instrument was executed for the Nevada Department of said Department; and that said instrument was executed for the Nevada Department of said Department of said Department; and that said instrument was executed for the Nevada Department of said Department of STATE OF NEVADA IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year in this certificate first above SAM A. PALAZZOLO NOTARY PUDLIC : NEVADA CARSON CITY My Appt. Expires July 27, 1989 written.

DOT 030-057 rev. 9/86 AS/88-2

BOOK 1 76 PAGE 29 1

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# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OMB NO. 1004-0034 Expires: August 31, 1985						
se Serial No. -42869						
arch 1, 1986						

TO OIL AND GAS LEASE	Leane effective date March 1, 1986			
110589	FOR BLM OFFICE USE ONLY			
PART I	New Serial No. N-46695			
Assignes's Name Foreland Corporation, a Nevada corporation				
Address (include zip code) 2668 Grant Avenue Ogden, Utah 84401	transfers and assign			

raigned, as owner of 100 perc m above, the record title interest in and to such lesse as specified below. Assignment approved as to lands described below

		2	E/2	16:	Section
Section 28: all	all	L	all	28:	Section
Section 34: W/2	W/2	L	W/2	34:	Section

Describe the lands affected by this assignment

SAME AS ITEM 2

This Assignment is made without warranty of itle express or implied. See attached dider for limitation on term of assignment and reassignment provision.

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

Specify interest or percent of assignor's record title interest being conveyed to assignee	100
Specify interest or percent or assignment of the speciment of any	None
Specify interest or percent of record title interest being retained by assignor, if any	6% of 8/8ths
Specify overriding royalty being reserved by assignor	None
Specify overriding royalty previously reserved or conveyed, if any	g reserved under this

it giving full details as to amount, method of payment, and other pertinent terms as provided un

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Paul F. Sawyer					
Da 17 Laurier		693 Dub	lin Drive		
Tau I xxuvy		(	Assignor's Add	ress)	
(Assignor's Signature)					
Lynn A. Sawyer, Spouse		Hartford,	Wisconsin	53027	<u></u>
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RECORDED AT THE REQUEST OF Fore land Lappace from

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GFFICIAL RECORDS
EURERA CCUNTY, NEVADA
M.N. RESALFATIL RECORDER
FILE NO
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