

ASSIGNMENT OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

That **THE GARY-WILLIAMS COMPANY**, 370 - 17th Street, Suite 5300, Denver, Colorado 80202 (hereinafter referred to as "Assignor"), for and in consideration of the sum of Ten dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and the mutual covenants herein contained, does hereby grant, bargain, sell, transfer, assign and convey unto **YATES PETROLEUM CORPORATION**, 105 South Fourth Street, Artesia, New Mexico 88210 (hereinafter referred to as "Assignee"), an undivided **THIRTY PERCENT (30%)** interest in and to the following Oil and Gas Lease located in Eureka County, Nevada (hereinafter referred to as the Lease), **INSOFAR AND ONLY INSOFAR** as the Lease pertains to the lands described herein, together with the rights incident thereto and personal property thereon, appurtenant thereto, or used or obtained in connection therewith:

Lease No: 06388
Lessor: Eureka County
Lessee: The Gary-Williams Company
Lease Date: February 6, 1990
Recording Data: Book 208, Page 279
Description: Township 27 North, Range 51 East
Section 13: Part of the S/2SW/4NE/4 located in Eureka County, consisting of that area lying more than 2114.5' South of the Northern border of Section 13 and lying West of Route 278, APN 06-050-07 Eureka County, Nevada

OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
BOOK 209 PAGE 370
Yates Petroleum Corporation
90 APR -3 P4:11
EUREKA COUNTY, NEVADA
M.N. REBALEATI, RECORDER
FILE NO. 132073
FEE \$ 5.00

This Assignment of Oil and Gas Lease is made subject to:

1. All royalties, overriding royalties and other burdens or encumbrances to which the Lease may be subject;
2. Participation Agreement dated July 20, 1989, as amended, by and between The Gary-Williams Company and Yates Petroleum Corporation.
3. Three Bar Federal Unit Agreement and Unit Operating Agreement, effective September 15, 1989.

If the Lease covers less than the entire fee title to oil, gas and casinghead gas in and under the lands therein described, then the interest assigned herein shall be reduced proportionately.

This Assignment is made without warranty of title of any kind, either express or implied. The terms, covenants and conditions hereof shall be binding upon and inure to the benefit of Assignors and Assignees and their respective heirs, successors and assigns; and such terms, covenants and conditions shall be covenants running with the land.

Entered into this 21st day of March, 1990.

THE GARY-WILLIAMS COMPANY

By: Pat Keating
Pat Keating, Attorney-in-Fact

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me on this 21st day of March, 1990, by Pat Keating, Attorney-in-Fact for THE GARY-WILLIAMS COMPANY, a Delaware Corporation, on behalf of the corporation.

WITNESS my hand and official seal.

My Commission Expires:
February 13, 1992

Louise K. Webster
Notary Public: Louise K. Webster

