

This Assignment is made subject to the provisions and conditions of that certain Farmout Agreement dated July 20, 1987, by and between South-

ern Pacific Land Company and Foreland Corporation. All rights assigned hereby shall be limited to those rights from the surface of the earth down to the stratigraphic equivalent of the Base of the Autochthonous Silurian aged rock.

This Assignment is expressly made subject to the terms, covenants, conditions, exceptions, restrictions and reservations contained in Said Lease and any amendments, assignments and other agreements and documents relating thereto, and Assignee assumes and agrees to perform each and all of the covenants, agreements, terms, conditions and obligations contained in each of the agreements to Assignee hereunder.

NOW, THEREFORE, for and in consideration of the sum of Ten Dollar (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor, with an office in Bakersfield, California, does hereby grant, sell, assign, transfer, convey and deliver unto Assignee, with an office in Ogden, Utah, seventy-five percent (75%) of Assignor's right, title and interest in and to Said Lease described in the attached Exhibit "A", and the respective lands covered thereby.

WHEREAS, Assignor desires to assign to Assignee seventy-five percent (75%) of Assignor's interest in Said Lease and the lands demised thereby; and attached hereto and made a part hereof; and

located in Elko and Eureka Counties, Nevada, described in Exhibit "A", Gas Lease (hereinafter referred to as "Said Lease"), covering lands THAT WHEREAS, Assignor is the owner and holder of a certain Oil and

W I T N E S S E T H :

THIS ASSIGNMENT is made and entered into this 30th day of January, 1989, by and between SANTA FE ENERGY COMPANY (hereinafter referred to as "Assignor") and FORELAND CORPORATION (hereinafter referred to as "Assignee").

ASSIGNMENT OF OIL AND GAS LEASE

REQUESTED BY, AND WHEN RECORDED, RETURN TO:
SANTA FE ENERGY COMPANY
4900 California Avenue
Tower A, Suite 400
Bakersfield, CA 93309

133353

This Assignment is made without warranty of title, express or implied or statutory, except that the Assignor warrants that it has not previously assigned, hypothecated, or otherwise encumbered Said Lease and said land.

This Assignment shall inure to and be binding upon the respective successors and assigns of the parties hereto.

IN WITNESS WHEREOF, this Assignment is executed as of the day and year first above written.

ASSIGNEE:

FORLAND CORPORATION

ASSIGNOR:

SANTA FE ENERGY COMPANY

By: [Signature]

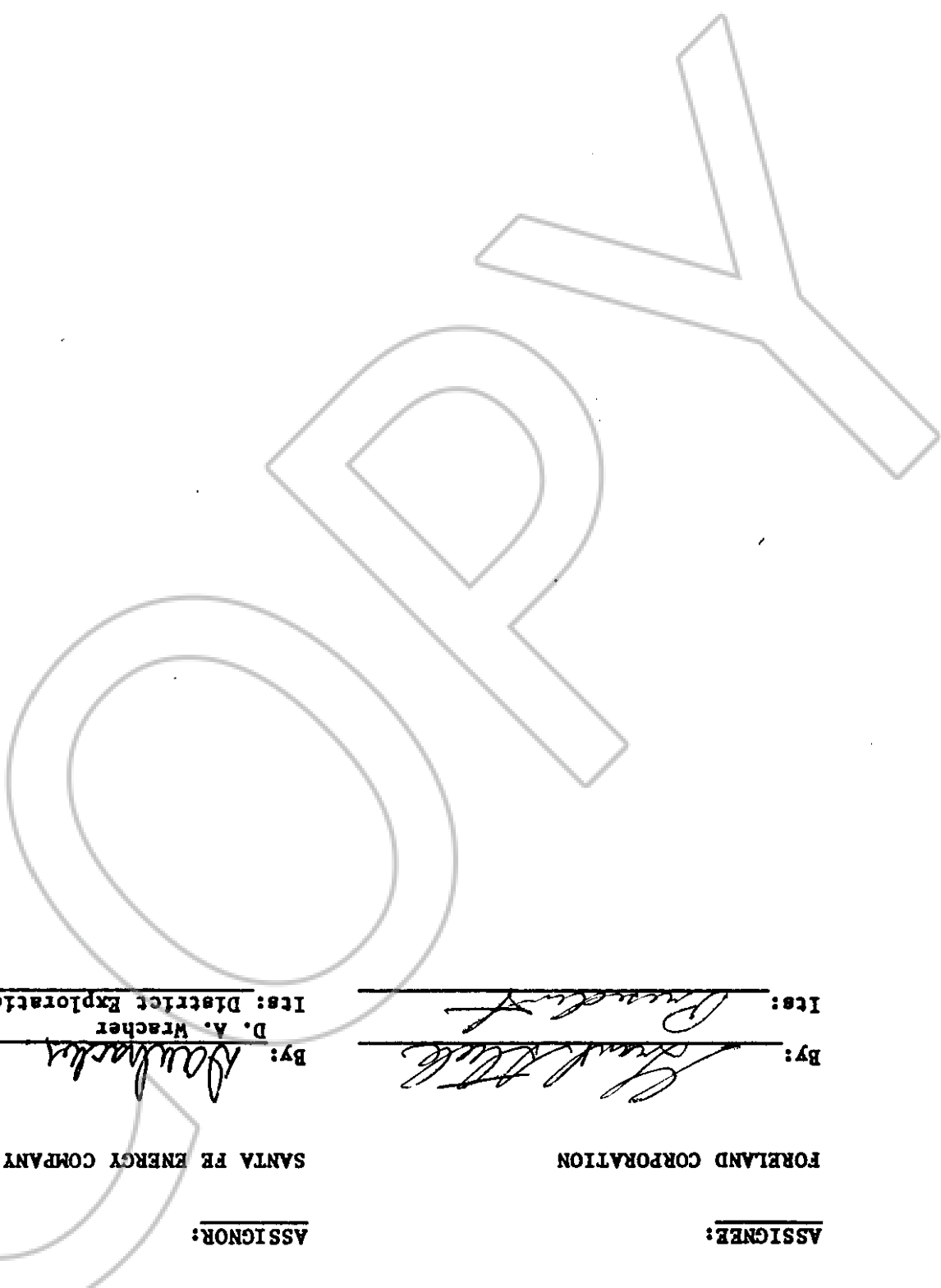
By: [Signature]

Its: [Signature]

Its: District Exploration Manager

D. A. Wracher

Handwritten mark



LEASE SCHEDULE

LESSOR: Southern Pacific Land Company

GROSS ACRES: 480.00

LANDOWNER ROYALTY: 16.67%

LEASE DATE: 12/1/82

EXPIRATION DATE (PRIMARY TERM): 12/1/87

RECORDING DATE:

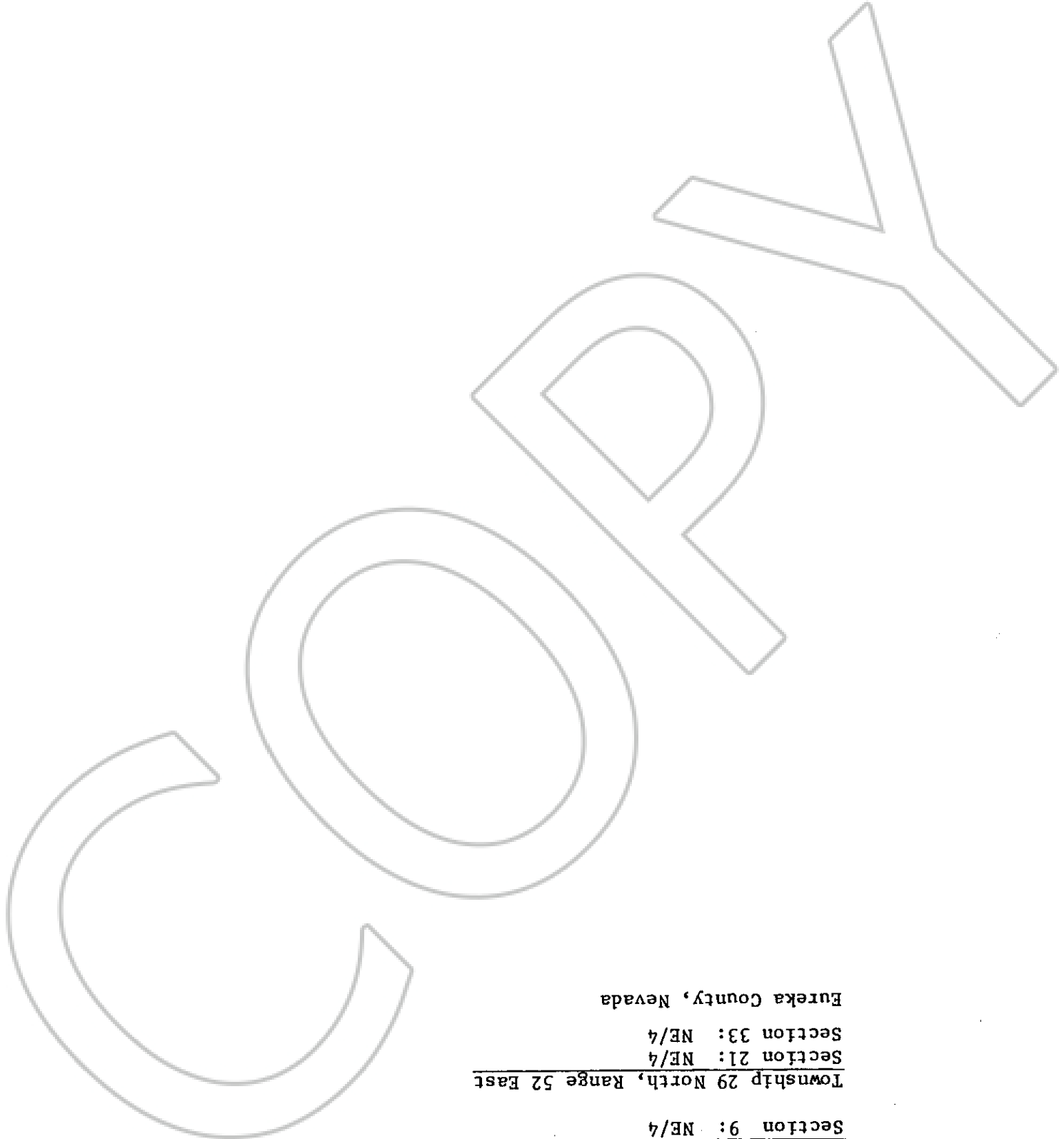
RECORDING INFORMATION (BOOK/PAGE):

DESCRIPTION:

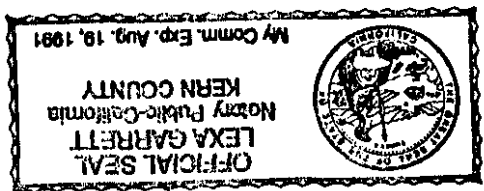
Township 28 North, Range 52 East
Section 9: NE/4

Township 29 North, Range 52 East
Section 21: NE/4
Section 33: NE/4

Eureka County, Nevada



COOPY



Lexa Garrett
Notary Public

WITNESS my hand and official seal.

On 6-1, 1990, before me, the undersigned, a Notary Public in and for said State, personally appeared D. A. WRAGHER, personally known to me on the basis of satisfactory evidence to be the District Exploration Manager of Santa Fe Energy Company, the corporation that executed the within instrument, and known to me to be the person who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same, pursuant to its bylaws, or a resolution of its Board of Directors.

STATE OF CALIFORNIA
COUNTY OF KERN

EUREKA COUNTY, NEVADA
M.N. REBALCATION ORDER
FILE NO. 1-25-94

OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
BOOK 213 PAGE 285
Done David
90 AUG 29 P1:56

COPY



My Commission Expires: 1-25-94

Sam Duff-Bondert
Notary Public

Witness my hand and official seal.

This foregoing instrument was acknowledged before me by
FRANK STEELE, as PRESIDENT of FORELAND
CORPORATION, a NEVADA
corporation, on behalf of said corporation on the 15 day
of JUNE, 1990.

STATE OF NEVADA)
COUNTY OF JEFFERSON)