

ASSIGNMENT OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

That YATES PETROLEUM CORPORATION, 105 South Fourth Street, Artesia, New Mexico 88210 (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 SINCLAIR OIL CORPORATION, 1625 Broadway, Suite 800, Denver, Colorado 80202 (hereinafter referred to as "Assignee"), an undivided SEVENTEEN and ONE-HALF PERCENT (17 1/2%) 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: 06342
Lessor: State of Nevada, Department of Transportation
Lessee: The Gary-Williams Company
Lease Date: October 31, 1989
Description: Township 27 North, Range 51 East
Section 13: A portion of the SWNE and the E/2NE, per plat attached as Exhibit "A" to Lease and recorded in Book 206 at Page 447, and containing 15.014 acres, more or less
Eureka County, Nevada

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. 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 31st day of January, 1994.

YATES PETROLEUM CORPORATION

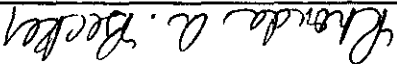
By: 
Attorney-in-Fact

STATE OF NEW MEXICO)
COUNTY OF EDDY)

The foregoing instrument was acknowledged before me this 31st day of January 1994, by Peyton Yates, Attorney-in-Fact for YATES PETROLEUM CORPORATION, a New Mexico corporation, on behalf of said corporation.

My commission expires: March 9, 1996

Notary Public





BOOK 270 PAGE 209
OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Sinclair Oil Corp.
94 JUN 22 P3:22
EUREKA COUNTY, NEVADA
M.N. REBATE ATT. RECORDED
FILE NO. 153159
\$7.00