

173854

ASSIGNMENT OF OVERRIDING ROYALTY

STATE OF NEVADA

COUNTIES OF ELKO AND EUREKA

ss.

KNOW ALL MEN BY THESE PRESENTS: THAT

Foreland Corporation, whose address is 143 Union Blvd., Suite 210, Lakewood, Colorado 80228, hereinafter referred to as "Assignor", in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable considerations in hand paid by Grant Steele, whose address is 14335 W. Center Drive, Lakewood, CO 80228, and GeneFran Company, whose address is, 11227 West Ford Drive, Lakewood, CO 80226, hereinafter individually or collectively sometimes referred to as "Assignee", the receipt and sufficiency of which are hereby acknowledged and confessed, has granted, sold, transferred and assigned, and does hereby grant, sell, transfer and assign unto said Grant Steele a .25% of 100% overriding royalty and unto said GeneFran Company a .25% of 100% overriding royalty in and to the oil and gas leases set forth on the attached Exhibit "A", which is by this reference incorporated herein for all purposes.

The overriding royalty conveyed herein by Assignor shall be computed upon the market value at the well of the oil and gas produced, saved and marketed from the lands pursuant to said leases in the same manner as provided for the payment of royalty in said oil and gas leases. Said overriding royalty interests shall be free of the cost of development, operations, transportation, compression, marketing, manufacturing and any and all other costs except applicable production, severance and other similar taxes. In the event the oil and gas leases subject hereto cover less than the full interest in the oil and gas in said land, then the overriding royalties hereby conveyed shall be paid in the proportion that the interest in said leases bears to the full and undivided interest in said oil and gas.

The overriding royalties assigned hereunder shall apply to any extension or renewal of the oil and gas leases subject hereto. For the purposes of this paragraph a renewal of an oil and gas lease is the taking of any oil and/or gas lease taken after the expiration, termination, or release of the preceding lease subject to this conveyance and the conditions and covenants contained herein.

The conveyance herein made and the provisions and covenants contained herein shall attach to and run with the leases and the lands herein referred to and shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, devisees, legatees, successors or assigns.

EXECUTED this 5th day of November, 1999.

Assignor: Foreland Corporation

By: N. Thomas Steele
Its: President

ACKNOWLEDGMENT

STATE OF COLORADO

COUNTY OF JEFFERSON

ss.

Before me, Dennis J. Gustafson, a Notary Public in and for the said State, personally appeared N. Thomas Steele who acknowledged before me that he is the President of Foreland Corporation and that he signed the foregoing Assignment as his free and voluntary act and deed for the purposes and consideration therein expressed in the capacity stated, and as the act and deed of said Corporation.

In witness whereof I have hereunto set my hand and seal this 5th day of November, A.D. 1999.

My commission expires 3-17-2001

Dennis J. Gustafson
Notary Public



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EXHIBIT "A"

Attached to and made a part of that certain Assignment
of Overriding Royalty dated November 5, 1999
between Foreland Corporation, Assignor, and Grant Steele and GeneFran Company, Assignee

Lessor/Lease Date	Description	Recorded - County
United States of America NVN-42863 March 1, 1986	<u>Township 29 North-Range 51 East, MDM</u> Section 36: E/2	Not Recorded Eureka County, Nevada
United States of America NVN-42868 March 1, 1986	<u>Township 28 North-Range 52 East, MDM</u> Section 6: Lots 1-7, S/2NE, SENW, E/2SW, SE, (All) Section 8: NE, N/2SE Section 17: W/2SW, SESW	Not Recorded Eureka County, Nevada
United States of America NVN-42869 March 1, 1986	<u>Township 29 North-Range 52 East, MDM</u> Section 30: Lots 1-4, E/2W/2, E/2 Section 32: E/2, SW, NENW	Not Recorded Eureka County, Nevada
United States of America NVN-61501 April 1, 1997	<u>Township 29 North-Range 51 East, MDM</u> Section 12: All Section 14: All Section 22: E/2 Section 24: Lot 1, W/2, NE, N/2SE, SWSE	Not Recorded Eureka County, Nevada
United States of America NVN-61503 April 1, 1997	<u>Township 29 North-Range 52 East, MDM</u> Section 2: Lots 1-4, S/2N/2, S/2 Section 10: Lots 1-4, W/2, W/2E/2 Section 14: All Section 22: Lots 1-4, W/2, W/2E/2	Not Recorded Eureka and Elko Counties, Nevada
United States of America NVN-61504 April 1, 1997	<u>Township 29 North-Range 52 East, MDM</u> Section 16: E/2 Section 28: All Section 34: W/2	Not Recorded Eureka County, Nevada
United States of America NVN-61505 April 1, 1997	<u>Township 29 North-Range 52 East, MDM</u> Section 32: S/2NW	Not Recorded Eureka County, Nevada
United States of America NVN-61506 April 1, 1997	<u>Township 29 North-Range 52 East, MDM</u> Section 26: All Section 34: Lots 1-8	Not Recorded Eureka County, Nevada
United States of America NVN-61971 October 1, 1997	<u>Township 28 North-Range 52 East, MDM</u> Section 18: Lots 5-8, E/2, E/2W/2	Not Recorded Eureka County, Nevada
United States of America NVN-63073 January 1, 1999	<u>Township 29 North-Range 52 East, MDM</u> Section 4: Lots 1, 2, S/2NE, SE	Not Recorded Eureka County, Nevada
United States of America NVN-63074 January 1, 1999	<u>Township 29 North-Range 52 East, MDM</u> Section 6: Lots 1-7, S/2NE, SENW, E/2SW, SE Section 8: W/2 Section 18: Lots 1-4, E/2, E/2W/2 Section 20: N/2NE, SWNE, W/2, NESE	Not Recorded Eureka County, Nevada

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EXHIBIT "A"

Attached to and made a part of that certain Assignment
of Overriding Royalty dated November 5, 1999
between Foreland Corporation, Assignor, and Grant Steele and GeneFran Company, Assignee

Lessor/Lease Date	Description	Recorded - County
United States of America NVN-63211	<u>Township 29 North-Range 52 East, MDM</u> Section 20: NWSE	Not Recorded Eureka County, Nevada
Pioneer Resources Producing, L.P. April 26, 1999	<u>Township 29 North-Range 52 East, MDM</u> Section 3: W/2 Section 9: E/2 Section 15: W/2 Section 21: E/2, SW Section 33: All <u>Township 30 North-Range 52 East, MDM</u> Section 35: All	Book 328, Page 323 Eureka County, Nevada

Assign-Exhibit A 4-5-
99.doc

BOOK 332 PAGE 570
OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Holmes, Roberts & Owen
00 FEB 14 PM 1:33

EUREKA COUNTY NEVADA
M.N. REBALEATI, RECORDER
FILE NO. FEES 9.00

173854

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