

ASSIGNMENT OF OIL AND GAS LEASE

BOOK 421 PAGE 401
OFFICIAL RECORDS
RECORDED AT THE CLERK'S OFFICE OF
EUREKA COUNTY, NEVADA
2005 AUG 31 AM 10:02
Yates Petroleum

200913

EUREKA COUNTY, NEVADA
IN REBALANCE, RECORDED
Partnership, which was \$9.00

This Assignment is from Lacy Properties, Ltd., a Texas Limited Partnership, whose address is P.O. Box 2146, Longview, Texas, 75606, hereinafter referred to as "Assignor", for and in consideration of the sum of Ten Dollars (\$10.00) cash and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby transfer and assign unto:

TRAIL MOUNTAIN, INC.
YATES DRILLING COMPANY
ABO PETROLEUM CORPORATION
MYCO INDUSTRIES, INC.
YATES PETROLEUM CORPORATION
SHARBRO OIL LTD., CO.
105 South Fourth Street
Artesia, NM 88210

Interest Assigned:

17.2335%
5.2285%
5.2285%
4.6653%
1.1562%
0.5632%

hereinafter referred to as "Assignees", the undivided interest set forth above, in and to that certain Oil and Gas Lease dated May 1, 2003, from JD Ranch Partnership to Lacy Properties, Ltd., as recorded in Book 363, page 171 of the Official Records of Eureka County, Nevada. Assignees agree to comply with all the express and implied covenants and obligations in said leases insofar as they cover and apply to the interest herein assigned.

This Assignment is made without warrant of title, either express or implied.

EXECUTED this 23rd day of August, 2005.

Lacy Properties, Ltd.

By: Lacy Property Management, Inc.,
its General Partner

By: Neal A. Hawthorn

Name: Neal A. Hawthorn

Its: Vice President

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ACKNOWLEDGMENT

STATE OF TEXAS

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COUNTY OF GREGG

The foregoing instrument was acknowledged before me this 23rd day of August, 2005, by Neal A. Hawthorn, Vice President of Lacy Property Management, Inc., General Partner of Lacy Properties, Ltd., a Texas Limited Partnership, on behalf of said partnership.



Shelley N. Paine
Notary Public, State of Texas

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BOOK 421 PAGE 401