

**DOC # 0210433**

08/13/2007

09 04 AM

**Official Record**

Recording requested By  
A FRANK KLAM CPL

**Eureka County - NV**

**Nike Rebaleati - Recorder**

Fee: \$19.00

Page 1 of 19

RPTT:

Recorded By: FES

Book- 0461 Page- 0135



0210433

**FIRST AMENDMENT OF**  
**CONVEYANCE OF PRODUCTION PAYMENT**

This First Amendment of Conveyance of Production Payment ("Amendment") is entered into effective as of the 1st day of February, 2007 by and between Blackburn Oil & Gas, LLC, a Colorado limited liability company, whose address is 1801 Broadway, Suite 350, Denver, Colorado 80202 ("Grantor"), and BlueRock Energy Capital, Ltd., a Texas limited partnership, f/k/a BlackRock Energy Capital, Ltd., whose address is 20445 State Highway 249, Suite 160, Houston, Texas 77070 ("Grantee").

**W I T N E S S E T H:**

WHEREAS, Grantor and Grantee are parties to a Conveyance of Production Payment dated effective as of February 1, 2007, recorded at Book 455, Page 375 of the Records of Eureka County, Nevada, and affecting the leases and interests identified in Exhibit "A" thereto (the "Conveyance"); and

WHEREAS, Grantor and Grantee desire to amend the Conveyance in accordance with the following terms and provisions hereof;

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained in the Conveyance and herein, Grantor and Grantee hereby amend the Conveyance as follows:

ARTICLE I.

Article II. Definitions of the Conveyance shall be amended by the deletion of the definition of the term "Secondary Production Payment" contained therein and by the substitution of the following definition therefor:

"'Secondary Production Payment' means the Production Payment conveyed to Grantee pursuant to the Conveyance of Production Payment from Grant Canyon Oil & Gas, LLC to Grantee, effective as of October 28, 2005, recorded at Document #641646 of the Records of Nye County, Nevada, as amended by First Amendment of Conveyance of Production Payment, effective as of February 1, 2007, recorded at Document #683145 of the Records of Nye County, Nevada, as further amended by Second Amendment of Conveyance of Production Payment, effective as of February 1, 2007, to be recorded in the Records of Nye County, Nevada, and affecting the leases and interests identified in Exhibit "A" thereto, a copy of which Exhibit "A" is attached as Exhibit "B" hereto."

ARTICLE II.

The Conveyance shall be amended by the deletion of Exhibit "B" thereto in its entirety, and by the substitution therefor of the Exhibit "B" contained in the Attachment "1" hereto and made a part hereof.

ARTICLE III.

This Amendment shall be effective as of February 1, 2007.


ARTICLE IV.

Except as expressly modified by this Amendment, the terms and conditions of the Conveyance shall remain in full force and effect.



IN WITNESS WHEREOF, the parties hereto have executed this instrument in the space provided below.

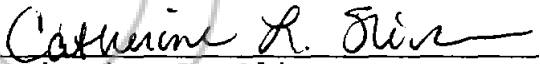
BLACKBURN OIL & GAS, LLC

By:   
Michael D. O'Neal  
President

GRANTOR

BLUEROCK ENERGY CAPITAL, LTD.

By: BlueRock Energy Capital  
Management, LLC,  
General Partner

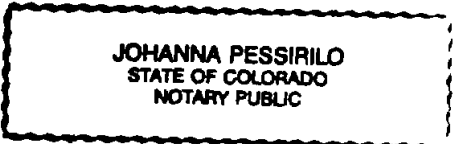
By:   
Catherine L. Sliva  
President

GRANTEE



THE STATE OF COLORADO  
CITY AND COUNTY OF DENVER

This instrument was acknowledged before me on the 30<sup>th</sup> day of July, 2007 by Michael D. O'Neal, President of Blackburn Oil & Gas, LLC, a Colorado limited liability company, on behalf of said limited liability company. Given under my hand and official seal.



Johanna Pessirilo  
Notary Public in and for  
the State of Colorado

(SEAL)

My Commission Expires on 4/11, 2011.

THE STATE OF TEXAS  
COUNTY OF HARRIS

This instrument was acknowledged before me on the 27 day of July, 2007 by Catherine L. Sliva, President of BlueRock Energy Capital Management, L.L.C., a Texas Limited Liability Company, General Partner of BlueRock Energy Capital, Ltd., a Texas Limited Partnership, on behalf of said limited partnership. Given under my hand and official seal.



A. Frank Klam  
Notary Public in and for  
the State of Texas

(SEAL)

My Commission Expires on \_\_\_\_\_, 20\_\_.

**ATTACHMENT "1"**  
**TO FIRST AMENDMENT**  
**OF CONVEYANCE OF PRODUCTION PAYMENT**  
**BETWEEN BLACKBURN OIL & GAS, LLC, GRANTOR,**  
**AND BLUEROCK ENERGY CAPITAL, LTD., GRANTEE**

**EXHIBIT "B"**

**Attached to Conveyance of Production Payment**  
**Effective February 1, 2007, from Blackburn Oil & Gas, LLC, Grantor, to**  
**BlueRock Energy Capital, Ltd., Grantee**

NYE COUNTY, NEVADA

Lessor: United States of America N-59662  
Lessee: Paul D. Beard, Jr.  
Date: June 1, 1974  
Recorded: Book 273, Page 351, Records of Nye County, Nevada  
Description: T7N-R57E, MDM  
Section 16: SW/4  
Section 21: NW/4

Wells:	Grant Canyon #3-16	55.75000% WI	40.793120% NRI
	Grant Canyon #4-21	55.75000% WI	40.793120% NRI
	Grant Canyon #7-21	55.75000% WI	40.793120% NRI
	Grant Canyon #9	55.75000% WI	40.793120% NRI
	Grant Canyon #22-21 BPO	58.68421% WI	43.199174% NRI
	Grant Canyon #22-21 APO	55.75000% WI	40.793120% NRI
	Grant Canyon #1-21 SWD	55.75000% WI	

Non Producing Leasehold\*

Lessor: United States of America N-59662  
Lessee: Paul D. Beard, Jr.  
Date: June 1, 1974  
Recorded: Book 273, Page 351, Records of Nye County, Nevada  
Description: T7N-R57E, MDM  
Section 17: E/2 SE/4 and SE/4 NE/4  
Section 20: NE/4 NE/4

Lessor: United States of America N-9214  
Lessee: Paul D. Beard, Jr.  
Date: June 1, 1974  
Recorded: Book 273, Page 351, Records of Nye County, Nevada  
Description: T7N-R57E, MDM  
Section 16: W/2 SE/4  
Section 21: W/2 NE/4

**EXHIBIT "B"**

**Attached to Conveyance of Production Payment  
Effective February 1, 2007, from Blackburn Oil & Gas, LLC, Grantor, to  
BlueRock Energy Capital, Ltd., Grantee**

Lessor: United States of America N-39121  
Lessee: Paul D. Beard, Jr.  
Date: June 1, 1974  
Recorded: Book 273, Page 351, Records of Nye County, Nevada  
Description: T7N-R57E, MDM  
Section 21: NW/4 SE/4

Lessor: United States of America N-53719  
Lessee: Paul D. Beard, Jr.  
Date: June 1, 1974  
Recorded: Book 273, Page 351, Records of Nye County, Nevada  
Description: T7N-R57E, MDM  
Section 20: NE/4 SE/4 and SE/4 NE/4  
Section 21: N/2 SW/4

\*Interest to be determined pursuant to terms of Amendment to Purchase and Sale Agreement dated as of October 14, 2005, between Makoil, Inc. and Centerra Energy Corporation, as assigned to Grantor.

Notwithstanding anything to the contrary contained in this Conveyance, the Production Agreement, the Permanent ORRI Assignment or any other document executed pursuant to or in connection herewith or therewith (all of the foregoing being herein referred to as the BlackRock Documents"), the parties understand and agree that if Grantor acquires any interest in the Subject Lands (an "After-Acquired Interest") in addition to the specific working interests and net revenue interests set forth on this Exhibit "A" (other than any such After-Acquired Interest, the acquisition of which is funded by Grantee, which After-Acquired Interest shall be subject to the BlackRock Documents), such After-Acquired Interest shall not be subject to the Production Payment or the Permanent ORRI, nor shall such After-Acquired Interest be subject to any of the covenants, restrictions, reporting requirements or other provisions or limitations contained in any of the BlackRock Documents.