

ASSIGNMENT OF OVERRIDING ROYALTY

STATE OF NEVADA           §  
  §  
COUNTY OF EUREKA       §



This Assignment of Overriding Royalty Interest (the "**Assignment**"), dated effective as of 7:00 a.m., Central Standard time, on December 1, 2008 (the "**Effective Time**"), is from **PRIZE ENERGY RESOURCES, L.P.**, a Delaware limited partnership, whose address is 1700 Lincoln Street, Suite 1800, Denver, Colorado 80203 ("**Prize**") to **DEVON ENERGY PRODUCTION COMPANY, L.P.**, an Oklahoma limited partnership, whose address is 20 North Broadway, Suite 1500, Oklahoma City, Oklahoma 73102 ("**Devon**").

**NOTICE IS TAKEN OF THE FOLLOWING:**

- A. Reference is made to that certain Assignment of Lease Option Agreements and Assignment and Bill of Sale of Oil and Gas Leases, by Devon to Prize, dated March 25, 2003, effective as of 7:00 a.m. on January 1, 2003 and filed of record on October 1, 2003 in Book 366, page 117 of the Official Public Records of Eureka County, Nevada (the "**Devon Assignment**"). The terms of the Devon Assignment are incorporated into this Assignment for all purposes.
- B. Pursuant to the terms of the Devon Assignment, Prize is obligated to convey to Devon an overriding royalty interest in those oil and gas leases, insofar as they cover those lands, all as described on the Exhibit "A" that is attached hereto and made a part hereof for all purposes (collectively, the "**Subject Leases**").

**NOW, THEREFORE**, for and in consideration of the payment of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is specifically acknowledged by Prize, Prize does hereby bargain, sell, grant, assign, and convey to Devon an overriding royalty interest in the Subject Leases, and any extensions and renewals thereof, in an amount that is equal to 1.00% (the "**Subject Override**"). Prize conveys the Subject Override, and Devon accepts that interest, subject to the following terms and conditions:

- 1. The Subject Override shall be payable out of all oil, gas, casinghead gas, gasoline, sulfur, and other gaseous hydrocarbons that are produced, saved and marketed from the Subject Lands pursuant to the Subject Leases. Payment of the Subject Override shall be made in accordance with the provisions for payment of royalties set forth in the Subject Leases to which the Subject Override applies, and such provisions are incorporated herein by this reference and made a part hereof to the extent they are not inconsistent herewith.

2. The Subject Override shall be free of all costs of development operations, but shall bear and Devon shall pay and be responsible for all severance, gathering, crude oil windfall profit, gross production, ad valorem and any other taxes now or hereafter applicable thereto, and the Subject Override shall be computed after deducting oil and gas used for operations.
3. If any of the Subject Leases covers less than the entire mineral estate underlying any of the lands covered thereby, the Subject Override shall be payable to Devon in the proportion that the mineral interest in the lands actually covered by that Subject Lease bears to the entire, undivided mineral estate in such lands. Moreover, if Prize owns less than the entire working interest in any of lands covered by the Subject Leases, the Subject Override shall be payable to Devon in the proportion that the leasehold estate owned by Prize in such lands.
4. For purposes of enhancing the recovery of oil or gas from the Subject Interests, Prize retains full power and authority to commit the Subject Override to a pool or unit designated for that enhancement of production. Such pooling or unitization shall not be subject to or require Devon's ratification to be effective.
5. Nothing herein contained shall obligate Prize to: (a) conduct any drilling operations whatsoever upon the Subject Leases or lands pooled therewith; (b) continue to operate any well or to operate or maintain in force or attempt to maintain in force any of the Subject Leases; or (c) maintain the Subject Leases in effect by payment of delay rental payments or otherwise. The extent and duration of all operations, as well as the preservation of each of the Subject Leases by delay rental payments or otherwise, shall be solely at the will of Prize. Prize shall have the right at any time to surrender or abandon any of the Subject Leases in whole or in part without liability to Devon, and in case of such surrender or abandonment, Prize may release the Subject Lease or Subject Leases directly to the lessor thereof; provided, however, that if Prize or any of its successors or assigns releases any of the Subject Leases on the basis of lack of production, but obtains a new lease covering the same lands at any time within one (1) year from the date of the recordation of such a release, that lease shall be deemed to be in extension and renewal of the previously released Subject Lease, with the result that the new lease will be deemed to bear its proportionate share of the Subject Override.
6. Prize makes this Assignment and Devon accepts it subject to: (a) all orders, rules, regulations and ordinances of federal, state and other governmental agencies having jurisdiction over the Subject Leases and/or the lands covered thereby; (b) the terms and provisions of the Subject Leases; (c) the terms, provisions, exceptions, and reservations of the farmout, participation, operating, or other agreements affecting and applying to the Subject Leases and recorded in Eureka County, Nevada, to the extent the same are valid and in full force and effect; and (d) all pooling and

unitization agreements and other agreements, encumbrances, easements, and restrictions filed of record.

7. In the event of a failure or deficiency in title to any of Prize's interest in any of the Subject Leases, the Subject Override burdening that lease shall be reduced in the same proportion that the interest of Prize in production from said Lease is reduced.
8. The terms and provisions of this Assignment are binding upon and shall insure to the benefit of the parties hereto and their respective heirs, successors, legal representatives and assigns, and shall be deemed to be covenants running with the Subject Leases.
9. This Assignment may be executed in multiple counterparts, each of which shall constitute an original but all of which together shall constitute one and the same instrument.

Effective as of the Effective Time.

1700 Lincoln Street, Suite 1800  
Denver, Colorado 80203

**PRIZE ENERGY RESOURCES, L.P.**  
By: Prize Operating Company, its  
sole general partner

By: 

Stephen P. Bell  
Senior Vice President

ASSIGNOR

20 North Broadway, Suite 1500  
Oklahoma City, Oklahoma 73102

**DEVON ENERGY PRODUCTION  
COMPANY, L.P.**

By: 

D. D. DeCarlo  
Vice President

ASSIGNEE



STATE OF COLORADO      §  
   §  
COUNTY OF DENVER      §

This instrument was acknowledged before me this 13<sup>th</sup> day of October, 2009, by Stephen P. Bell, Senior Vice President of Prize Operating Company, a Delaware corporation, acting as general partner of Prize Energy Resources, L.P., a Delaware limited partnership, on behalf of that corporation and that limited partnership.

NANCY BLUMLEIN  
NOTARY PUBLIC  
STATE OF COLORADO  
My Commission Expires 02/14/2011

Nancy Blumlein  
Notary Public – State of Colorado  
My Commission Expires: 2-14-2011

STATE OF OKLAHOMA      §  
   §  
COUNTY OF OKLAHOMA      §

This instrument was acknowledged before me this 31<sup>st</sup> day of June, 2009, by D. D. DeCarlo, Vice President of Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of that limited partnership.

LINDA WAYLAND  
NOTARY  
# 01008304  
EXP. 06/28/13  
PUBLIC  
STATE OF OKLAHOMA

Linda Wayland  
Notary Public – State of Oklahoma  
My Commission Expires: 6/28/2013

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN  
ASSIGNMENT OF OVERRIDING ROYALTY INTEREST FROM PRIZE  
ENERGY RESOURCES, L.P. TO DEVON ENERGY PRODUCTION  
COMPANY, L.P.

LESSOR: NEVADA LAND & RESOURCE COMPANY, LLC  
LESSEE: PRIZE ENERGY RESOURCES, L.P.  
DATE: DECEMBER 1, 2008  
RECORDED: DOCUMENT #0213283 0487/0079  
LANDS: COVERING LANDS IN EUREKA COUNTY, NEVADA

Township 36 North, Range 48 East

APN #	Section	Description	Acres
04-010-15	25	SE/4	160.00
04-010-20	35	SE/4	160.00

Township 36 North, Range 49 East

APN #	Section	Description	Acres
04-020-04	19	All	646.76
04-020-16	31	NW/4	160.17

Township 35 North, Range 48 East

APN #	Section	Description	Acres
04-050-05	1	All	652.93
04-050-15	13	All	574.09
04-060-02	21	All	640.00
04-060-04	23	All	589.32
04-060-06	29	All	640.00
04-060-08	27	All	598.86
04-060-12	33	All	605.97

Township 34 North, Range 48 East

APN #	Section	Description	Acres
04-130-02	5	SE/4	160.00
04-130-04	3	NW/4	160.98
04-130-06	9	NW/4	160.00



Township 33 North, Range 48 East

APN #	Section	Description	Acres
04-220-08	35	Lots 1-8 (W/2)	317.68

Township 33 North, Range 51 East

APN #	Section	Description	Acres
04-290-04	23	All	640.00
04-290-08	29	All except parcel 04-290-14 (W/2W/2)	651.60
04-290-10	27	All	640.00
04-290-12	25	All	640.00
04-290-18	35	All	640.00

Township 33 North, Range 52 East

APN #	Section	Description	Acres
04-290-06	19	All	635.76
04-290-14	29	W/2 W/2, all that portion in Eureka County	120.00
04-290-20	31	Lots 6 and 7, N/2 SE/4, NE/4	319.09
04-290-20	31	Lots 1-5, E/2 NW/4, NE/4 SW/4	322.59

Township 32 North, Range 48 East

APN #	Section	Description	Acres
04-300-01	5	All except 100' x 100' parcel	669.62
04-300-03	3	All	659.84
04-300-05	1	W/2, W/2 NE/4 except 25.89 Ac RR R/W	375.78
04-300-08	9	All	640.00
04-300-10	11	All	640.00
04-300-12	17	All	640.00
04-300-14	15	All	640.00
04-310-02	21	All	640.00
04-310-05	29	All	640.00
04-310-10	33	All	643.08

Township 32 North, Range 49 East

APN #	Section	Description	Acres
04-320-17	13	All	640.00
04-330-10	33	SE/4	160.00

Township 32 North, Range 51 East

APN #	Section	Description	Acres
04-360-06	1	All	795.12
04-360-08	9	All	640.00
04-360-10	11	All	640.00
04-360-12	17	All	641.00
04-360-14	15	All	640.00
04-360-16	13	All	640.00
04-370-02	21	All	640.00
04-370-04	23	All	640.00
04-370-10	27	All	640.00
04-380-02 & 04-370-18	35	E/2, except portion within town of Palidade	313.48

Township 32 North, Range 52 East

APN #	Section	Description	Acres
04-390-02	5	W/2 W/2	120.23
04-390-03	7	All	644.74
04-390-15	31	Lots 3-14, inclusive	467.35
04-390-14	33	Portion in Eureka County	15.20

Township 31 North, Range 49 East

APN #	Section	Description	Acres
05-080-07	3	NW/4	161.33
05-080-18	7	E/2 except 1.05 Ac Hwy R/W	318.95
05-080-28	17	W/2	320.00
05-090-10	19	E/2	320.00
05-090-22	29	W/2	320.00
05-090-50	31	NE/4	160.00

Township 30 North, Range 49 East

APN #	Section	Description	Acres
05-260-02	5	NE/4	161.37
05-260-14	9	All	640.00
06-270-03	21	All	640.00
05-270-16	33	All	640.00

Township 29 North, Range 49 East

APN #	Section	Description	Acres
05-480-05	5	Lots 1,2,7,8,9,10, S/2	568.35
05-480-26	17	All	640.00
05-490-22	29	All	640.00

Township 29 North, Range 52 East

APN #	Section	Description	Acres
05-570-04	3	All that portion in Eureka County	319.40
05-570-07	9	E/2	320.00
05-570-12	15	W/2	320.00
05-580-05	21	All, except NW/4	498.51
05-580-17	33	All	640.00

Township 28 North, Range 49 East

APN #	Section	Description	Acres
05-610-02	5	All	641.40
05-610-14	17	All	640.00

Township 28 North, Range 52 East

APN #	Section	Description	Acres
05-670-19	9	N/2	320.00

Total -

34,530.55

Containing 34,530.55 acres, more or less



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