

**DOC # 0224823**

08/30/2013

03:03 PM

**Official Record**

Recording requested By  
AREA PETROLEUM LLC

**Eureka County - NV**

**Mike Rebaleati - Recorder**

Fee: \$46.00

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RPTT:

Recorded By: FES

Book- 554 Page- 0314



0224823

# ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

Recording Requested By:

Area Petroleum, LLC  
6029 W Sage Fork Rd  
West Jordan, UT 84081

**ASSIGNMENT OF OVERRIDING ROYALTY INTEREST**

STATE OF NEVADA            )  
  ) ss.  
COUNTY OF EUREKA        )

KNOWN ALL MEN BY THESE PRESENTS:

On this 13<sup>th</sup> Day of March, 2012, THAT, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, AREA PETROLEUM, LLC, whose address is 6029 W Sage Fork Rd, Utah 84081 ("Assignor"), does hereby ASSIGN, TRANSFER, SELL AND CONVEY unto PHOENIX OIL & GAS, LLC whose address is 5 Wanderwood Way, Sandy, Utah 84092 ("Phoenix") ("Assignee"), an overriding royalty interest equal to the difference between twenty percent of eight-eighths (20% of 8/8ths) and present lease burdens (royalties, including non-participating and overriding royalties, and payments out of production) in all of the oil, gas, and other hydrocarbon substances produced, saved, and marketed from the lands and Leases (the "Override") as described on Exhibit "A", attached hereto and by this reference made a part hereof (the "Leases").

The Override hereby assigned to Assignee is subject to the following provisions:

1. The terms and provisions of the Leases, any amendments, corrections, additions, or modifications of the Leases made prior to or after the execution of this Assignment. Assignee agrees that future amendments, corrections, additions, or modifications of the Leases may be made without the consent or joinder of Assignee.
2. All applicable laws, rules, regulations and orders of appropriate governmental authorities and agencies having jurisdiction over the lands and Leases.
3. The Override shall be free and clear of all costs and expense of exploration, drilling, development and operation, but except for and subject to its proportionate share of actual third party costs incurred for gathering, transportation and marketing.
4. Assignee is responsible for its proportionate share of severance, production severance, ad valorem and other similar taxes. No payments to the Override will be made or shall accrue on any oil, gas and casinghead gas or other hydrocarbon substances or minerals used for operating, developing, or producing purposes on the lands under the Leases, or in treating the products produced to make them marketable, or which are unavoidably lost. No payments shall be made to the Override on gas and casinghead gas used for recycling or repressuring operations that benefit the Leases.
5. All payments to the Override shall be made or delivered to Assignee in the same manner provided in the Leases for the payment of royalty to the lessors.
6. If (i) a Lease or Leases cover less than the entire mineral estate in the lands, (ii) Assignor's working interest represents less than 100% of the leasehold estate in a part of all of the lands, or (iii) for any reason title should fail as to all or part of the leasehold

estate owned by Assignor, the Override assigned to Assignee shall be reduced proportionately as to the affected Lease and lands.

7. In the event the primary term of any Lease is extended by the action of Assignor or Assignor's successors, assigns and/or legal representatives, then the Override shall remain a burden against the Leases as so extended.

The terms and provisions of this Assignment shall be binding upon and shall inure to the benefit of Assignor and Assignee and to their respective successors and assigns.

[Remainder of Page Intentionally Left Blank]



IN WITNESS WHEREOF, Assignor has executed and delivered this overriding royalty assignment to Assignee, the day and year first above written.

ASSIGNOR:

AREA PETROLEUM, LLC

By: Jonathan Baker  
Jonathan Baker, Landman

STATE OF UTAH )  
 ) ss  
COUNTY OF SALT LAKE )

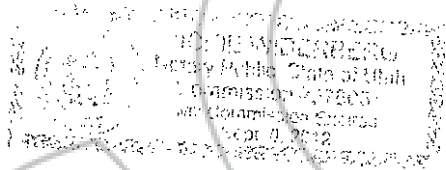
This instrument was acknowledged before me this 15<sup>th</sup> day of March, 2012 by Jonathan Baker, as Landman for Area Petroleum, LLC.

WITNESS my hand and official seal

Kirkie Widulburg  
Notary Public, State of Utah

My commission expires: 9-8-2012

(NOTARIAL SEAL)



AGREED TO AND ACKNOWLEDGED:

PHOENIX OIL & GAS, LLC

By: Jon Baker  
Jon Baker, Manager

STATE OF UTAH )  
 ) ss  
COUNTY OF SALT LAKE )

This instrument was acknowledged before me this 16<sup>th</sup> day of March, 2012 by Jon Baker, as Manager for Phoenix Oil & Gas, LLC.

WITNESS my hand and official seal

Melissa W. Aldridge  
Notary Public, State of Utah

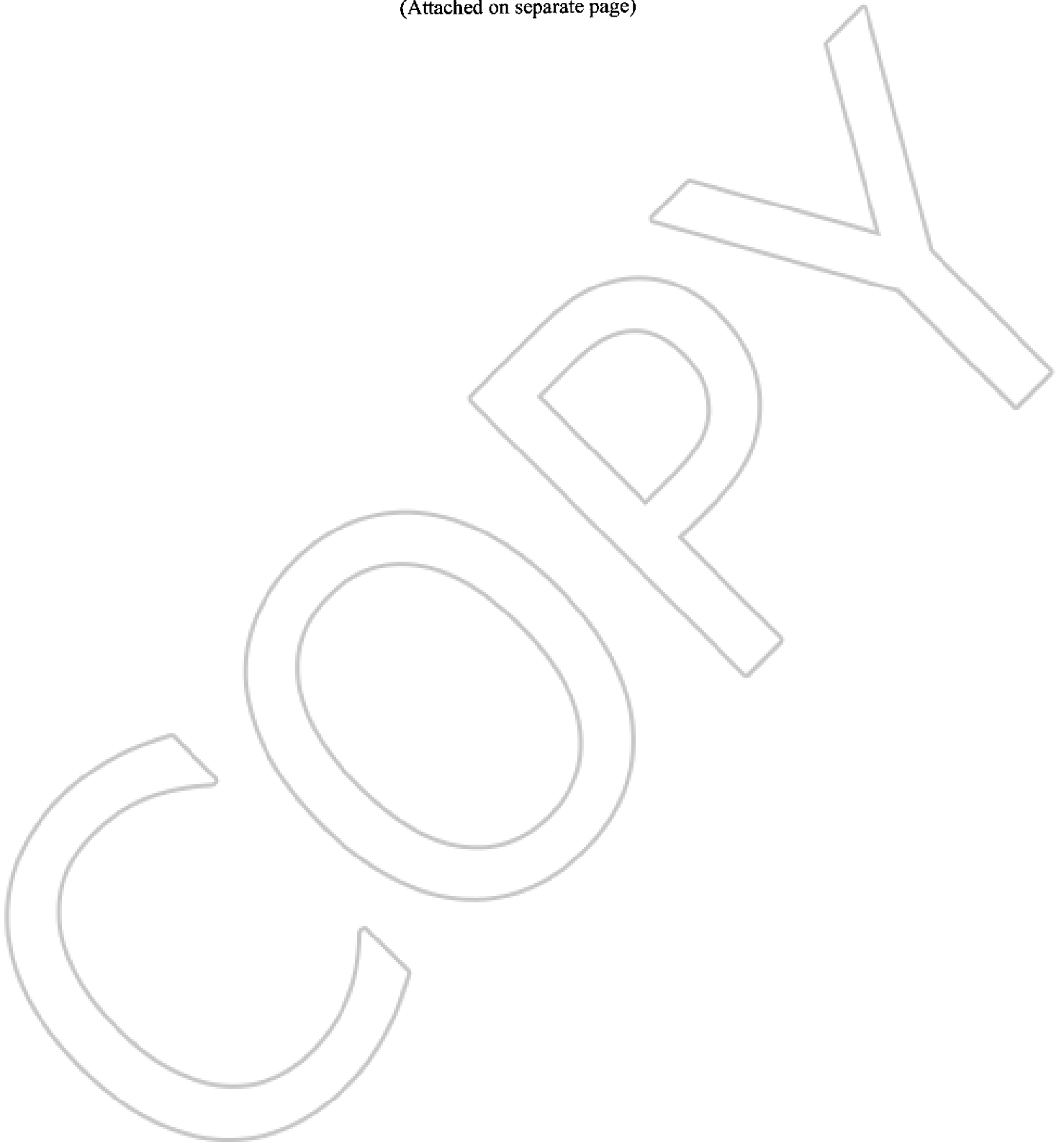
My commission expires: May 22, 2012

(NOTARIAL SEAL)



Exhibit "A"

(Attached on separate page)



## Exhibit A

Attached to an Assignment of Overriding Royalty Interest between Area Petroleum, LLC and Phoenix Oil & Gas, LLC

Lease Alpha	Lease Number	Lessee	Lease Date	Description			Gross Acres	
				TWP	RGE	MER		SEC
NVN	83746	Area Petroleum, LLC	1-Nov-07	15N	53E	MDM	18 LOTS 1-4,E2,E2W2 19 LOTS 1-4,E2,E2W2 30 LOTS 1-4,E2,E2W2	1,856.12
NVN	83745	Area Petroleum, LLC	1-Nov-07	15N	53E	MDM	05 LOTS 1-4,S2N2,S2 07 LOTS 1-4,E2,E2W2	1,257.44
NVN	83403	Area Petroleum, LLC	1-Aug-07	15N	53E	MDM	23 E2NE,NWNE,W2,SE 24 ALL	1,240.00
NVN	83754	Area Petroleum, LLC	1-Nov-07	15N	54E	MDM	21 NW,E2,SW 28 ALL	1,223.00
NVN	82624	Area Petroleum, LLC	1-Feb-07	21N	52E	MDM	01 PROT ALL 12 PROT ALL	1,339.00
NVN	82927	Area Petroleum, LLC	1-Feb-07	21 N	52E	MDM	02 PROT ALL 03 PROT ALL 10 PROT ALL 11 PROT ALL	2,554.00
NVN	82926	Area Petroleum, LLC	1-Feb-07	20N	52E	MDM	19 LOTS 1-4,N2NE,SWNE,E2W2,SE 20 SENE,SWNW,SW,E2SE,SWSE 21 E2,N2NW,SWNW,SW	1,538.11
NVN	82925	Area Petroleum, LLC	1-Feb-07	20N	52E	MDM	15 PROT ALL 16 SW,PROT N2,SE 17 NE,N2NW,SENE,E2SE 18 LOTS 1,3-4,N2NE,SENE,NENW	1,912.84
NVN	82924	Area Petroleum, LLC	1-Feb-07	20N	52E	MDM	08 PROT ALL 09 PROT ALL	1,280.00
NVN	82907	Area Petroleum, LLC	1-Feb-07	24N	51E	MDM	03 LOTS 1-4,S2N2,S2 04 LOTS 1-4,S2N2,S2	1,287.36
NVN	83812	Area Petroleum, LLC	1-Sep-04	23N	52E	MDM	04 PROT ALL 05 PROT LOTS 3-4,S2NW,E2,SW 08 PROT ALL 09 PROT ALL 16 PROT ALL 17 PROT ALL	5,195.20
				24N			32 PROT ALL 33 PROT ALL	
NVN	83813	Area Petroleum, LLC	1-Sep-04	24N	52E	MDM	04 PROT ALL 09 PROT ALL 16 PROT ALL 20 PROT ALL 21 PROT ALL 28 PROT ALL 29 PROT ALL	4,457.00
NVN	83818	Area Petroleum, LLC	1-Feb-07	24N	51E	MDM	09 ALL 16 NE, PROT W2,SE	1,254.00
NVN	83819	Area Petroleum, LLC	1-Feb-07	24N	51E	MDM	33 PROT ALL	672.00
NVN	83820	Area Petroleum, LLC	1-Feb-07	21N	52E	MDM	04 PROT ALL 09 PROT ALL	1,275.00
NVN	83821	Area Petroleum, LLC	1-Feb-07	21N	52E	MDM	16 PROT ALL	640.00
NVN	83809	Area Petroleum, LLC	1-Sep-04	22N	52E	MDM	09 ALL 10 ALL 15 ALL 16 ALL	2,560.00



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# Exhibit A

**Attached to an Assignment of Overriding Royalty Interest between Area Petroleum, LLC and Phoenix Oil & Gas, LLC**

Lease Alpha	Lease Number	Lessee	Lease Date	Description			Gross Acres	
				TWP	RGE	MER		SEC
NVN	83811	Area Petroleum, LLC	1-Sep-04	22N	52E	MDM	03 LOTS 1-4,S2N2,S2 04 LOTS 1-4,S2N2,S2	5,075.29
				23N	52E	MDM	20 PROT ALL 21 PROT ALL 28 PROT ALL 29 PROT ALL 32 SW, PROT N2,SE 33 PROT	
NVN	83808	Area Petroleum, LLC	1-Sep-04	21 1/2N	52E	MDM	02 LOTS 1-12,N2 03 LOTS 1-12,N2 04 LOTS 1-12,N2	4,008.64
				22N	52E	MDM	33 ALL 34 ALL 35 ALL	
NVN	83810	Area Petroleum, LLC	1-Oct-04	22N	52E	MDM	21 ALL 22 ALL 23 ALL 26 ALL 27 ALL 28 ALL	3,840.00
NVN	86683	Area Petroleum, LLC	1-Mar-09	25N	51E	MDM	25 ALL 35 NE,SE,SW,W2SE,SESE 36 N2N2,SENE,SWSW,SWSE	1,400.00
NVN	85929	Area Petroleum, LLC	1-Nov-08	23N	52E	MDM	26 PROT W2 27 PROT ALL 34 PROT ALL 35 PROT W2	1,937.00
NVN	85930	Area Petroleum, LLC	1-Nov-08	25N	52E	MDM	01 PROT ALL 02 PROT ALL 10 PROT E2 11 PROT ALL	2,257.00
NVN	85931	Area Petroleum, LLC	1-Nov-08	25N	52E	MDM	12 PROT ALL 13 PROT ALL 14 PROT ALL 15 PROT ALL	2,531.00
NVN	85932	Area Petroleum, LLC	1-Nov-08	25N	52E	MDM	22 PROT ALL 23 PROT ALL 24 PROT ALL	1,888.00
NVN	85933	Area Petroleum, LLC	1-Nov-08	25N	52E	MDM	26 PROT N2 27 PROT ALL 28 PROT S2 33 PROT ALL 34 PROT ALL	2,560.00
NVN	81749	Area Petroleum, LLC	1-Apr-06	25N	52E	MDM	10 PROT W2 25 PROT ALL 26 PROT S2 28 PROT N2 35 PROT ALL 36 PROT ALL	2,782.00



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Lease Alpha	Lease Number	Lessee	Lease Date	Description				Gross Acres
				TWP	RGE	MER	SEC	
NVN	79035	Area Petroleum, LLC	1-Feb-05	24N	52E	MDM	15 PROT ALL 22 PROT ALL 23 PROT W2 26 PROT W2 27 PROT ALL	3,521.44
							34 SE 34 PROT N2,SW 35 PROT NW 35 LOTS 3-6	
NVN	79040	Area Petroleum, LLC	1-Feb-05	24N	52E	MDM	02 PROT ALL 03 PROT ALL 10 PROT ALL 11 SE 11 PROT N2,SW	2,612.00
NVN	79041	Area Petroleum, LLC	1-Feb-05	23N	52E	MDM	02 PROT W2 03 PROT ALL 10 PROT ALL 11 PROT W2 14 PROT W2	3,911.00
							15 PROT ALL 22 PROT ALL 23 W2	
NVN	89124	Area Petroleum, LLC	1-Oct-10	21N	52E	MDM	21 PROT ALL 28 PROT ALL	1,280.00



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