

Official Record

Recording requested By
DEVON ENERGY PRODUCTIONS CO

Eureka County - NV

Mike Rebaleati - Recorder

Fee: \$42.00

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RPTT.

Recorded By: LLH

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ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

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 March 25, 2011 (the “Effective Time”), is from PRIZE ENERGY RESOURCES, INC., a Delaware corporation, whose address is 202 S. Cheyenne Avenue, Suite 1000, Tulsa, Oklahoma 74103 (“Prize”) to DEVON ENERGY PRODUCTION COMPANY, L.P., an Oklahoma limited partnership, whose address is 333 West Sheridan Avenue, 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, (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.

202 S. Cheyenne Ave., Suite 1000
Tulsa, Oklahoma 74103

PRIZE ENERGY RESOURCES, INC.

By: _____


Stephen P. Bell,
Executive Vice President



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

**333 West Sheridan Avenue
Oklahoma City, Oklahoma 73102**

By: _____
Bill A. Penhall
Agent and Attorney in Fact

STATE OF COLORADO §
§
COUNTY OF DENVER §

This instrument was acknowledged before me this 27th day of September, 2013,
by Stephen P. Bell, Executive Vice President of Prize Energy Resources, Inc., a Delaware
corporation, on behalf of that corporation.



Sara Ghizzoni
Notary Public – State of Colorado
My Commission Expires: 8/15/2015

STATE OF OKLAHOMA §
§
COUNTY OF OKLAHOMA §

This instrument was acknowledged before me this _____ day of _____, 2013,
by Bill A. Penhall, Agent and Attorney in Fact of Devon Energy Production Company, L.P.,
an Oklahoma limited partnership, on behalf of that limited partnership.

Notary Public – State of Oklahoma
My Commission Expires: _____

Exhibit A

Lease	Lessor	Lessee	Lease Date	State	County	Book	Page	Registry
NV271248000133000	NEWMONT USA LIMITED, A DELAWARE CORPORATION, DOING BUSINESS IN NEVADA AS NEWMONT MINING CORPORATION	PRIZE ENERGY RESOURCES, L.P.	03/25/2011	NV	Eureka	515	381	0217216
NV271248000134000	NEWMONT USA LIMITED, A DELAWARE CORPORATION, DOING BUSINESS IN NEVADA AS NEWMONT MINING CORPORATION	PRIZE ENERGY RESOURCES, L.P.	03/25/2011	NV	Eureka	515	362	0217215
NV271248000135000	NEWMONT USA LIMITED, A DELAWARE CORPORATION, DOING BUSINESS IN NEVADA AS NEWMONT MINING CORPORATION	PRIZE ENERGY RESOURCES, L.P.	03/25/2011	NV	Eureka	515	341	0217214
NV271248000136000	NEWMONT USA LIMITED, A DELAWARE CORPORATION, DOING BUSINESS IN NEVADA AS NEWMONT MINING CORPORATION	PRIZE ENERGY RESOURCES, L.P.	03/25/2011	NV	Eureka	515	321	0217213



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