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Ent 255325 Bk 1029 Pg 10514
Date 8-Nov-2007 3:27PM Fee \$133.00
LuAnn Adams - Filed By df
Box Elder Co., UT
For J L OBOURN JR & CO

Originals To Be Returned To:
PetroHunter Operating
Karen LeBaron, Land Analyst
1875 Lawrence Street, Suite 1400
Denver, CO 80202

BOX ELDER COUNTY
STATE OF UTAH

ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

PETROHUNTER HEAVY OIL LTD., whose address is 1875 Lawrence Street, Suite 1400, Denver, Colorado 80202 (hereinafter referred to as "Assignor"), for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby grant, assign, transfer and convey, subject to the terms and provisions herein contained, unto **Pearl Montana Exploration and Production Ltd.**, whose address is 2500 Petro-Canada East Tower, 111 5th Avenue S.W., Calgary, Alberta, Canada, T2P 3Y6, (hereinafter referred to as "Assignee"), all of Assignor's right, title and interest, including all rights, estates, powers and privileges appurtenant thereto in: (a) the oil, gas and mineral leases, the oil, gas and all other hydrocarbons and minerals, mineral fee interests, other fee interests, royalty interests, overriding royalty interests, and other leasehold interests, including any and all right, title and interest created by units formed under orders, regulations, rules, and other official acts of the governmental authority having jurisdiction, specifically described on Exhibit A attached hereto and made a part hereof (the "Leases") attributable to the Leases and lands covered thereby, described on Exhibit A (the "Lands"); (b) all agreements, contracts and instruments relating to, derivative of, or affecting the Leases and Lands, including, but not limited to, operating agreements, farmout agreements, exploration agreements, participation agreements, unitization, pooling and communitization agreements and other similar agreements, contracts and instruments inasmuch as they relate to the Leases and the Lands; and (c) all rights of way, surface leases, permits and licenses, surface use agreements and other surface rights associated with the Leases and Lands (the "Surface Rights"); to the extent all such agreements, contracts and instruments are freely assignable and transferable.

Assignor and Assignee, in mutual consideration hereof, agree to the following terms and conditions:

1. This Assignment of Oil and Gas Leases shall be effective 12:01 a.m. Mountain Time, October 1, 2007 (the "Effective Date").

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2. Except as set forth in the Purchase and Sale Agreement dated effective October 1, 2007 by and between Assignor and Assignee, Assignor makes no warranty, express, implied or statutory, as to any of the rights, titles or interests hereby conveyed, and all such rights, titles or interests are sold to and accepted by the Assignee "as-is" and "where-is" with all defects and faults, if any, except that Assignor warrants title to the Leases against all persons lawfully claiming the same, or any part thereof, by, through or under Assignor, but not otherwise.
3. The interest herein conveyed is subject to, and Assignee hereby assumes, its proportionate share of all existing royalties, and any other burdens or encumbrances of any nature existing with respect to the Leases and Lands herein assigned.
4. Assignor and Assignee shall execute and deliver separate governmental forms of assignments of the Leases on officially approved forms, in sufficient counterparts to satisfy applicable statutory and regulatory requirements. Those assignments shall be deemed to contain all of the exceptions, reservations, warranties, rights, titles, powers and privileges set forth herein as fully as they were set forth in each such assignment. The interests conveyed by such separate assignments are the same, and not in addition to the interests conveyed by this Assignment.
5. This Assignment of Oil and Gas Leases and all rights and covenants in connection herewith shall be binding upon the parties hereto, their respective heirs, successors, and assigns, and the covenants hereof shall run with the Leases and Lands.
6. This Assignment of Oil and Gas Leases is made expressly subject to the terms, conditions and provisions of the Purchase and Sale Agreement dated effective October 1, 2007 by and between PetroHunter Heavy Oil Ltd., as Seller, and Pearl Exploration and Production Ltd., as Buyer.

IN WITNESS WHEREOF, this Assignment of Oil and Gas Leases is executed and delivered as of the Effective Date.


ASSIGNOR

PETROHUNTER HEAVY OIL LTD.

By: 
Jim Bob Byrd, Vice President of Land

ASSIGNEE

PEARL MONTANA EXPLORATION AND PRODUCTION LTD.

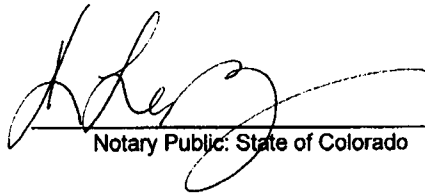
By: 
Title: George Lepine, V.P.

STATE OF COLORADO)
) ss.
CITY & COUNTY OF DENVER)

The foregoing Assignment of Oil and Gas Leases was acknowledged before me November 16, 2007, by Jim Bob Byrd, as Vice President of Land for PetroHunter Heavy Oil Ltd. on behalf of said company.



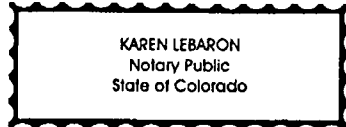
My Commission Expires:
November 1, 2008



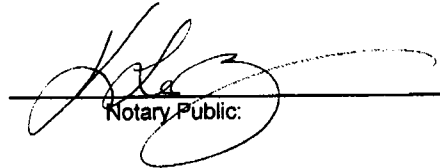
Notary Public: State of Colorado

STATE OF COLORADO)
) ss.
CITY & COUNTY OF DENVER)

The foregoing Assignment of Oil and Gas Leases was acknowledged before me November 16, 2007, by George Waine, as V. President of Pearl Montana Exploration and Production Ltd. on behalf of said company.



My Commission Expires:
Nov. 1, 2008



Notary Public:

EXHIBIT A

Attached to and made a part of that certain Assignment of Oil and Gas Leases made effective October 1, 2007, by and between PetroHunter Heavy Oil Ltd., as Assignor, and Pearl Montana Exploration and Production Ltd., as Assignee

<u>Lessor</u>	<u>Lessee</u>	<u>Date</u>	<u>County</u> <u>State</u>	<u>Legal Description</u>	<u>Gross</u> <u>Acres</u>
School Trust Lands - ML 50050	W. G. Boonenberg	9/1/2005	Box Elder UT	<u>Township 10 North, Range 8 West, M.P.M.</u> Section 16: Lots 1, 2, 3 04-008-0011	83.12
School Trust Lands - ML 50051	W. G. Boonenberg	9/1/2005	Box Elder UT	<u>Township 10 North, Range 8 West, M.P.M.</u> Section 32: Lots 1, 2, 3, 4 04-008-0020 N2NE, SENE	232.08
Utah Division of Forestry, Fire and State Lands - 20000012	W. G. Boonenberg	6/2/2003	Box Elder UT	<u>Township 8 North, Range 8 West, M.P.M.</u> Section 9: All 02-011-0056 Section 10: All 0057 Section 15: All 0062 Section 16: All 0063	2560.00
Utah Division of Forestry, Fire and State Lands - 20000013	W. G. Boonenberg	6/2/2003	Box Elder UT	<u>Township 8 North, Range 8 West, M.P.M.</u> Section 22: All 02-011-0068 Section 23: All 0070 Section 26: All 0073 Section 27: All 0074	2560.00
Utah Division of Forestry, Fire and State Lands - 20000022	W. G. Boonenberg	6/29/2004	Box Elder UT	<u>Township 8 North, Range 8 West, M.P.M.</u> Section 11: All 02-011-0058 Section 14: All 02-011-0061	1280.00

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<u>Lessor</u>	<u>Lessee</u>	<u>Date</u>	<u>County</u> <u>State</u>	<u>Legal Description</u>	<u>Gross</u> <u>Acres</u>
Utah Division of Forestry, Fire and State Lands - 20000027	W. G. Boonenberg	9/7/2005	Box Elder UT	<u>Township 8 North, Range 9 West, M.P.M.</u> Section 13: All 02-011-0096 Section 14: All 0097 Section 23: All 0108 Section 24: All 0107	2560.00
Utah Division of Forestry, Fire and State Lands - 20000028	W. G. Boonenberg	9/7/2005	Box Elder UT	<u>Township 8 North, Range 9 West, M.P.M.</u> Section 15: All 02-011-0098 Section 16: All 0097 Section 21: All 0104 Section 22: All 0105	2560.00
Utah Division of Forestry, Fire and State Lands - 20000029	W. G. Boonenberg	9/7/2005	Box Elder UT	<u>Township 8 North, Range 9 West, M.P.M.</u> Section 17: All 02-011-0100 Section 20: All 0103 Section 29: All 0112 Section 32: All 0115	2560.00
Utah Division of Forestry, Fire and State Lands - 20000030	W. G. Boonenberg	9/7/2005	Box Elder UT	<u>Township 8 North, Range 9 West, M.P.M.</u> Section 27: All 02-011-0110 Section 28: All 0111 Section 33: All 0116 Section 34: All 0117	2560.00

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Utah Division of Forestry, Fire and State Lands - 20000031	W. G. Boonenberg	9/7/2005	Box Elder UT	<u>Township 8 North, Range 9 West, M.P.M.</u> Section 25: All 02-011-0108 Section 26: All 0109 Section 35: All 0118 Section 36: All 0119	2560.00
Utah Division of Forestry, Fire and State Lands - 20000032	W. G. Boonenberg	9/7/2005	Box Elder UT	<u>Township 9 North, Range 8 West, M.P.M.</u> Section 4: All, All Below Meander 03-009-0019 Section 5: All, All Below Meander 0020 Section 8: All, All Below Meander 0023 Section 9: All, All Below Meander 0024	1836.67
Utah Division of Forestry, Fire and State Lands - 20000033	W. G. Boonenberg	9/7/2005	Box Elder UT	<u>Township 9 North, Range 8 West, M.P.M.</u> Section 10: All, All Below Meander 03-009-0044 Section 15: All, All Below Meander 0025 Section 16: All, All Below Meander 0026 Section 22: All, All Below Meander 0032	1815.87
Utah Division of Forestry, Fire and State Lands - 20000034	W. G. Boonenberg	9/7/2005	Box Elder UT	<u>Township 9 North, Range 8 West, M.P.M.</u> Section 23: All, All Below Meander 03-009-0033 Section 26: All, All Below Meander 0034 Section 35: All, All Below Meander 0043 Section 36: All, All Below Meander 0045	1729.46

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Utah Division of Forestry, Fire and State Lands - 200000035	W. G. Boonenberg	9/7/2005	Box Elder UT	Township 9 North, Range 8 West, M.P.M. Section 27: All 03-09 - 0035 Section 28: All 0036 Section 33: All 0041 Section 34: All 0042	2560.00
Utah Division of Forestry, Fire and State Lands - 200000036	W. G. Boonenberg	9/7/2005	Box Elder UT	Township 10 North, Range 8 West, M.P.M. 1114.00 Section 29: All, All Below Meander 04-08 - 0112 Section 30: All, All Below Meander 0113 Section 31: All, All Below Meander 0114 Section 32: All, All Below Meander 0115	
Utah Division of Forestry, Fire and State Lands - 200000037	W. G. Boonenberg	9/7/2005	Box Elder UT	Township 9 North, Range 8 West, M.P.M. Section 17: All 03-09 - 0027 Section 21: All 0031	1280.00
Utah Division of Forestry, Fire and State Lands - 200000038	W. G. Boonenberg	5/30/2006	Box Elder UT	Township 8 North, Range 8 West, M.P.M. Section 1: All 02-01 - 0047 Section 2: All 0048 Section 3: All 0049 Section 4: All 0050	2954.29
Utah Division of Forestry, Fire and State Lands - 200000039	W. G. Boonenberg	5/30/2006	Box Elder UT	Township 8 North, Range 8 West, M.P.M. Section 5: All 02-01 - 0052 Section 6: All 0053 Section 7: All 0054 Section 8: All 0055	2009.51

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<u>Lessor</u>	<u>Lessee</u>	<u>Date</u>	<u>County State</u>	<u>Legal Description</u>	<u>Gross Acres</u>
Utah Division of Forestry, Fire and State Lands - 20000040	W. G. Boonenberg	5/30/2006	Box Elder UT	<u>Township 8 North, Range 8 West, M.P.M.</u> Section 12: All 02-011-00059 Section 13: All 0060 Section 24: All 0071 Section 25: All 0072	2573.84
Utah Division of Forestry, Fire and State Lands - 20000041	W. G. Boonenberg	5/30/2006	Box Elder UT	<u>Township 8 North, Range 8 West, M.P.M.</u> Section 17: All 02-011-00064 Section 18: All 02-011-00065	928.49
Utah Division of Forestry, Fire and State Lands - 20000042	W. G. Boonenberg	5/30/2006	Box Elder UT	<u>Township 8 North, Range 8 West, M.P.M.</u> Section 20: All 02-011-00067 Section 21: All 0068 Section 28: All 0073 Section 29: All 0076	2560.77
Utah Division of Forestry, Fire and State Lands - 20000043	W. G. Boonenberg	5/30/2006	Box Elder UT	<u>Township 8 North, Range 8 West, M.P.M.</u> Section 19: All 02-011-00066 Section 30: All 0077 Section 31: All 0078 Section 32: All 0079	1509.70
Utah Division of Forestry, Fire and State Lands - 20000044	W. G. Boonenberg	5/30/2006	Box Elder UT	<u>Township 8 North, Range 8 West, M.P.M.</u> Section 33: All 02-011-00080 Section 34: All 0081 Section 35: All 0082 Section 36: All 0083	2538.94

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<u>Lessor</u>	<u>Lessee</u>	<u>Date</u>	<u>County State</u>	<u>Legal Description</u>	<u>Gross Acres</u>
Utah Division of Forestry, Fire and State Lands - 200000045	W. G. Boonenberg	12/1/2005	Box Elder UT	<u>Township 8 North, Range 9 West, M.P.M.</u> Section 1: All 02-011-0084 Section 2: All 0095 Section 11: All 0094 Section 12: All 0095	2741.11
Utah Division of Forestry, Fire and State Lands - 200000046	W. G. Boonenberg	5/30/2006	Box Elder UT	<u>Township 8 North, Range 9 West, M.P.M.</u> Section 3: All 02-011-0086 Section 4: All 0087 Section 9: All 0092 Section 10: All 0093	2768.56
Utah Division of Forestry, Fire and State Lands - 200000047	W. G. Boonenberg	5/30/2006	Box Elder UT	<u>Township 8 North, Range 9 West, M.P.M.</u> Section 5: All 02-011-0088 Section 6: All 0089 Section 7: All 0090 Section 8: All 0091	2737.61
Utah Division of Forestry, Fire and State Lands - 200000048	W. G. Boonenberg	5/30/2006	Box Elder UT	<u>Township 8 North, Range 9 West, M.P.M.</u> Section 18: All 02-011-0100 Section 19: All 0107 Section 30: All 0113 Section 31: All 0114	2524.18

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Lessors	Lessee	Date	County State	Legal Description	Gross Acres
Utah Division of Forestry, Fire and State Lands - 20000049	W. G. Boonenberg	12/1/2005	Box Elder UT	Township 6 North, Range 6 West, M.P.M. Section 15: All Section 10: All, below meander Section 11: All, below meander Section 14: All, below meander Section 23: All, below meander	2295.73 01-012-0039 0036 0037 0038 0047