

PARTIAL

ASSIGNMENT OF OIL AND GAS LEASES

ORIGINAL

STATE OF UTAH)
COUNTY OF BOX ELDER)

BOOK 341 PAGE 815 ✓

KNOW ALL MEN BY THESE PRESENTS:

RECORDER NO: 83489H RECORDED: FEB 11 1981
FEE \$6.00 TIME 10:50AM BOOK 341 PAGE 815
Margaret R. Evans, Box Elder Co. Recorder *Margaret R. Evans*

THAT the undersigned, KENNETH D. LUFF, whose address is 1580 Lincoln Street, Denver, Colorado 80203, and ROBERT L. NANCE, whose address is P. O. Box 2536, Billings, Montana 59103, hereinafter referred to as Assignors, for and consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, do hereby bargain, sell, assign, transfer, convey and set over unto MACQUEST PETROLEUM, INC., whose address is 302-1300, 8th Street, SW, Calgary, Alberta, Canada, hereinafter referred to as Assignee, their respective heirs, successors and assigns, all of their right, title and interest in and to the drillsite acreage designated for the #1-28 Bar-B Trust well, Box Elder County, Utah and described as follows:

T 9 N - R 7 W

Section 28: SE/4,

said lands being covered by Oil and Gas lease dated March 10, 1977 by and between First Security Bank, Lessor and Filon Exploration Corporation, Lessee, Recorded in Book 291, Page 375 in the county records of Box Elder County, Utah.

IT is Assignors' intent to convey to Assignee an undivided 10% work-interest in the lands covering SE/4 Section 28, T9N-R7W, however, in the event that Assignors own less than the full and entire fee simple mineral estate, then the interest herein assigned shall be proportionately reduced accordingly.

ASSIGNORS reserve unto themselves a 1.25% of 8/8ths overriding royalty interest, proportionately reduced to the interest assigned by Assignors, of all the oil, gas, hydrocarbons and other associated substances produced, saved and sold under the terms of the above described oil and gas lease.

THIS assignment is made in accordance with and is subject to the terms and conditions of that certain Letter Agreement dated October 3, 1978, between Assignors and Assignee and to that certain Operating Agreement dated April 1, 1978 between Kenneth D. Luff, as Operator and Filon Exploration Corporation, et al, as Non-Operators, a copy of which has been supplied to Assignee.

THIS assignment is further subject to that certain Partial Assignment of Oil and Gas Lease of record, dated October 23, 1978, by and between Filon Exploration Corporation and North Central Oil Corporation as Assignors and Kenneth D. Luff, Dome Petroleum, Louisiana Land and Exploration Company, Robert L. Nance, North Central Oil Corporation, Flying Diamond Oil Corporation and Crux, Ltd., as Assignees, wherein Assignors reserved unto themselves a 1/16th of 8/8ths Overriding Royalty Interest in the lands described above; that is, said drillsite acreage.

ORIGINAL

BOOK 341 PAGE 816

IT should be understood by Assignors and Assignees that Assignors shall have the option to convert the Overriding Royalty Interest herein reserved to a working interest after payout status has been achieved; that is, at such time that all costs relating to the drilling, equipping and completing of the #1-28 Bar-B Trust well have been recovered; and further, that Filon Exploration Corporation, et al, have reserved unto themselves the same option as stated in the aforementioned Assignment covering drill-site acreage.

SAID options having been exercised by said Assignors shall thereby result in reducing Assignee's working interest in the #1-28 Bar-B Trust well, Box Elder County, Utah to 5% after payout.

THIS Assignment is made without Warranty of Title in law or in equity, either express or implied.

IN Witness whereof, the undersigned have executed this instrument this 3rd day of December, 1980.

KENNETH D. LUFF

Kenneth D. Luff

ROBERT L. NANCE

Robert L. Nance

ACKNOWLEDGMENT

ORIGINAL

STATE OF COLORADO)
COUNTY OF DENVER)

BOOK 341 PAGE 817

The foregoing instrument was acknowledged before me this 3RD
day of DECEMBER, 1980, by KENNETH D. LUFF.

WITNESS my hand and official seal.

My commission expires:

18 NOVEMBER 1984

George Daniel Almon
Notary Public

STATE OF COLORADO
COUNTY OF DENVER

The foregoing instrument was acknowledged before me this 3^{ED}
day of DECEMBER, 1980, by ROBERT L. NANCE.

WITNESS my hand and official seal.

My commission expires:

18 NOVEMBER 1984

George Daniel Almon
Notary Public

ABSTD. IN BOOK 4 OF Sec PAGE 293 ✓
Index ✓ ✓