

STATE OF Utah)

: ss:

COUNTY OF Salt Lake)

On this 28th day of April, 1983, personally appeared before me W. F. OLIVE, who being by me duly sworn did say that he is the Vice President of CELSIUS ENERGY COMPANY, and that said instrument was signed by himself as said grantor by authority, and said W. F. OLIVE acknowledged to me that he as such Vice President executed the same.

Witness my hand and official seal.

My Commission Expires:

March 15, 1985

Anna Lyons
Notary Public
Residing at Salt Lake City, Utah

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

TRANSFER, ASSIGNMENT, OR SUBLEASE
OF OPERATING RIGHTS IN OIL AND GAS LEASE

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1985

Lease Serial No.

NM-15841

Lease effective date

July 1, 1972

PART I

1. Assignee's Name

Dick Lauritsen

Address (include zip code)

P. O. Box 2364

Farmington, New Mexico 87401

RECEIVED

MAY 5 - 1983

OIL CON. DIV.
DIST. 3

The undersigned, as owner of 100% percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3 or 3101.1-4)

Township 22 North, Range 7 West, NMPM

Section 5: Lots 1, 2, 3, S $\frac{1}{2}$ N $\frac{1}{2}$

Containing 281.47 acres, more or less

Sandoval County, New Mexico

Only insofar as said rights pertain to the depths from the surface of the ground down to the depth of 1977 feet, or the stratigraphic equivalent thereof in the Chacra Formation as encountered in the Federal 1-5 well located in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 5, Township 22 North, Range 7 West, NMPM.

3. Specify interest or percent of operating rights being conveyed to assignee

100%

4. Specify interest or percent of operating rights being retained by assignor

None

5. Specify overriding royalty interest being reserved by assignor

7% of 8/8th

6. Specify overriding royalty previously reserved or conveyed, if any

3% of 8/8th

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 20th day of April, 19 83.

CELSIUS ENERGY COMPANY

(Assignor's Signature)

P. O. Box 11070

(Assignor's Address)

Vice President, Exploration

ATTEST:

Assistant Secretary

Salt Lake City, Utah 84147

(City)

(State)

(Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective

By

(Authorized Officer)

(Title)

(Date)

NOTE: This form may be reproduced provided that copies are exact reproductions on one sheet of both sides of this official form in accordance with provisions of 43 CFR 3106.

ASSIGNMENT OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (PUBLIC LAND)

- A. ASSIGNEE CERTIFIED THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0-2(a)) in this assignment are:
1. Citizens of the United States or qualified alien stockholders in a domestic corporation; association of the United States, or any State or Territory thereof; or municipalities.
 2. Of the age of majority in the State where the lands to be assigned are located.
 3. In compliance with the acreage limitation set forth in 43 CFR 3101.1-5 and 3101.2-4.
- B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).
- C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 4th day of May, 19 83.

RE. L. L. L.

(Assignee's Signature)

Box 2364

(Assignee's Address)

Farmington

(City)

NM

(State)

87401

(Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

INSTRUCTIONS

- | | |
|--|---|
| <p>1. USE OF FORM - Use only for assignment of operating rights (including working interests) in oil and gas leases. If transfer of operating rights is accompanied by an operating agreement, a single copy of such agreement must be submitted with the assignment. If more than one transfer of operating rights is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.</p> <p>2. FILING AND NUMBER OF COPIES - File three (3) completed</p> | <p>and manually signed copies in the appropriate BLM office. A \$25.00 nonrefundable filing fee must accompany this assignment. File assignment within ninety (90) days after date of final execution.</p> <p>3. EFFECTIVE DATE OF ASSIGNMENT - The assignment, if approved, takes effect on the first day of the month following the date of filing of all required papers. If an operator's bond is required, it must be furnished prior to approval of the assignment.</p> |
|--|---|

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. et. seq.

PRINCIPAL PURPOSE - The information is to be used to process the assignment and request for approval.

ROUTINE USES:

- (1) The adjudication of the assignee's rights to the land or resources.
- (2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
- (3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
- (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION - If all the information is not provided, the assignment may be rejected.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that: This information is being collected pursuant to the law (43 CFR 3106-3(c)). This information will be used to create a record of lease assignment. Response to this request is required to obtain a benefit.