

CERTIFICATION *Assignment # 39*
I certify that the foregoing instrument 800934 containing 2 page(s)
is a true and exact photocopy of the original in my custody and on file in the
State Land Office.
Date 10-31-2004
Patrick H. Lyons
Commissioner of Public Lands

Before the OCC
Case 13142 - De Novo
OCD Ex. 19

NPI-1021-014

NEW MEXICO STATE LAND OFFICE
ASSIGNMENT OF OIL AND GAS LEASE

From Lease Number

B-934-32

To Lease Number

B-934-39

KNOW ALL MEN BY THESE PRESENTS:

The Estate of Erma Lowe, Deceased and Maralo Merging Corporation,
That a Texas Corporation

(wife, if any or state of incorporation)

5151 San Felipe, Suite 400, Houston, Texas 77056-3607

hereinafter called "Assignor" (whether one or more), for and in consideration of Ten or more Dollars, paid by

Lowe Partners, LP, a Texas Limited Partnership

whose Post Office address is 5151 San Felipe, Suite 400, Houston, Texas 77056-3607

hereinafter called "Assignee" (whether one or more), does hereby sell, assign and convey to the Assignee the entire interest and title in and to that certain Oil and Gas Lease No. B-934
made by the State of New Mexico to:

Humble Oil & Refining Company

under date of June 6, 19 32, only insofar as said lease covers the following land in Lea County, New Mexico, to-wit:

Township 25 South, Range 36 East, N.M.P.M.
Section 36: E/2 NE/4, SW/4 NE/4, SW/4 NW/4, NE/4 SW/4
Containing 200.00 acres, more or less C.S.

together with the rights incident thereto, and the personal property thereon, if any, appurtenant thereto, or used or obtained in connection therewith.

Assignee assumes and agrees to perform all obligations to the State of New Mexico insofar as said described land is affected, and to pay such rentals and royalties, and to do such other acts as are by said lease required as to said land, to the same extent and in the same manner as if the provisions of said lease were fully set out herein.

It is agreed that Assignee shall succeed to all the rights, benefits and privileges granted the Lessee by the terms of said lease, as to said lands.

With warranty covenants as to the leasehold estate herein assigned, except as to any valid overriding royalty, production payment, operating agreement or sub-lease, if any, now of legal record, and Assignor covenants to the Assignee and the Commissioner of Public Lands that said leasehold estate so assigned is valid and subsisting, and that all rentals and royalties due thereunder have been paid.

EXECUTED this 30 day of December, 19 98
but made effective January 1, 1998.

MARALO MERGING CORPORATION

By: *Mary Ralph Lowe*
Mary Ralph Lowe, President

(PERSONAL ACKNOWLEDGMENT)

By: *Mary Ralph Lowe*
Mary Ralph Lowe, Independent Executor
of the Estate of Erma Lowe, Deceased

STATE OF Texas)
COUNTY OF Harris) ss.

The foregoing instrument was acknowledged before me this 30 day of December, 19 98
by Mary Ralph Lowe, Independent Executor of the Estate of Erma Lowe, Deceased

My commission expires: 7-27-2002

(ACKNOWLEDGMENT BY CORPORATION)

STATE OF Texas)
COUNTY OF Harris) ss.

The foregoing instrument was acknowledged before me this 30 day of December, 19 98
by Mary Ralph Lowe, President of Maralo Merging Corporation

a Texas corporation, on behalf of said corporation.

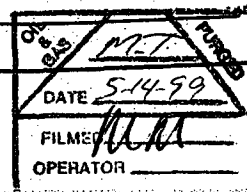
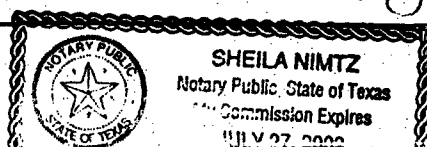
My commission expires: 7-27-2002

Notary Public

0-30 Revised 7-1-95

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19. 29 ~

Assignment
#39

CERTIFICATION
I certify that the foregoing instrument 500934 containing 2 page(s)
is a true and exact photocopy of the original in my custody and on file in the
State Land Office.
Date 11-27-2004

Patricia H. Lyons / 12/12
Commissioner of Public Lands

(ACKNOWLEDGMENT BY ATTORNEY-IN-FACT)

STATE OF _____)
COUNTY OF _____) ss.

The foregoing instrument was acknowledged before me this _____ day of _____, 19____
by _____ as attorney-in-fact in behalf of _____

My commission expires: _____

Notary Public

APPROVAL OF THE COMMISSIONER

Office of the Commissioner of Public Lands
Santa Fe, New Mexico

I hereby certify that the within Assignment was filed in my office on MAR 09 1999
approved by me and to be effective as to the State of New Mexico on MAY 07 1999

Ray Powell
Commissioner of Public Lands

INSTRUCTIONS AND INFORMATION

1. ANNUAL RENTAL: An annual rental for the acreage of this Assignment is 7.00 per acre. The rental is due in advance and shall be paid to the Commissioner of Public Lands on the anniversary date of the original lease agreement. The date of this Assignment does not change the annual rental due date. For any Assignment evolving from any lease issued prior to June 15, 1983, the annual rental shall not be less than six dollars (\$6.00). For any Assignment evolving from any lease issued after June 14, 1983, or from any lease which has been stipulated to the new ten-year lease, the minimum rental is forty dollars (\$40.00).
2. FIXED TEN-YEAR LEASE: This lease provides for a fixed ten-year term, and for so long as oil or gas is produced in paying quantities. The ten-year period is divided into a primary term of five years, followed by a secondary term of five years. If no production is had during the primary term, the rental for the secondary term is double the rental of the primary term, or equal to the highest prevailing rental rate in the district, whichever is higher. Rentals continue even though production is had.
3. FIXED FIVE-YEAR LEASE: This lease provides for a fixed five-year term, and for so long as oil or gas is produced in paying quantities. The fixed five-year lease has no secondary term. Rentals continue even though production is had.
4. FILING: All Assignments must be filed in the State Land Office, in triplicate, with original signatures on all three copies, within one hundred (100) days from the date of signing, and must be accompanied by Cashier's Check, Bank Draft, P. O. or Express Money Order.
5. RECORDING FEE: The recording fee for each Assignment is thirty dollars (\$30.00). If, however, the Assignment is filed more than one hundred (100) days from the date of signing, an additional fee of seventy-five dollars (\$75.00) is charged.
6. PERSONAL CHECKS: When an Assignment is accompanied by a personal check, the Commissioner of Public Lands reserves the right to withhold approval of the Assignment until the check is paid.
7. ASSIGNMENT DISAPPROVAL: An Assignment will not be approved:
 - A. to more than two persons;
 - B. for less than a regular subdivision. "Regular Subdivision" means forty acres or a tract described by lot number, which tract may be more or less than forty acres;
 - C. for undivided interest;
 - D. in the name of a trusteeship, unless the trust is expressly set forth, and not more than two persons are named as trustee;
 - E. after its pendency is filed;
 - F. including any language beyond that which is required by the Assignment form;
 - G. with the address of record of the Assignee the same as that of the Assignor, or when such address has not been established on the records of the State Land Office, or when the approved Assignment is to be returned to the Assignor. The Commissioner reserves the right in such cases to withhold approval and filing of the Assignment until the Assignee has verified, under oath, the address and his acceptance of the assignment of the lease;
 - H. Unless surety requirements have been met;
 - I. If the lease is not in good standing; or
 - J. Unless the Assignor covenants to the Assignee and the Commissioner that the assigned leasehold estate is valid and subsisting and that all rental and royalties due thereunder have been properly paid.
8. COMPLETE ADDRESS: An Assignment must show the complete post office address of the Assignee.
9. ACKNOWLEDGMENT: An Assignment must be executed before an officer authorized to take acknowledgments of deeds. Corporations must use the corporate form of acknowledgment.
10. MARITAL STATUS: An Assignment must show whether the Assignors are married or single; if married, both husband and wife must sign the Assignment. The Certificates of Acknowledgment must show the marital status of the Assignors.
11. COMMUNICATIONS: All official business, letters and communications must be addressed directly to the Commissioner of Public Lands.
12. PAYMENT: Make all payments for annual rental, recording and approval of fees to:

COMMISSIONER OF PUBLIC LANDS
P. O. Box 1148
Santa Fe, NM 87504-1148.