

HOBBS OCD

JAN 20 2015

## NEW MEXICO STATE LAND OFFICE

## ASSIGNMENT OF OIL AND GAS LEASE

Please check one - Assignment or Miscellaneous Instrument

☒ Assignment☐ Miscellaneous Instrument☒ Full Record Title (100%) ☐ Partial Assignment

RECEIVED

From Lease Number

VB-1191

To Lease Number

FOR VALUE RECEIVED, Yates Petroleum Corporation, OGRID No. 123807

Assignor Name (include name of spouse, if any; or type of business entity)

("Assignor" whether one or more), assigns and conveys to: Mewbourne Oil Company, OGRID No. 90723

Assignee

("Assignee" whether one or more), whose mailing address is: 500 W. Texas, Suite 1020, Midland, Texas

500 W. Texas, Suite 1020, Midland, Texas, ZIP 79701

the entire interest and title in and to Oil and Gas Lease No. VB-1191 ("the Lease") initially made by the New Mexico State Land Office to;

Yates Petroleum Corporation, Dated July 1, 2007, insofar as the Lease covers the following

ORIGINAL LESSEE

land in Lea County, New Mexico:

Township	Range	Section	Description
23S	34E	9	SW1/4, W/2SE1/4

together with the rights incident thereto, and improvements thereon, if any.

Assignee assumes and agrees to perform all duties and obligations to the Commissioner of Public Lands including payment of rentals and royalties, and to do such other acts as are required by the Lease, to the same extent and in the same manner as if the provisions of the Lease were fully set out herein.

Assignor warrants 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 covenants to the Assignee and the Commissioner of Public Lands that the leasehold estate assigned is valid, and that all rentals and royalties due under the Lease have been paid in full, and that all other Lease obligations presently due have been fully performed.

EXECUTED this 12<sup>th</sup> day of January, 2015.By: John A. Yates, Jr., Attorney-in-Fact  
Spouse, if any, OR Title, if signing in representative capacity

## ACKNOWLEDGMENT

STATE OF NEW MEXICO  
COUNTY OF EDDYThis Assignment was acknowledged before me this 12<sup>th</sup> day of January, 2015.

by John A. Yates, Jr., Attorney-in-Fact of Yates Petroleum Corporation, a New Mexico corporation on behalf of said corporation.

Title, if signing in representative capacity

OFFICIAL SEAL  
SAMANTHA DAVIS  
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 9/29/18

My commission expires: 9/29/18 Notary Public

## ASSIGNEE'S ACCEPTANCE

The undersigned Assignee named above hereby agrees to be bound by all of the terms, covenants, and conditions of the Lease and this Assignment and shall succeed to the rights and benefits under the Lease.

EXECUTED this \_\_\_\_\_ day of January, 2015.

By: Mewbourne Oil Company  
Assignee

Title, if signing in representative capacity

JAN 20 2015

**ASSIGNMENT OF OPERATING RIGHTS AND BILL OF SALE**

STATE OF NEW MEXICO     )  
  ) ss:  
COUNTY OF LEA            )

**KNOW ALL MEN BY THESE PRESENTS:**

THAT, YATES PETROLEUM CORPORATION, ABO PETROLEUM CORPORATION and YATES INDUSTRIES LLC, whose address is 105 South Fourth Street, Artesia, New Mexico 88210 (collectively referred to as "Assignor"), for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, subject to the terms, provisions, reservations and limitations hereinafter set forth, and **WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED**, does hereby assign, transfer and convey unto MEWBOURNE OIL COMPANY, whose address is P.O. Box 7698, Tyler, Texas 75711 ("Assignee"), all of the interest of the original Lessee in and to the operating rights in the oil and gas lease described in Exhibit "A" attached hereto and made a part hereof, covering the lands described herein including all of Assignor's interest in and to the Sable BSA State No. 1H, located 660' FSL & 330' FWL of Section 9, T23S, R34E, Lea County, New Mexico, bearing API No. 3002540638, together with all oil, gas and other substances produced therefrom and all equipment and other personal property used or obtained in connection therewith ("Assigned Premises").

This assignment is subject to that certain Joint Operating Agreement dated January 1, 1987 between Yates Petroleum Corporation as Operator and Abo Petroleum Corporation, et al as Non-Operator and is subject to all agreements of record affecting the lease described on Exhibit A.

ASSIGNEE UNDERSTANDS AND AGREES THAT THIS ASSIGNMENT IS MADE ON AN "AS IS, WHERE IS" BASIS AND ASSIGNEE RELEASES ASSIGNOR FROM ANY LIABILITY WITH RESPECT THERETO WHETHER OR NOT CAUSED BY OR ATTRIBUTABLE TO ASSIGNOR'S NEGLIGENCE EXCEPT AS OTHERWISE EXPRESSLY AGREED UPON IN WRITING BY ASSIGNOR OR AS PROVIDED HEREIN, WITHOUT LIMITING THE ABOVE. ASSIGNEE SHALL PERFORM THE COVENANTS HEREUNDER AND BE OTHERWISE BOUND HEREBY WITHOUT ANY COSTS OR EXPENSES WHATSOEVER TO ASSIGNOR, AND ASSIGNEE WAIVES ITS RIGHT TO RECOVER FROM ASSIGNOR AND FOREVER RELEASES, DISCHARGES AND INDEMNIFIES ASSIGNOR, ITS EMPLOYEES AND AGENTS, FROM ANY AND ALL DAMAGE, CLAIMS, LOSSES, LIABILITIES, PENALTIES, FINES, LIENS, JUDGMENTS, COSTS OR EXPENSES WHATSOEVER (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND COSTS), WHETHER DIRECT OR INDIRECT, KNOWN OR UNKNOWN, FORSEEN OR UNFORESEEN, THAT MAY ARISE ON ACCOUNT OF ANY OPERATIONS CONDUCTED BY ASSIGNEE OR FOR ASSIGNEE'S BENEFIT OR WHICH MAY ARISE OUT OF ANY BREACH BY ASSIGNEE, ITS SUCCESSORS OR ASSIGNS OR VIOLATION OF ANY OF THE TERMS AND PROVISIONS OF THIS ASSIGNMENT BY ASSIGNEE, ITS SUCCESSORS OR ASSIGNS OR ANY LAW OR REGULATION INCLUDING BUT NOT LIMITED TO MATTERS RELATING TO THE PHYSICAL CONDITION OF THE LANDS, THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT OF 1980, AS AMENDED (42 U.S.C. § 6901 et seq.), THE CLEAN WATER ACT (33 U.S.C. § 466 et seq.), THE SAFE DRINKING WATER ACT (14 U.S.C. § 1401-1450), THE HAZARDOUS MATERIALS TRANSPORTATION ACT (49 U.S.C. § 1801 et seq.), AND THE TOXIC SUBSTANCE CONTROL ACT (15 U.S.C. § 2601-2629).

Assignee shall properly plug all wells located on the Land drilled or re-entered by Assignee, or caused to be drilled or re-entered by Assignee, and either not capable or no longer capable of producing oil or gas in paying quantities. Assignee shall restore the Lands around any plugged well in accordance with the terms of the applicable oil and gas lease and as required by any governmental authority having jurisdiction. In the event Assignee fails to plug any well or fails to restore the surface as aforesaid, then Assignor, at its option, may plug any such well and restore such surface as aforesaid, and Assignee shall reimburse it for any and all sums of money expended in connection therewith. Assignee shall comply with all statutory requirements and governmental rules and regulations in effect at the time of plugging any well and Assignee

agrees to fully defend, protect, indemnify and hold Assignor harmless from and against each and every claim, demand or cause of action, expense or liability arising from Assignee's failure to plug or properly plug any well or restore the surface of the lands.

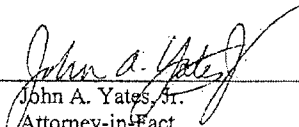
Assignee shall observe, perform and comply with the terms, provisions, covenants and conditions, express or implied, of the Lease and with all laws, rules, regulations and orders, both State and Federal, applicable to ownership and enjoyment of the rights herein assigned, including, but not limited to, any State or Federal bond requirements.

**TO HAVE AND TO HOLD** the Assigned Premises, together with a all of the rights and appurtenances thereto in anywise belonging unto said Assignee, its successors and assigns, subject to all of the terms, conditions, limitations and covenants of the oil and gas lease assigned herein.

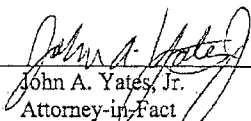
IN WITNESS WHEREOF, this instrument is dated and effective January 15, 2015.

ASSIGNOR:


**YATES PETROLEUM CORPORATION**

By:   
John A. Yates, Jr.  
Attorney-in-Fact

**ABO PETROLEUM CORPORATION**

By:   
John A. Yates, Jr.  
Attorney-in-Fact

**YATES INDUSTRIES LLC**

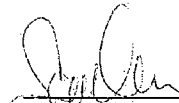
By:   
Tao Yates  
Attorney-in-Fact

STATE OF NEW MEXICO    )  
                                  )  
COUNTY OF EDDY        )

This instrument was acknowledged before me on the 12<sup>th</sup> day of January, 2015 by John A. Yates, Jr., as Attorney-in-Fact of **Yates Petroleum Corporation**, a New Mexico corporation, on behalf of said corporation.



OFFICIAL SEAL  
SAMANTHA DAVIS  
NOTARY PUBLIC-STATE OF NEW MEXICO  
My commission expires: 9/29/18

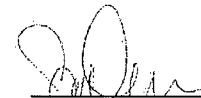
  
\_\_\_\_\_  
Notary Public, State of New Mexico

STATE OF NEW MEXICO    )  
                                  )  
COUNTY OF EDDY        )

This instrument was acknowledged before me on the 12<sup>th</sup> day of January, 2015 by John A. Yates, Jr., as Attorney-in-Fact of **Abo Petroleum Corporation**, a New Mexico corporation, on behalf of said corporation.



OFFICIAL SEAL  
SAMANTHA DAVIS  
NOTARY PUBLIC-STATE OF NEW MEXICO  
My commission expires: 9/29/18

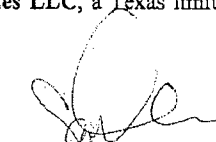
  
\_\_\_\_\_  
Notary Public, State of New Mexico

STATE OF NEW MEXICO    )  
                                  )  
COUNTY OF EDDY        )

This instrument was acknowledged before me on the 13<sup>th</sup> day of January, 2015 by Tao Yates as Attorney-in-Fact of **Yates Industries LLC**, a Texas limited liability company, on behalf of said limited liability company.



OFFICIAL SEAL  
SAMANTHA DAVIS  
NOTARY PUBLIC-STATE OF NEW MEXICO  
My commission expires: 9/29/18

  
\_\_\_\_\_  
Notary Public, State of New Mexico

**EXHIBIT "A"**

Attached to and made a part of that certain Assignment of Operating Rights and Bill of Sale dated and effective January 15, 2015, executed by **YATES PETROLEUM CORPORATION, ET AL** in favor of **MEWBOURNE OIL COMPANY**.

*(All lands are in Township 23 South,  
Range 34 East, N.M.P.M., Lea County, New Mexico).*

**Oil and Gas Lease and Lands:**

**Lease:**

Lease Serial No.: VB-1191.  
Dated: July 1, 2007.  
Lessor: State of New Mexico.  
Lessee: Yates Petroleum Corporation.  
Recorded: Unrecorded.  
Lands: Township 23 South, Range 34 East, N.M.P.M., Lea County, New Mexico.  
Section 9: SW/4, W/2SE/4,  
containing 280.00 acres, more or less.

End of Exhibit "A"