

MMS, Alb.
NM-16114

ASSIGNMENT OF OPERATING RIGHTS UNDER
UNITED STATES OIL AND GAS LEASE

THIS ASSIGNMENT, between HARRY L. MURDOCK, SR. and SUE G. MURDOCK, his wife, 14906 Silver Sand, Houston, Texas, 77095, hereinafter referred to as "Assignor", whether one or more, and COLLIER ENERGY, INC., a New Mexico corporation, P.O. Box 798, Artesia, New Mexico, 88210, hereinafter referred to as "Assignee", whether one or more,

W I T N E S S E T H:

ASSIGNOR, is desirous of conveying to Assignee certain oil and gas operating rights (the phrase "Oil and Gas Operating Rights" is defined to be the exclusive right of possession and occupancy for the purpose of exploring, developing, extracting, taking and marketing oil and gas and such rights are coextensive with the rights granted to the Lessee under the terms of the hereinafter described oil and gas lease) with respect to all horizons from the surface down to a depth of 2,100 feet below the surface of the land, which interval will hereinafter be referred to as the "Shallow Zone".

NOW THEREFORE, in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby grants, bargains, sells, transfers, assigns and conveys unto the Assignee their entire interest in and to the Oil and Gas Operating Rights in the Shallow Zone under and by virtue of United States Oil and Gas Lease Serial No. NM-16114, made on July 1, 1972, between United States of America, as Lessor, and Shenandoah Oil Corporation, as Lessee, insofar and only insofar as the lease covers the following described land in Chaves County, New Mexico:

Township 15 South, Range 29 East, N.M.P.M.

Section 3: N/2SW/4, S/2S/2

containing 240 acres, more or less,

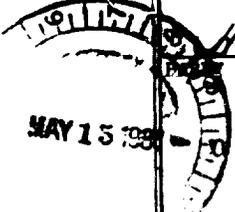
together with a like interest in all personal property located thereon and used in the production of oil and gas therefrom and together with all rights and privileges thereunder or appurtenant thereto;

SUBJECT to all prior reservations and to the proportionate part of all royalties and overriding royalties and other obligations of record affecting the interest herein assigned.

TO HAVE AND TO HOLD the interest herein assigned and conveyed in the oil and gas lease covering the above described lands in the Shallow Zone unto the Assignee, their heirs, successors, executors, administrators and assigns forever and during the remaining term of the oil and gas lease and all extensions and renewals thereof.

THIS ASSIGNMENT is made without warranty, express or implied.

EXECUTED this 14th day of December, 1980, but effective on November 1, 1980.



Harry L. Murdock Sr.
HARRY L. MURDOCK, SR.

Sue G. Murdock
SUE G. MURDOCK

ASSIGNMENT APPROVED
Effective JUN 01 1981
Pauline T. Brown
Chief, Lands and Oil & Gas Unit NOV 09 1982

ACTION

