

65708

ASSIGNMENT OF OIL AND GAS LEASE AND SUBORDINATION AGREEMENT
(With Right to Collect Rents)

KNOW ALL MEN BY THESE PRESENTS:

THAT, WHEREAS, THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, hereinafter called LENDER, is the owner and holder of a note for \$ 41,500.00 , dated April 22 1953, secured by a mortgage of the same date, recorded in Book 7 , Page 195 , of the records of Sublette County, Wyoming ; and,

WHEREAS, ~~a part of~~ the property and the oil, gas or mineral rights in connection therewith covered by said mortgage, to-wit:

Township 29 North, Range 112 West of the 6th P.M.:

Section 10 - S $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$
Section 11 - SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$
Section 12 - S $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$
Section 13 - NW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$
Section 14 - N $\frac{1}{2}$ NE $\frac{1}{4}$

has been leased by Victor S. McGinnis and Dorothy J. McGinnis (hereinafter called OWNER, whether one or more) to General Petroleum Corporation (hereinafter called LESSEE, whether one or more), by lease dated January 29 , 1954, ~~** and recorded in Book 8, Page 271, of the records of said County and State, which lease is recorded in the records of said County and State; and~~

WHEREAS, OWNER has not assigned said lease or any rents thereunder heretofore, and OWNER and LESSEE desire LENDER to subordinate its said mortgage to said lease and LENDER, as a condition to effecting such subordination, requires that OWNER (a) assign to LENDER said lease together with all rents (as hereinafter defined) payable under said lease, and (b) covenant and agree with LENDER as hereinafter provided,

NOW, THEREFORE, in consideration of the premises and in further consideration of One Dollar, receipt of which is hereby acknowledged, it is agreed as follows:

1. OWNER assigns to LENDER said lease and all rents which may be due or which, from time to time, may become due, under the terms thereof, with the right at LENDER'S option, at any time and from time to time, to demand and receive the same, and after payment of all LENDER'S reasonable expenses, including reasonable attorney's fees, incurred in acting pursuant to this assignment, to apply the balance of said rents, at LENDER'S option, either to the principal of said note or to the payment of any payments actually received, provided, however, that no application by LENDER of any rents shall be considered performance in part or in full of any of OWNER'S obligations under said note or mortgage or any other instrument securing said note (including the obligation to pay installments of principal and interest as they fall due). This assignment is absolute and unconditional and takes effect at once, irrespective of the existence or non-existence of any default under or with respect to said note or mortgage or any other instrument securing said note.

2. The OWNER hereby warrants to LENDER that (a) he has not executed any prior assignment of said lease or of the rents to accrue thereunder, and that he has not performed any acts or executed any other instrument which might prevent LENDER from operating under any of the terms and provisions of this assignment, or which would limit LENDER in such operation; (b) said lease is in full force and effect according to its original terms and that there is no default now existing thereunder; and (c) he will not, without the written consent of LENDER first had and obtained, (i) reduce the rents or accept payment of any rents in advance of the due date thereof; (ii) modify said lease in any way or grant any concession in connection therewith.

3. LENDER agrees with, and for the benefit of, said LESSEE that the lien of said mortgage is hereby made and hereafter shall be subordinate to the rights of

* Strike out "a part of" if lease covers all of the mortgaged premises.
**Alternative provisions. Strike out inapplicable one.