

41

41

ASSIGNMENT OF OIL AND GAS LEASE

THIS ASSIGNMENT, made this 25 day of June, 1958, by and
between Leonard Hay, hereinafter called Assignor, and
PAN AMERICAN PETROLEUM CORPORATION, hereinafter called Assignee:

WITNESSETH:

FOR and in consideration of the sum of One Dollar (\$1.00) and other good and
valuable considerations in hand paid by the Assignee to the Assignor, receipt whereof is
hereby acknowledged, Assignor does hereby bargain, sell, convey, transfer, assign and set
over unto Assignee, and its successors and assigns, all of the right, title and interest
claim and demand of Assignor in and to that certain Oil and Gas Lease issued by the
United States of America to Leonard Hay which lease bears
Serial No. Wyoming-05751, and is dated June 1, 1951,
insofar as it covers the following described land in the County of Sublette,
State of Wyoming, to wit:

Township 27 North, Range 112 West
Section 7: Lots 1,2,3,4, E/2 W/2
Section 18: Lots 1,2,3,4, E/2 W/2
Section 19: Lots 1,2,3,4, E/2 W/2

Containing 817.54 acres, more or less

THE Assignor hereby reserves out of this Assignment, a royalty at the value, at
the field market price at the time of production of three per cent (3%)
of the oil and gas that may be produced, saved and sold from the above described lease,
payment of the same to be made on the 20th day of each month for the oil and gas produced
during the preceding calendar month. The overriding royalty retained and reserved by the
Assignor shall bear its pro rata share of any production or severance tax or any other tax
computed, measured, or based upon production of oil and/or gas which may be imposed by the
Federal Government, the State of Wyoming, or any of its political sub-
divisions. Assignee is hereby authorized to, and at its option may, pay all taxes of
Assignor and to deduct Assignor's share so paid from the amount of royalties which shall
become due. In the event the Assignor's interest is less than the full and undivided
ownership in said lease, the royalty to be paid him shall be that percentage of
the above amount which his interest bears to the full leasehold estate.

THE undersigned hereby agrees that no change in the ownership of the royalty
hereby created or reserved shall be binding on the lessee or operator of this lease until
after such lessee or operator, as the case may be, has been furnished with a written trans-
fer or Assignment, or a true copy thereof. It is agreed by the Assignee by the acceptance
hereof that the royalty hereby reserved shall attach to any extension or renewal of said
lease or any preference right new lease obtained in exchange for the existing lease, which
may be obtained by the Assignee, or its successor or assigns.

AND in consideration thereof, Assignor warrants that he is the sole owner
of any rights which may accrue under said lease, and is the sole owner in law and equity
of said lease through, by and under, and by virtue of certain recorded instruments, and
that said rights are free and clear of any liens or encumbrances of any outstanding con-
veyances or interests of any nature whatsoever, and that he had full right and
lawful authority to sell and assign the same in the manner hereinabove described.

THIS ASSIGNMENT is made subject to the provisions of Section 30 (a) of the Act
of Congress approved February 25, 1920 (41 Stat. 437), as amended by the Act of August
8, 1946, and shall take effect as of the first day of the lease month following the date
of filing in the proper land office of three original executed counterparts hereof, to-
gether with any required bond and proof of the qualification under said Act of the
Assignee to take and hold this lease.

IN WITNESS WHEREOF, Assignor has executed this instrument the day and year
first above written.

Assignment Approved by
Craig A. Dally
Managing Director
Pan American Petroleum Corporation

Leonard Hay

10
10
10