

1. *Use of Form.* This form is to be used *only* for assignment of record title interests in oil and gas leases. It is *not to be used* for assignments of working or royalty interest, operating agreements, or subleases. The assignment, if approved, will 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 thereof, together with any required bond and proof of the qualification of the assignee to take and hold the interest assigned. Assignments must be filed within 90 days from date of final execution and each must be accompanied by a filing fee of \$10. Any assignment not accompanied by the required fee will *not* be accepted for filing. An assignment of record title may cover lands in *only one lease*. Where more than one assignment is made out of a lease, a separate instrument of transfer must be filed for *each* assignment.

2. *Qualifications of Assignee.* Assignee must indicate whether a citizen by birth or naturalization. If assignee is an unincorporated association (including a partnership), the assignment must be accompanied by a statement giving the same showing as to citizenship and holdings of its members as required of an individual. If assignee is a corporation, it must submit a statement containing the following information: (a) the State in which it is incorporated; (b) that it is authorized to hold oil and gas leases; (c) that the officer executing the assignment is authorized to act on behalf of the corporation in such matters; and (d) the percentage of the voting stock and of all of the stock owned by aliens or those having addresses outside the United States. Where such ownership is over 10 percent, additional information may be required by the Bureau of Land Management prior to approval of the

assignment. If 20 percent or more of the stock of any class is owned or controlled by or on behalf of any one stockholder, a <sup>662</sup> separate showing of his citizenship and holdings must be furnished. Where such information has previously been furnished, a reference by serial number to the record in which it has been filed, together with a statement as to any amendments, will be sufficient.

3. *Statement of interests.* If assignee is not the sole party in interest to this assignment, the following information must be furnished: (a) the names and nature of the interest of all other interested parties; (b) the nature of the agreement between them, if oral; and, (c) a copy of any written agreement. Any such statement must be signed by all interested parties and include information as to citizenship, and acreage holdings of each interested party.

4. *Overriding Royalties or Payments out of Production.* Any overriding royalties or payments out of production created by the assignment but not set out therein must be described in an accompanying statement. If payments out of production are reserved by the assignor, outline in detail the amount, method of payment, and other pertinent terms.

5. *Effect of Assignment.* Upon approval of the assignment, the assignee becomes the lessee of the Government as to the assigned interest and will be responsible for compliance with all the lease terms and conditions, including timely payment of annual rentals and maintenance of bond, if required. Oil and gas leases are governed by the regulations 43 CFR, Parts 191 and 192, of which Secs. 192.140-192.145 relate to assignments of such leases or interests therein.