

1. The interest in the lease acreage covered hereby is assigned by the Assignor and accepted by the Assignees subject to the overriding royalties, production payments, net profits obligations, carried working interests and other payments out of or with respect to production which are of record and with which said lease acreage is encumbered; and Assignees hereby assume and agree to pay, perform or carry, as the same may be, Fifteen Percent (15%) of each of said overriding royalties, production payments, net profits obligations, carried working interests and other payments out of or with respect to production, to the extent that it is or remains a burden on the lease acreage.

2. This assignment is expressly subject to the terms and provisions of the Mickelson Creek Unit Agreement and the Mickelson Creek Unit Operating Agreement, both of such instruments being dated February 21, 1958. This assignment is in addition, subject to a certain "Pooling Agreement, Mickelson Creek Unit Area" dated January 11, 1960, by and between Pan American Petroleum Corporation and Sinclair Oil & Gas Company. The interest herewith assigned is not, however, limited in duration to the term of any of such instruments.

3. As to any wells drilled on said lease acreage by the Assignees after the delivery of this assignment, the Assignees shall give the Assignor access to said wells and the