

INSTRUCTIONS

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 (3) 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 ninety (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 separate showing of his citizenship and holdings must be furnished. Where evidence of the corporation's citizenship and stock ownership has previously been furnished, reference by serial number to the record in which it has been filed, together with a statement as to any amendments, will be sufficient. With respect to qualifications of the assignee, there must be full compliance with the regulations 43 CFR 192.42(e) and (f).
3. *Statement of Interests.* Assignee must indicate whether or not he is the sole party in interest in the assignment. If not the sole party in interest, the assignee must submit at the time the assignment is filed a signed statement setting forth the names of the other interested parties. If there are other parties interested in the assignment, a separate statement must be signed by each and the assignee setting forth the nature and extent of the interest of each, the nature of the agreement between them, if oral; and a copy of the agreement, if written. All interested parties must furnish evidence of their qualifications to hold such lease interests. Such separate statement and written agreement, if any, must be filed not later than fifteen (15) days after the filing of the assignment.
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. The approval of an assignment of part of the leased lands creates separate leases out of the assigned portion and the retained portion, but there is no change in either the anniversary date or the term of such leases except as provided under the regulations 43 CFR 192.144(b). 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.
6. A copy of the executed lease out of which this assignment is made should be made available to the assignee by the assignor.