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511

SPACE ABOVE THIS LINE FOR RECORDER'S USE

STATEMENT AND AGREEMENT AS TO OVERRIDING  
ROYALTIES AND PAYMENTS OUT OF PRODUCTION  
AND OTHER PERTINENT PROVISIONS IN  
CONNECTION WITH ASSIGNMENT OF  
UNITED STATES OIL AND GAS LEASE  
SERIAL NO. WYOMING 051560

THIS AGREEMENT, made this 26<sup>th</sup> day of April, 1965, between

Aliene W. Krueger

whose address is 170 North 5th Street, Laramie, Wyoming  
to as "Assignor", whether one or more, and RICHFELD OIL CORPORATION, a Delaware corporation, whose address is 555 South  
Flower Street, Los Angeles, California, 90054, hereinafter referred to as "Assignee",

WITNESSETH:

THAT WHEREAS, Assignor, by an assignment on Bureau of Land Management Form 4-1175 dated April 26,  
1965, has concurrently herewith and as a part of this agreement assigned to Assignee an offer to lease, or an oil and gas lease, as  
the case may be, pursuant to the Act of Congress approved February 25, 1920 (41 Stat. 437), as amended, upon land belonging to the

United States of America, bearing Serial Number Wyoming 051560, said offer to lease being  
hereinafter referred to as "said offer", and any oil and gas lease hereinabove described, and any oil and gas lease issued pursuant  
to said offer, and any such oil and gas lease the term of which is extended as provided for in such lease or in said Act of Congress or  
by regulation and any lease segregated out of such lease as provided for in said Act of Congress or by regulation being hereinafter  
referred to as "said lease", and the above mentioned assignment being hereinafter referred to as "said assignment", embracing the  
land situated in the State of Alaska described in said assignment, reference to which is hereby made for full particulars, containing  
Sublette County, State of Wyoming

353.04 acres, more or less, hereinafter referred to as "said lands";

NOW, THEREFORE, in consideration of said assignment and One Dollar (\$1.00) and other good and valuable considerations paid  
by Assignee to Assignor, receipt of which is hereby acknowledged, and the mutual covenants and agreements herein contained, Assignor  
and Assignee hereby agree as follows:

1. This agreement is attached to said assignment of said lease and by reference is hereby incorporated in and made a part of said  
assignment the same as though this attachment and all the provisions thereof had been set forth therein at length.

2. OVERRIDING ROYALTY. The overriding royalty of two & one-half per cent (2 $\frac{1}{2}$ %) set forth in said assignment shall be

two & one-half percent (2 $\frac{1}{2}$ %) of the market value on said lands, or if sold by Assignee, of the proceeds from the sale, at the well  
or wells on said lands, of all oil, gas, natural gasoline, and other liquefied hydrocarbon substances extracted from gas, hereinafter  
referred to individually and collectively as "oil and gas", produced, saved, and sold or removed from said lands by Assignee under the  
provisions of said lease or allocated to said lands under any unit agreement or pooling agreement approved by the Secretary of the  
Interior while said lease is in effect. Said overriding royalty shall be subject to each and all of the following provisions:

(a) **UNITIZED ROYALTY.** If said lands, or any part thereof, are committed to a unit agreement or pooling  
agreement, Assignee shall take into consideration any and all production allocated to the different portions of the lands  
covered by any such unit agreement or pooling agreement, as provided therein, without regard to the lands from which said  
production is actually obtained, and the production so allocated to all or any part of said lands committed to such unit  
agreement or pooling agreement shall, for the purpose of calculating the overriding royalty herein reserved, control and be  
binding and conclusive upon the parties hereto, and the overriding royalty payments to be made, as hereinabove provided,  
subject to the deductions herein provided for, shall be based and paid only on such production as is so allocated to said lands.

(b) **COMPUTATION OF ROYALTY.** Said overriding royalty shall be computed in the same manner and upon the  
same basis, except as to values, and be paid at the same time as the United States' royalty under said lease and shall  
be subject to all of the charges and deductions proportionately to which the United States' royalty is subject under the  
provisions of said lease and under the Department of the Interior Oil and Gas Operating Regulations and under any unit  
agreement or pooling agreement to which said lands, or any part thereof, may be committed, and shall be subject to the  
other deductions herein provided for. Said overriding royalty shall be payable in cash and not in kind.

(c) **ROYALTY ON GAS.** Assignee shall not be required to store or sell any natural gas produced from or allocated  
to said lands or any residue dry gas manufactured therefrom, and shall not be required to pay overriding royalty except  
on such portion thereof actually sold by Assignee or utilized by Assignee in a manner other than that herein made exempt  
from the payment of overriding royalty. No overriding royalty shall be paid on gas or liquefied petroleum gas used on said  
lands or on lands unitized or pooled therewith for recycling operations or repressuring or any other secondary recovery

511