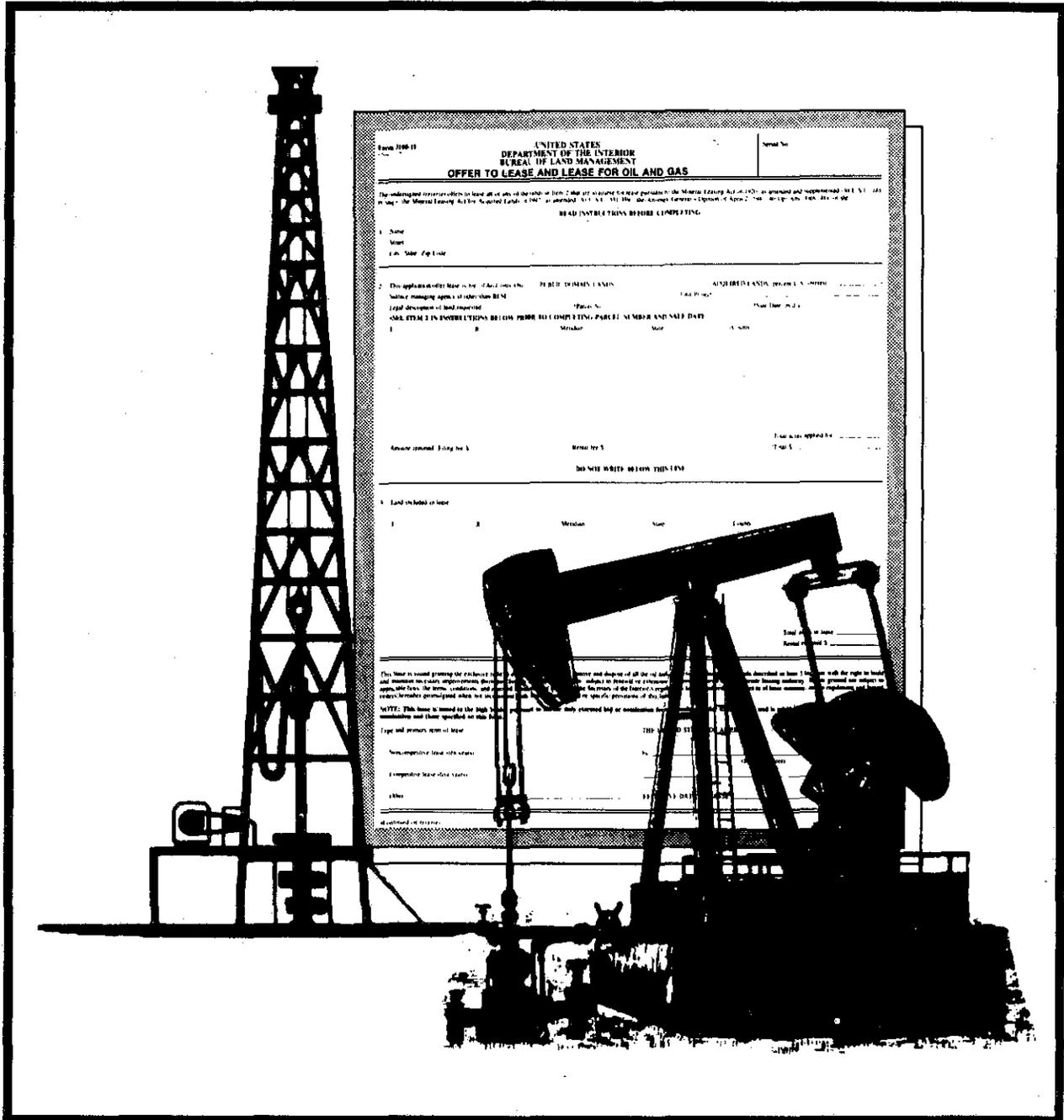




Oil and Gas Adjudication Handbook



Transfers by Assignment, Sublease, or Otherwise



BLM MANUAL HANDBOOK 3106-1

Revised 1994

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Introduction

This Handbook addresses the processing of transfers of record title (assignments) and transfers of operating rights (subleases) in oil and gas leases, and other types of oil and gas lease transfers, such as overriding royalties, payments out of production, and other similar interests. The Handbook also addresses mass transfers and transfers that are the result of corporate mergers, change of name, and heirs and devisees. The Handbook is intended to be a detailed and comprehensive processing guide to be used in conjunction with Manual Section 3106 and 43 CFR 3106. When assignments of producing leases are processed, this Handbook is to be used in conjunction with Handbook 3104-1 and Handbook 3107-1. Note that throughout this Handbook, in conformance with the revised BLM policy adopted in late 1985 and defined in the final regulations issued on May 16, 1988, for streamlined procedures to process operating rights (sublease) interests in oil and gas leases, the term "assignment" is reserved for use only with record title interests being transferred, whereas "transfer" is the general term used for all other types of lease interests. (See 43 CFR 3100.0-5(e) and Handbook 3100-1, Glossary of Terms.)

This Handbook is for use with the BLM-approved standard forms for assigning record title interest and transferring operating rights (subleases). Currently two separate forms are used: Form 3000-3, Assignment of Record Title Interest in a Lease for Oil and Gas or Geothermal Resources; and Form 3000-3a, Transfer of Operating Rights (Sublease) in a Lease for Oil and Gas or Geothermal Resources. Various earlier editions of assignment and transfer forms have been promulgated and approved by the BLM for use over the years (see Appendices 1 and 2). The oil and gas leasing regulations now require that each assignment of record title or transfer of operating rights (sublease) shall be filed on a current form approved by the BLM. Effective October 1, 1988, all editions of the assignment and transfer forms prior to the June 1988 editions were deemed obsolete. Therefore, any assignment of record title or transfer of operating rights (sublease) filed since October 1, 1988, on a prior edition of the BLM-approved form must be returned with no action taken by the BLM.

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I. Assignments of Record Title Interest - Entire and Undivided InterestA. Preadjudication Processing

Responsible Official	Step	Action	Keywords
Receiving Official	1.	Receive copies of assignment of record title form that have been filled out. Check that the current BLM-approved Form 3000-3 has been submitted in triplicate (see Illustration 1 for the current edition of Form 3000-3). Date/time stamp all copies of form that were received.	ASSIGNMENT RECEIVED
		<u>NOTE:</u> The October 1992 Form 3000-3 is presently the most current BLM-approved edition. However, the June 1988 and March 1991 Form 3000-3 editions are still acceptable. All versions of the form prior to the June 1988 edition were deemed obsolete effective October 1, 1988 (see Appendix 1). Before the June 1988 or more recent editions of Form 3000-3 can be deemed obsolete, a notice prepared by the Washington Office must be published in the <u>Federal Register</u> and posted in the State Office Public Room to advise the public of the effective date when any new edition of the assignment form will be required to be used.	
Cashier	2.	Validate the nonrefundable \$25 filing fee required for each assignment for each lease. Earn the filing fee for each assignment regardless of the number of copies of the form filed. When several assignments of interests are filed at the same time, even though affecting the same lands of the same lease, each assignment requires a separate \$25 filing fee.	VALIDATE FILING FEE

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Responsible Official	Step	Action	Keywords
	3.	If insufficient or no filing fee is received with the assignment, mark a large "X" over the date/time stamp markings on all copies of the form.	INSUFFICIENT OR NO FILING FEE
	3a.	Return forms and/or insufficient fees directly to the first-named assignee with a preprinted letter or a completed Form 1370-21, Notice of Return of Remittance (see Illustration 2).	
	4.	Refund to remitter any overpayment of filing fee.	FILING FEE OVERPAYMENT
	5.	If sufficient filing fee is received, prepare an accounting advice for each assignment. Indicate assignee as the applicant. In case of multiple assignees, indicate the first-named assignee as the applicant, followed by "et al." Complete the address of the party named. If the filing fee was not tendered by the applicant, complete the name of the party submitting the fee as the remitter. Otherwise, place the word "SAME" in the remitter blank.	ACCOUNTING ADVICE INITIATED
Docket	6.	Pull case file and forward to Adjudication.	
ALMRS Entry	7.	Update case to indicate assignment filed using current data standards:	AUTOMATED NOTATION
	7a.	Enter Action Date (MANDATORY ACTION CODE): Date assignment filed; DE 1775 Action Code 562/DE 2910 Action Code 140; Action Remarks: Name of assignee/assignor (optional).	
	7b.	<u>OPTIONAL</u> : Enter Action Date: Date filing fee received; DE 1775 Action Code 072/DE 2910 Action Code 347; Action Remarks: Amount.	

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Responsible Official	Step	Action	Keywords
Adjudication	8.	Review cover letter received with assignment, if any, for any special requests. When appropriate, make copy of correspondence for all affected case files.	SPECIAL REQUESTS IN ASSIGNMENT COVER LETTER
	9.	If several assignments are filed at the same time with a single request for approval, ensure that a proper cross-reference is made for all affected case lease files. Options include making a copy of the request for each assignment and attaching it to the case file copy of each assignment, indicating the case file where the original request is located, or stamping on the assignment or worksheet, "Request for Approval Filed in Case File (<u>Serial number</u>).". Use of the stamp is to be made only after a determination that the assignment request is in proper form (see Step I.B.14, below). The request can cover both record title assignments and operating rights transfers only if all were filed at the same time.	SINGLE REQUEST FOR MULTIPLE ASSIGNMENTS

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B. Adjudication of Assignment InstrumentKeywords

The guidance in this section of the Handbook is written for a single assignment. When a lease case file contains more than a single pending assignment, all assignments need to be adjudicated and, if possible, approved at the same time.

ASSIGNMENT
ADJUDICATION

Responsible

OfficialStep ActionKeywords

Adjudication

1. Check accounting advice prepared for the assignment to ensure that the correct serial number and assignee name/address is indicated. (See also the sample check list at Illustration 3 as a guide through this process.)

CHECK ACCOUNTING
ADVICE FOR
CORRECT SERIAL
NUMBER AND
NAME/ADDRESS

2. Review for the proper assignment form.

- 2a. Check that assignment is on a the current BLM-approved Form 3000-3 or a reproduction of the form that has no additions, deletions, or advertisements thereon. If photocopies of the form have been submitted with the reverse side of the form upside down from the format of the BLM-approved form (photocopied head-to-head rather than head-to-toe), the forms are acceptable and do not need to be returned to the assignee. Also, if each copy of the form submitted has been photocopied as two separate sheets of paper, the forms are acceptable and do not need to be returned to the assignee.

CURRENT FORM
OR COPY
THEREOF
SUBMITTED

- 2b. If assignment is submitted on an old form that has been deemed obsolete, return assignment to the assignee receiving the most interest. Do not disapprove at this time, and do not require a new filing fee to be submitted for this type of curable error, provided that the assignment is returned corrected within 30 days or such other reasonable period of time allowed by the authorized officer.

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Responsible Official	Step Action	Keywords
	2c. Check that assignment is not on the transfer of operating rights Form 3000-3a. If on the wrong form, return to the assignee receiving the most interest. Do not disapprove at this time, and do not require a new filing fee to be submitted for this type of curable error, provided that the assignment is returned corrected within 30 days or such other reasonable period of time allowed by the authorized officer.	CORRECT FORM SUBMITTED
	2d. If the request for approval on the reverse of the assignment form is not used by the assignee, check that a acceptable separate request for approval of the assignment, including assignee certification of qualifications in accordance with 43 CFR 3102.5-1, is submitted. Such requests for approval of the assignment must be signed and dated by or on behalf of all assignees.	REQUEST FOR ASSIGNMENT APPROVAL SEPARATE FROM ASSIGNMENT FORM
	3. Check indicated lease serial number on the form for accuracy. Make a quick comparison between the lands described in the lease case file and on the assignment form. If the assignment obviously covers lands in another lease, check other records to determine the lease affected. If this occurs, ensure that the serial number is corrected on the accounting advice, on the assignment form, and in the ALMRS Entry.	LEASE SERIAL NUMBER CHECKED
	<u>NOTE:</u> If discrepancies are such that the obvious intent is not clear, return the assignment to the assignee receiving the most interest for correction of all errors.	

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Responsible Official	Step	Action	Keywords
	4.	Check the assignment for the acreage requirements.	
	4a.	Check that the acreage applied for meets the requirement of not less than 2,560 acres in Alaska, not less than 640 acres outside of Alaska, or constitutes the entire lease. This requirement applies to acquired lands as well as public domain lands.	MINIMUM ACREAGE REQUIREMENT
	4b.	An assignment of less than the minimum acreage may be approved since the signature on the form certifies that the assignment would further the development of oil and gas.	
	4c.	If excessive use or a pattern of small acreage assignments begins to develop, additional information is to be requested from the assignee and the assignor to determine if the assignment will further the development of oil and gas.	SMALL ACREAGE ASSIGNMENTS
	5.	Check the effective date of the lease as indicated on the assignment form. If incorrect or left blank, correct or insert the date on all copies of the form.	EFFECTIVE DATE OF LEASE
	6.	Check that three copies of the form are filed and that all are manually signed and dated by or on behalf of the assignor. If the three copies of the form are not manually signed, return the assignments by decision requesting the signatures (see Illustration 4).	THREE COPIES MANUALLY SIGNED BY ASSIGNOR REQUIRED
		<u>NOTE:</u> Assignments are not allowed to be submitted by fax transmission because the signature would be a copy and not an original as required by law and regulation.	

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Responsible Official	Step Action	Keywords
	7. If the assignment is signed manually by another party on behalf of the assignor, the relationship between the party signing and the assignor must be disclosed on the form or in the accompanying material. If the relationship is not clearly disclosed, the assignment is not to be approved until the disclosure of the relationship is made in writing (see 43 CFR 3102.4(b) and (c)). (See Illustration 4 for a decision requiring additional information.)	DISCLOSURE OF SIGNATURE RELATIONSHIP FOR ASSIGNOR
	8. Check that an appropriate date/time stamp of receipt is indicated on the form to be retained in the case file. If the date/time stamp is missing, hand stamp the appropriate date and time of receipt on the copy of the form that is to be retained. Accuracy of the date stamp is essential since the effective date of the assignment must be the first day of the month following the date of filing of all documents, statements, bond (if required), and corrections made to allow approval of the assignment.	DATE/TIME STAMP DETERMINES EFFECTIVE DATE
	<u>NOTE:</u> Unlike the lease effective date, which upon written request can be the first day of the month in which a lease is issued, in accordance with the law, an assignment cannot be effective until the first day of the following month after the assignment is filed or after any additional requirements relating to bonding or qualifications are met.	

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Responsible Official	Step	Action	Keywords
	9.	Check whether the assignment was filed in the proper BLM office within 90 days of execution of the assignment by the assignor. If the assignment is executed on different dates by multiple assignors, the earliest execution date is used to calculate the days. The date of execution is the first day of the 90 days allowed for filing of the assignment. If the assignment is filed after the 90 days, verification may be required from the assignee and assignor indicating that the assignment is still in force and effect (see Illustration 4).	ASSIGNMENT FILED WITHIN 90 DAYS OF EXECUTION
	10.	If conflicts occur regarding the validity of any assignments, e.g., the lease interests being conveyed, intervening assignments, disputes between parties, bonding, etc., suspend all action until such matters are resolved. Assignments shall not be approved until all such matters are resolved.	CONFLICTING OR INTERVENING ASSIGNMENTS
	11.	Assignments affecting competitive bids or noncompetitive offers are to be processed at the same time that the lease issues, all else being regular. If the bid or offer is rejected, the assignment is to be returned at the same time as the decision is issued rejecting the bid or offer. Where the assignment can be approved, the effective date of the assignment is to be the same date as the effective date of the lease, except when the assignment is filed during the month in which the lease is issued and the lease is dated the first day of the month of issuance at the request of the bidder or offeror. In such a case, the normal effective date of the assignment applies, i.e., the first day of the month following filing of the assignment, provided that the assignment is approved.	ASSIGNMENT FILED BEFORE LEASE ISSUES

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Responsible Official	Step	Action	Keywords
	12.	The assignment may be withdrawn only in writing, and must be signed by both the assignee and the assignor and received in the proper BLM office prior to the approval of the assignment by the authorized officer. Upon receipt of the withdrawal, return the assignment to the assignee receiving the most interest.	ASSIGNMENT WITHDRAWAL
ALMRS Entry	13.	Update assignment withdrawal using the current data standards as follows:	AUTOMATED NOTATION
	13a.	Enter Action Date (MANDATORY ACTION CODE): Date assignment withdrawn; DE 1775/2910 Action Code 566; Action Remarks: Date assignment filed and/or name of assignee (optional).	
Adjudication	14.	Check that the request for approval on at least one of the three copies of the form is manually executed by the assignee. However, a single request for approval of an assignment or several assignments to the same assignee is sufficient.	REQUEST FOR APPROVAL MANUALLY SIGNED BY ASSIGNEE
	14a.	If signed by anyone other than the assignee, the relationship must be disclosed. The request for approval does not have to be on the back of the assignment form, although assignees are to be encouraged to use the form to allow efficient processing by the BLM.	DISCLOSURE OF SIGNATURE RELATIONSHIP FOR ASSIGNEE
	14b.	If not submitted on the form, the request for assignment approval must specifically indicate that the assignee is requesting the assignment to be approved and agrees to be bound by the terms and conditions of the lease.	

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Responsible Official	Step	Action	Keywords
	14c.	A request covering multiple leases and/or assignments and all accompanying material should identify serial numbers of all of the leases affected.	
	15.	Check the assignment for the interest holding percentages indicated against information in the lease case file.	
	15a.	Check that the assignor holds the percentage or fraction of record title indicated on form. If the case file indicates that assignor holds any percentage or fraction of record title other than the figure indicated, and the discrepancy is not resolved by other pending assignments in the case file, or if the percentage of record title held by the assignor is left blank, have the assignor and/or assignee authorize a correction of the defect. This may be done informally.	PERCENTAGE OR FRACTION OF HOLDING
	15b.	If the figure is left blank on the form, Adjudication may insert the proper figure and initial, if the figures in the rest of the assignment are consistent with the amount disclosed by the case file. Additions are to be made only in those situations where there is no question as to the interest being conveyed.	CORRECTION OF HOLDING PERCENTAGE
	<u>NOTE:</u>	The best procedure is to return all copies of the assignment for correction. However, this approach needs to be balanced with whether it may be more time consuming and costly for both the BLM and the parties.	

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	15c.	If informal efforts to correct a discrepancy fail, or any disagreement between the parties are detected, copies of the assignment shall be returned to the assignee receiving the most interest, requiring correction of the defect and resubmission of the assignment forms within a specified time, normally 30 days, to avoid the requirement of an additional \$25 filing fee (see Illustration 4).	
	16.	Check the legal description and acreage indicated on the assignment form.	
	16a.	Verify that the legal description on the assignment form matches the legal description of the lease. Not all lands contained in the lease need to be described, because assignments may be made for only part of the lease area. Verify the acreage assigned if for only part of the lease.	VERIFY LEGAL DESCRIPTION AND ACREAGE
	<u>NOTE:</u>	If the record title assignment is for the entire lease area, no legal description is required to be shown on the form. (See 43 CFR 3106.5.)	
	16b.	Require both the assignee and assignor to clarify and correct any legal land description discrepancies that occur. The correct lands may be retyped on the back of the current assignment form, or by a separate attachment, after clarification is received from the parties.	CLARIFY LAND DESCRIPTION DISCREPANCIES
	16c.	An undivided interest assignment is a <u>portion</u> of the assignor's record title interest in all of the lands in the lease.	UNDIVIDED INTEREST ASSIGNMENT

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Responsible Official	Step	Action	Keywords
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EXAMPLE: Assignor conveys 25 percent interest in all lands to assignee.

Now held as: Assignor: 75%
Assignee: 25%

- | | | |
|------|---|--|
| 16d. | A partial undivided interest assignment is part of the assignor's record title interest in a portion of the lands in a lease. | PARTIAL
UNDIVIDED
INTEREST
ASSIGNMENT |
|------|---|--|

EXAMPLE: Assignor (John Doe) conveys 75 percent interest in a portion of the lands to assignee (Mary Smith).

Now held as: Assignee
(Mary Smith): 75%
Assignee
(John Doe): 25%
In a portion of the lands in the lease.

Remaining lands:
(John Doe): 100%

- | | | |
|------|---|-----------------------|
| 16e. | A partial assignment is defined as 100 percent of the record title interest of a portion of the lands in the lease. (See Section II, below, for further processing of partial assignments.) | PARTIAL
ASSIGNMENT |
|------|---|-----------------------|

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Responsible Official	Step Action	Keywords
	<p>17. Check percentage or fraction of record title interest being assigned and retained. These figures appear in Items 2c and 2d on the current edition of the assignment Form 3000-3 (see Illustration 1). The percentage or fraction of record title assigned cannot exceed the amount held by the assignor. Also, the percentage of record title assigned and retained must be consistent with the percentage of record title held by the assignor prior to approval of the assignment. Because of the various ways used by the public to express the amount of interest being conveyed, it is difficult to enforce a uniform method of expressing percentages. The amount of interest conveyed and the amount retained must be clearly stated on the assignment. If these interests cannot be clearly ascertained from the document, the parties are to be requested to clarify the meaning (see Illustration 4).</p>	<p>INTEREST ASSIGNED OR RETAINED</p>
	<p>18. The BLM does not adjudicate transfers of overriding royalty even though this interest may be included on an assignment/transfer instrument. The law and regulations require that such transfers be filed in the proper BLM office. Approval of the record title assignment by the authorized officer does not constitute approval of the overriding royalty figures included on the form.</p>	<p>OVERRIDING ROYALTY FIGURES NOT ADJUDICATED</p>

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C. Action on Defects

Responsible Official	Step	Action	Keywords
Adjudication	1.	Determine if the assignment must be returned unapproved for any reason as indicated below:	
	1a.	<u>Lease Expired</u> - If the lease expired before the assignment is processed, the assignment is to be returned by regular mail to the assignee receiving the most interest using a standard letter or notice indicating that the lease expired prior to the processing of the assignment (see Illustration 5). Keep a copy of the assignment for the case file. If the assignment is filed during the last month of the primary term of the lease, the assignment processing should be held up until after the anticipated expiration date. If the lease is not extended, the assignment is to be returned. (See Step I.C.2, below, for the ALMRS Entry.)	EXPIRATION OF LEASE
	1b.	<u>Lease Terminated</u> - If the lease terminated for nonpayment or late payment of the rental and the certified return receipt card transmitting the Notice of Lease Termination indicates that 60 days or more have elapsed since receipt by the lessee of the notice, the assignment is to be returned to the assignee receiving the most interest. Return by regular mail using a standard letter or notice indicating that the lease terminated (see Illustration 5). Keep a copy of the assignment for the case file.	TERMINATION OF LEASE

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	<p>1c. If the certified return receipt card from the termination notice has not been returned, or if the receipt date indicates it has been less than 60 days, or lease reinstatement procedures have commenced, any action on the assignment shall be held up until a final determination on the lease status/reinstatement is made.</p>	
	<p><u>NOTE:</u> If the lease is reinstated under the Class II procedures, the assignee is to be given notice of the increased rental and royalty terms prior to the BLM approval of the assignment and provided the opportunity to withdraw the assignment (see Handbook 3108-1). (See Step I.C.2, below, for the ALMRS Entry.)</p>	
	<p>1d. <u>Lease Relinquished (In Whole)</u> - If all of the lands covered by an assignment were relinquished, the assignment is to be returned unapproved to the assignee receiving the most interest. Return by letter or notice (see Illustration 5). Keep a copy of the assignment for the case file. (See Step I.C.2, below, for the ALMRS Entry.)</p>	RELINQUISHMENT OF LEASE
	<p>1e. <u>Lease Cancelled</u> - If the lease for which the assignment is submitted has been cancelled, return the assignment unapproved. Use the standard letter or notice (see Illustration 5). Keep a copy of the assignment for the case file. (See Step I.C.2, below, for the ALMRS Entry.)</p>	CANCELLED LEASE

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Responsible Official	Step	Action	Keywords
	1f.	<u>Future Interest</u> - If the future interest lessee is or becomes holder of any present interest rights in the lands and transfers those present interest rights to another party, the future interest lessee must file in the proper BLM office a transfer of the future interest lease rights of the same type and proportion as the transfer of the present interest rights. Process the assignment in accordance with Step I.F, below.	FUTURE INTEREST LEASE ASSIGNMENT
ALMRS Entry	2.	Update when assignment is returned unapproved for any reason, such as defects indicated in Steps I.C.1a through I.C.1e, above.	AUTOMATED NOTATION
	2a.	Enter Action Date (MANDATORY ACTION CODE): Date assignment returned unapproved; DE 1775/2910 Action Code 567; Action Remarks: Date assignment filed and/or name of assignee (optional).	
Adjudication	3.	Determine if assignment must be denied for any of the following reasons:	DENY ASSIGNMENT
	3a.	<u>Failure to Correct Defect Within Time Allowed, Including Failure to File Required Bond</u> - A decision requiring correction of a defect becomes final 60 days from receipt by the lessee, e.g., 30 days after the end of the compliance period in addition to the 30-day appeal period. The assignment is automatically disapproved and no additional decision of disapproval needs to be issued (see Illustrations 4 and 6). Keep a copy of the assignment in the case file to support the decision if an appeal be filed.	FAILURE TO CORRECT DEFICIENCY

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Responsible Official	Step	Action	Keywords
	3b.	If disapproval occurs because of the failure to file a required bond, notice must be given to all parties that the assignor and surety remain responsible for all lease obligations (see also Section I.E., below). (See Step I.C.4, below, for the ALMRS Entry.)	
	3c.	<u>Assignment For Less Than Smallest Legal Subdivision</u> - The smallest legal subdivision that may be assigned, in accordance with the law (30 U.S.C. 187a), is a quarter-quarter section in lands surveyed under the rectangular survey system (40 acres), or a lot.	LESS THAN SMALLEST LEGAL SUBDIVISION
	3d.	<u>Less Than a Legal Subdivision</u> - If the assignment purports to transfer less than a legal subdivision, disapprove the assignment by decision, unless the lease does not contain the whole legal subdivision and the assignment conveys all portions of the subdivision within the lease (see Illustration 6). Return the assignment to the assignee receiving the most interest. Keep a copy of assignment for the case file. (See Step I.C.4, below, for the ALMRS Entry.)	LESS THAN FULL LEGAL SUBDIVISION
		<u>EXAMPLE:</u> A lease may contain the NE4NE4NE4 of Section 11 because the remaining portion of the NE4NE4 was patented with no mineral reservation.	

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Responsible Official	Step Action	Keywords
	<p>3e. <u>Less Than All Lease Formations</u> - Federal oil and gas leases contain rights extending, theoretically, from the surface to the center of the earth. Efforts to split the record title interest holdings of a lease by formations, zones, or defined deposits are viewed unfavorably by the BLM. Potential disputes could result if the very portion of the lease where the horizontal division of interests occur proved to be productive. For these reasons, record title assignments are not to be approved along such horizontal lines. Operating rights transfers (subleases) that have no effect of segregating record title interests of leases are the proper method for transferring interests by zone, formation, or deposit. Any attempted record title assignment of less than all the formations, zones, or deposits in the lease is to be denied by decision (see Illustration 6). Keep a copy of the assignment for the case file. (See Step I.C.4, below, for the ALMRS Entry.)</p>	<p>LESS THAN ALL FORMATIONS IN LEASE</p>
	<p>3f. <u>Less Than All Substances in the Lease</u> - It is unlikely that an assignment of record title would attempt to convey title only to gas or oil or a particular gas. If such an assignment is filed, it shall be disapproved.</p>	<p>LESS THAN ALL SUBSTANCES IN LEASE</p>
	<p>3g. <u>Failure of Title</u> - If the assignor does not have the amount of record title that is being assigned to the assignee, the assignment cannot be approved. Return the assignment by decision (see Illustration 6). Keep a copy of the assignment for the case file. (See Step I.C.4 for the ALMRS Entry.)</p>	<p>FAILURE BY ASSIGNOR TO HOLD THE INTEREST ASSIGNED</p>

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Responsible Official	Step	Action	Keywords
	3h.	<u>Delinquent Account on Producing Leases</u> - A request for assignment approval must be denied when the lease has unpaid liabilities to the Minerals Management Service (MMS), based on the information indicated on the MMS Business Information System (BIS) screens. Advise the assignee and the assignor by decision that the assignment approval is denied (see Illustration 7). The assignee and assignor may execute and file the assignment after the lease account has been brought into good standing (see also Section I.D, below). In denying approval, return the assignment to the assignee receiving the most interest. Keep a copy of the assignment for the case file. (See Step I.C.4, below, for the ALMRS Entry.)	DELINQUENT ACCOUNT ON PRODUCING LEASE
	3i.	<u>Violation of Reclamation Requirements of Mineral Leasing Act Section 17(g)</u> - Deny a request for approval of an assignment when the assignee is identified on the BLM list of violators of the reclamation requirements of Section 5102(g) of the Federal Onshore Oil and Gas Leasing Reform Act (Section 17(g) of the Mineral Leasing Act of 1920). Return the assignment to the assignee receiving the most interest. Keep a copy of the assignment for the case file. (See Step I.C.4, below, for the ALMRS Entry.)	RECLAMATION VIOLATIONS
ALMRS Entry	4.	Update when the assignment is denied using the current data standards. Enter Action Date (MANDATORY ACTION CODE): Date assignment denied; DE 1775 Action Code 565/DE 2910 Action Code 269; Action Remarks: Enter reason (or place in General Remarks).	AUTOMATED NOTATION

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Responsible Official	Step	Action	Keywords
Adjudication	5.	<u>Assignment on Lease Segregated from Unit.</u>	SEGREGATED LEASE BY UNITIZATION
	5a.	When the effective date of the assignment will be later than the effective date of the segregation of a lease due to commitment of part of lands in the lease to a unit agreement, the assignment may be approved only as to those lands remaining in the lease after the segregation.	
	5b.	If the assignment affects only those lands within a newly segregated lease, i.e., those lands outside the unit area, the serial number on the assignment must be corrected to the new lease serial number.	ASSIGNMENT APPROVAL OF LANDS OUTSIDE UNIT
	5c.	In approving assignments of lands within a lease committed to the unit, prepare a notice to the assignee indicating that the approval is limited to such lands, and that the assignment as to the lands in the segregated lease must be accomplished separately (see Illustration 8).	ASSIGNMENT APPROVAL OF LANDS COMMITTED TO UNIT AREA
	5d.	If an assignment will be effective prior to the effective date of the segregation, approval of the assignment must extend to both leases (see Illustration 9). Such assignments shall be processed before processing the unit segregation.	EFFECTIVE DATE OF ASSIGNMENT PRIOR TO SEGREGATION EFFECTIVE DATE

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D. Status of Lease Account

Responsible Official	Step	Action	Keywords
Adjudication	1.	<u>Nonproducing Lease</u> - Determine that the case file or other records reflect that the rental payment is current. If no indication of the current year's rental payment is indicated in the BLM case file for automated records, check the MMS's BIS screens to determine that the rental payment was timely received. If the rental payment is up to date, enter proof of the payment in the case file, e.g., note the accounting advice to indicate how the determination was reached. If the lease account is indicated to be in good standing in the MMS's automated system, process the assignment.	RENTAL PAYMENTS CURRENT
	2.	<u>Producing Lease</u> - Check the MMS's BIS screens to determine if the lease has any unpaid MMS liabilities and/or assessments. If any such arrearage is indicated for the lease, prepare a decision disapproving the assignment (see Illustration 7). Return the assignment to the assignee receiving the most interest. Keep a copy of the assignment for the case file.	MMS LIABILITIES AND ASSESSMENTS CHECKED ON BIS SCREENS
	3.	Prepare documentation for the case file of the unpaid MMS liabilities and/or assessments, indicating the BIS data and screens displaying the information as of a specific date. Ensure this documentation is inserted in the lease case file for the official record.	
ALMRS Entry	4.	Enter denial of assignment if lease account status is not in good standing. Enter Action Date (MANDATORY ACTION CODE): Date assignment denied; DE 1775 Action Code 565/DE 2910 Action Code 269; Action Remarks: Enter reason (e.g., MMS LSE ACCT ARREARAGE).	AUTOMATED NOTATION

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E. Bonding Requirements

Responsible Official	Step	Action	Keywords
Adjudication	1.	For leases with pending assignments, if development has been authorized and final approval of abandonment has not been given, bonding coverage continues to be required. If the assignor was the bonded principal, the assignee, sublessee, or operator on the ground must provide bonding coverage prior to approval of the assignment.	BONDING REQUIREMENTS
	2.	If the bond held by the assignee or transferee (sublessee) is used, a consent of surety must be filed in accordance with 43 CFR 3104.2. (See Handbook 3104-1.)	
	3.	If bond coverage was furnished by some party other than the record title holder/assignor, e.g., by an operator or operating rights owner, the assignment may be approved as long as the existing bonding coverage continues.	
	4.	Check whether any development activities, e.g., an Application for Permit to Drill (APD), have been approved for the leasehold. Before approving an assignment for a lease that contains a well, whether producing or not, the Field Office fluid mineral operations personnel are to be notified of the pending assignment with a report requested from them as to any objection to the approval of the assignment, including any special bonding requirements (see Illustration 10).	

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Responsible Official	Step	Action	Keywords
	5.	If adequate bonding does not exist for a lease on which drilling activities have been authorized and where final approval of plugging and abandonment of a well has not been given, the assignee, sublessee, or operator on the ground shall furnish bond coverage in accordance with 43 CFR 3104.2 (see Illustration 11). The Field Office fluid mineral operations personnel also may determine that increased bonding coverage is required.	BOND COVERAGE BY ASSIGNEE, SUBLESSEE, OR OPERATOR
	5a.	Ascertain the adequacy of the assignee's bond prior to approval of the assignment to ensure that the activities/obligations commenced under the previous bond of the assignor are expressly assumed by the assignee. As appropriate, a rider may be required from the assignee agreeing to be held liable for all liabilities that had already attached to the assignor's bond, or the assignor may be required to make separate arrangements with the BLM to ensure that all of its lease obligations would be taken care of prior to approval of the assignment. (See <u>Karis Oil Co., Inc.</u> , 58 IBLA 123 (1981), and Handbook 3104-1.)	

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F. Approval of Assignment

Responsible Official	Step	Action	Keywords
Adjudication	1.	The assignment Form 3000-3 is to be prepared for approval as indicated in the following steps:	APPROVAL OF ASSIGNMENT
	1a.	Complete a worksheet showing the distribution of record title (see Illustration 3). Place the worksheet in the case file.	WORKSHEET OF RECORD TITLE INTEREST
	1b.	At the bottom of Form 3000-3, check appropriate box. If minor errors are found in the legal land description submitted, retype the correct legal land description in the space on the back of the form, or if necessary, on a separate attachment.	LANDS APPROVED
	1c.	Determine the effective date of the assignment. This normally is the first day of the month following the month in which the assignment was filed, or the first day of the month following the filing of all documents and statements that are needed to approve the assignment, including an appropriate bond, if required.	EFFECTIVE DATE DETERMINED
	1d.	Stamp the effective date of approval and the title of the authorized officer on each copy of the assignment.	STAMP EFFECTIVE DATE
	1e.	Stamp the date that the assignment will actually be approved/signed by the authorized officer.	STAMP DATE SIGNED
	<u>NOTE:</u>	Individual office procedures may delay this step until after the form is actually signed by the authorized officer.	

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Responsible Official	Step Action	Keywords
	1f. If an older form other than the current Form 3000-3 (June 1988 or more current edition) is involved (due to a long-pending assignment), stamp on all copies of the form: "APPROVAL DOES NOT WARRANT THAT EITHER PARTY TO THIS TRANSFER HOLDS LEGAL OR EQUITABLE TITLE TO THIS LEASE." This language is not needed on the current editions of the forms since it is preprinted at the bottom of the front page.	DISCLAIMER
	1g. Stamp or mark copies of the assignment form for distribution as follows:	DISTRIBUTION OF APPROVED ASSIGNMENT
	(1) Original is to be placed in the lease case file.	
	(2) Second copy is sent to the assignee receiving the greatest amount of interest, unless otherwise requested.	
	(3) Additional copies are to be marked for any surface management agency (SMA) administering the lands affected.	
	(4) Other field offices in accordance with individual State Office procedures.	
	2. Prepare standard preprinted notice of assignment approval (see Illustration 12). Attach copy of notice to copies of form to be transmitted to assignee/assignor.	ATTACH STANDARD NOTICE TO APPROVED ASSIGNMENT
	3. If the assignor has requested a copy of the assignment form, use the following procedures:	ASSIGNOR'S REQUEST FOR COPY OF ASSIGNMENT

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Responsible Official	Step	Action	Keywords
	3a.	If the party filing the assignment has filed more than three copies of the form and has requested that extra copies be distributed in a certain manner, such as to the assignor, such a request should be honored. Marking of an extra copy as the "assignor's copy" prior to the filing of the assignment is to be treated as such a request.	
	3b.	If only three copies of the assignment were filed and one is marked for the assignor, that copy is not be distributed to the assignor unless there is an extra copy after completion of the standard distribution.	
	4.	Complete the accounting advice for the nonproducing leases and transmit promptly to the MMS Data Management Division (DMD). (See Illustration 13.)	ACCOUNTING ADVICE COMPLETION
	4a.	No accounting advice needs to be completed if approval of the assignment will not change the name of the billee or the amount of annual rental due.	
	4b.	The name and address of the assignee on the accounting advice must conform to the name and address on the assignment form unless the correspondence from the assignee indicates otherwise.	
	4c.	In case of multiple assignees, the name of the resulting major record title holder and its address is to be indicated in the space for the applicant on the accounting advice. This may require a complete correction of the applicant space as originally filled in by the Cashier. If all assignees hold equal interest, use the first assignee listed on the assignment.	

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Responsible Official	Step	Action	Keywords
	4d.	If there are multiple actions involving the accounting advice with one of them being a refund request, the refund action must be split out on a separate accounting advice.	REFUND ACTIONS ON SEPARATE ACCOUNTING ADVICE
	4e.	Upon completion of the accounting advice, timely forward the green copy to the MMS-DMD through the State Office Accounts Section and place the goldenrod copy in the lease case file.	ACCOUNTING ADVICE TO MMS-DMD
	5.	Assemble the case file, surname, and date all other appropriate documents. Ensure that the standard preprinted notice is attached (see Illustration 12). Forward to the authorized officer for signature.	
	6.	All assignments must be approved within 60 days of receipt of the request for approval in accordance with the Federal Onshore Oil and Gas Leasing Reform Act. The Reform Act states that except where the assignment or sublease is not in accordance with applicable law, the approval shall be given within 60 days of the date of receipt by the authorized officer of a request for such approval.	ASSIGNMENTS MUST BE APPROVED WITHIN 60 DAYS
	7.	Note that lease assignments to a bank or other fiduciary institution may be approved as long as all requirements, including bond coverage, are met.	ASSIGNMENT TO BANK OR OTHER FIDUCIARY INSTITUTION

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Responsible Official	Step	Action	Keywords
ALMRS Entry	8.	Update assignment approval using the current data standards (see Illustration 14).	AUTOMATED NOTATION
		<u>NOTE:</u> See Appendix 3 for a listing of the key action codes from the data standards that are to be used in ALMRS Case Recordation and Record System Release 1.0 in conjunction with the lease transfers/assignments.	
	8a.	Enter Action Date (MANDATORY ACTION CODE): Date assignment approved by authorized officer; DE 1775 Action Code 563/DE 2910 Action Code 139; Action Remarks: "EFF MM/DD/YY;"	
	8b.	<u>OPTIONAL:</u> Enter Action Date: Date assignment effective; DE 1775 Action Code 564/DE 2910 Action Code 898.	
	8c.	Enter new proprietor, and enter interest relationship code 15 - Lessee (DE 3136), and as applicable, change interest percentage (DE 2914). Update General Remarks screen to reflect change in lessee interest holdings.	

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

II. Assignments of Record Title Interest - Partial Interest

The processing of a partial record title assignment on a nonproducing lease is initially identical to any record assignment up to that point when the State Office Adjudication personnel identifies that the assignment (or series of assignments) conveys 100 percent of record title in less than all of the lands in a lease to an assignee that holds no interest in the non-assigned lands of the lease. This segregates the assigned and retained portion into separate leases. The new lease created upon partial assignment is given a new serial number, but retains the same terms and conditions, as well as the effective (anniversary) date of the original lease. More specific information on assignments and segregations of producing leases can be found in Handbook 3105-1 and Handbook 3107-1.

A. Processing

<u>Responsible Official</u>	<u>Step</u>	<u>Action</u>	<u>Keywords</u>
Adjudication	1.	Process partial assignments following the steps in Section I of this Handbook to determine whether any corrections are required, e.g., proper execution of the assignment forms and any bonds required. If corrective action or denial of the request for approval is required, follow the appropriate steps for preparing any decision as indicated in Section I, above.	PROCESS PARTIAL ASSIGNMENT
	2.	When a partial assignment is filed that would result in a lease segregation and the annual rental is timely paid by the assignee or assignor for the involved lands, the assignment may be approved after termination of the base lease due to nonpayment of full lease rental (see <u>Ladd Petroleum Corp., 70 IBLA 313 (1983)</u>). Hard-copy evidence of a timely paid partial rental remittance must be verified and documented in the case file. If the MMS-DMD information in the BIS does not verify the receipt of the rental, request evidence from the assignee (see Illustration 15). It also may be necessary to reconcile payments with the MMS-DMD.	ASSIGNMENT ON TERMINATED LEASE

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Responsible Official	Step	Action	Keywords
	2a.	Any portion of a base lease covered by a pending assignment, for which proper partial rental amount is timely paid, shall not terminate.	RENTAL PAID TIMELY FOR ASSIGNED LANDS
	2b.	Any remaining portion of a base lease without a pending assignment, for which insufficient or no rental was paid, shall terminate.	RENTAL NOT PAID FOR ASSIGNED LANDS
	3.	Obtain the next available serial number and set up a new case file for the partial assignment. Effective November 1, 1984, partial assignments, regardless of when they were filed, shall be given a new serial number upon assignment approval, rather than a supplemental alphabetical prefix attached to the original lease serial number. Keep in mind, however, that the last partial assignment out of the base lease is an entire assignment that is to retain the original lease serial number.	OBTAIN NEW SERIAL NUMBER
	4.	If the lease is producing, maintain the original lease serial number with that portion of the lease that contains the well in order to reduce the burden and workload on the industry and Field Office fluid mineral operations personnel. This avoids the following problems:	USE OF OLD SERIAL NUMBER FOR PRODUCING LEASE
	4a.	A new First Production Memorandum to open a new account is not needed.	
	4b.	The MMS does not need to close an old account and open a new one.	
	4c.	The company does not need to change the lease serial number in its records and change the identification number on the well.	

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Responsible Official	Step	Action	Keywords
	5.	Annotate the new serial number on all copies of a partial assignment in the appropriate space on the form.	NEW SERIAL NUMBER PLACED ON FORM
	6.	Prepare a single copy of the accounting advice to ensure the update of the base lease (reducing applicable acreage) and creation of new case file for partial assignment lease (see Illustration 16). Forward promptly to the MMS-DMD through the State Office Accounts Section.	PREPARE ACCOUNTING ADVICE AND REDUCE BASE LEASE ACREAGE
		<u>NOTE:</u> The MMS has agreed to routinely transfer funds from the current year's rental on the parent lease to the partial assignment lease account.	
	7.	Since the BLM and the MMS have agreed that neither office shall attempt to collect the incremental rental difference that may be caused by a partial assignment or lease segregation, annotate the accounting advice, when applicable, to clearly indicate: "INCREMENTAL RENTAL DIFFERENCE OF \$----, DUE TO PARTIAL ASSIGNMENT, WAIVED UNTIL NEXT MMS REGULAR BILLING CYCLE."	WAIVER OF INCREMENTAL RENTAL DIFFERENCE DUE TO PARTIAL ASSIGNMENT
	7a.	The additional rental required as a result of the partial assignment shall not be due and payable to the MMS until the next scheduled MMS courtesy notice billing cycle for the involved leases.	
		<u>NOTE:</u> This waiver shall apply regardless of the additional incremental annual rental rate per acre involved, e.g., \$.50, \$1, \$1.50, \$2, \$5, \$10, etc.	
	8.	If rental is due in less than 90 days, mark the accounting advice to the MMS-DMD as "Special" in order to alert the MMS of the change needed for the annual rental courtesy billing notice.	

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Responsible

Official	Step	Action	Keywords
	9.	Process partial assignments on leases in their extended lease term as follows:	
	9a.	If the partial assignment is on a producing lease that has passed the end of its primary term, the term of the lease by partial assignment or the base lease (retained portion of lease), whichever is undeveloped (producing), is extended for a term of 2 years from the effective date of the partial assignment in accordance with 43 CFR 3107.5-2 and 3107.5-3 (see Handbook 3107-1). Because the terms of both leases can become confusing, both the assignor and the assignee are to be advised of any effect of the approval of the partial assignment on the extension of the lease term of either the retained or assigned portions of the lease (see Illustration 17).	EXTENSION OF LEASE TERM OF ASSIGNMENT ON PRODUCING LEASE
	9b.	A partial assignment out of a base lease that was originally issued prior to September 2, 1960, whether or not the lease is producing, requires careful examination of the lease terms and the applicable regulations at 43 CFR 3107.5-2 (see also Handbook 3107-1), since other extensions may be appropriate for either the retained or the assigned portion of the lease.	ORIGINAL LEASE ISSUED PRIOR TO SEPTEMBER 2, 1960
	10.	Include in the new case file a complete copy of the original lease and all of the stipulations that apply, and copies of any documents indicating subsequent actions on the lands assigned, i.e., extensions, explanation of irregular acreage figures, etc.	COPY OF ORIGINAL LEASE AND STIPULATIONS IN NEW CASE FILE
	11.	Prepare a worksheet for the partial assignment (see Illustration 18).	WORKSHEET

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Responsible Official	Step	Action	Keywords
Title Records	12.	Update historical index (HI) and status plats, or other appropriate records to show the new serial number and the amendment to the base lease. Place updated status plat in both lease case files.	UPDATE PLATS AND HI
Adjudication	13.	Prepare assignment Form 3000-3 for approval in the same manner as in Step I.F, above.	PREPARE FORM FOR APPROVAL
	14.	Prepare standard preprinted notice of partial assignment approval (see Illustration 19). Attach copy of notice to copies of form to be transmitted to assignee/assignor.	ATTACH STANDARD NOTICE TO APPROVED PARTIAL ASSIGNMENT
ALMRS Entry	15.	Update base lease in accordance with the current data standards (see Illustration 20, Page 1).	AUTOMATED NOTATION
	15a.	Enter Action Date (MANDATORY ACTION CODE): Date assignment approved by authorized officer; DE 1775 Action Code 563/DE 2910 Action Code 139; Action Remarks: "EFF MM/DD/YY;" <u>AND</u>	
	15b.	Enter Action Date (MANDATORY ACTION CODE): Date of approval of partial assignment when case segregated by assignment; DE 1775/2910 Action Code 570; Action Remarks: "INTO (<u>Lease serial number of new case;</u>)".	
	15c.	Update acreage for base lease.	
	15d.	Update legal land description for base lease.	

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Responsible Official	Step	Action	Keywords
	16.	Create new case file serial register page for approved partial assignment (new lease) using the same Case Type (DE 2961/DE 2912) as base lease (see Illustration 20, Page 3):	AUTOMATED NOTATION
	16a.	Enter Action Date (MANDATORY ACTION CODE): Date case created by approval of assignment with new serial number; DE 1775 Action Code 551/DE 2910 Action Code 553; Action Remarks: "OUT OF (<u>Serial number of parent (base) lease;</u>)".	
	16b.	Enter Action Date (MANDATORY ACTION CODE): Date parent lease issued; DE 1775 Action Code 001/DE 2910 Action Code 387.	
	16c.	Enter Action Date (MANDATORY ACTION CODE): Effective date of parent lease; DE 1775 Action Code 225/DE 2910 Action Code 868.	
	<u>NOTE:</u>	Do not enter DE 1775 Action Code 176/DE 2910 Action Code 237 on the new lease case.	
	16d.	Enter Action Date (MANDATORY ACTION CODE): Appropriate royalty rate code from base lease; DE 1775 Action Code (select single code number from 102-109)/DE 2910 Action Code (select single code number from 530-536 or 549).	
	16e.	Enter Action Date: Expiration date of base lease; DE 1775/2910 Action Code 763.	
	<u>NOTE:</u>	If new lease is in production status, do not enter this code; instead, enter appropriate production code (DE 1775/2910 Action Code 650, 651, or 653).	

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Responsible Official	Step	Action	Keywords
	16f.	<u>OPTIONAL</u> : Enter Action Date: Effective date of partial assignment; DE 1775 Action Code 564/DE 2910 Action Code 898.	
		<u>NOTE</u> : See Appendix 3 for a listing of the key action codes from the data standards that are to be used in ALMRS Case Recordation and Record System Release 1.0 in conjunction with the lease transfers/assignments.	
Adjudication	17.	Distribute approved assignment as described in Step I.F.1g, above. For nonproducing leases, the notice to be attached to the assignee's copy of the assignment form should help avoid lease termination or improper payment of rental, and should assist the assignee in notifying the MMS-DMD when a change in the payor occurs (see Illustration 19).	DISTRIBUTION OF APPROVED PARTIAL ASSIGNMENT
	18.	On producing leases, advise all parties of wells capable of production and that royalty payments must be submitted to the MMS. Keep in mind that the segregated portion of such a lease may revert to rental (terminable) status. In such cases, notify the lessee that the annual rental payments must be submitted to the MMS-DMD to prevent automatic termination of the lease by operation of the law.	

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III. Transfer of Operating RightsKeywordsA. Background

Early Federal oil and gas leases that were issued noncompetitively were earned through a prospecting permit. Such permits were obtained by individuals who, after doing the required "prospecting," discovered sufficient oil and gas to earn the leases. Often, the individuals did not have the means to develop their discoveries completely and entered into agreements. Under these agreements, corporations effectively took over the leases in return for overriding royalty (ORR) payments to the original lessees. These early operating agreements, unlike the total assignment of the lease that is involved in a record title assignment, were allowed to be limited to certain formations or encompassed less than all the leased lands without causing segregation of the lease into assigned and retained portions. The operating agreements often conveyed the operating rights in the lands to the operator, i.e., the right or interest in the leased lands to explore, develop, and produce oil and/or gas resources from the Federal mineral estate. As leasing became more common, lessees and operators made transfers of the operating rights carved out of the record title, and the Department of the Interior and the BLM approved such transfers without the segregative effect of record title assignments. Such transfers, as long as they did not convey "record title" interests, were deemed to convey a lesser interest than that lease interest obtained from the Federal Government by the original lessee, and these transfers were not subject to all the effects caused by record title assignments.

OPERATING
RIGHTS
TRANSFERS -
BACKGROUND

Holders of operating agreements and operating rights, or working interests, could not relinquish leases. Such transfers did not have to conform to any specific format. The task of interpreting what specific interests were being transferred became more and more complex as the operating rights transfers proliferated and the BLM adjudicators had to examine lengthy, detailed documents to ascertain exactly what was being transferred. The documents frequently contained numerous provisions that, while important to the parties involved, had no bearing on who held what interest.

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Keywords

In 1980, the Department of the Interior, BLM, promulgated for the first time a BLM-approved form for transferring oil and gas lease operating rights. Use of the form became mandatory effective February 26, 1982, in final rulemaking that revised 43 CFR Subpart 3106. All transfers of operating rights currently filed must be completed using Form 3000-3a, Transfer of Operating Rights (Sublease) in a Lease for Oil and Gas or Geothermal Resources, June 1988 or more recent edition (see Illustration 21). Each transfer of operating rights must be accompanied by a nonrefundable \$25 filing fee for each lease. In accordance with the Mineral Leasing Act (MLA) of 1920, as amended (30 U.S.C. 187a), three copies of the form executed by the transferor must be filed for each transfer in a lease.

OPERATING RIGHTS
TRANSFER FORM
DEVELOPED BY
BLM IN 1980

Various earlier editions of transfer of operating rights forms have been approved for use by the BLM (see Appendix 2). The oil and gas leasing regulations now require that each transfer of operating rights (sublease) shall be filed on the current BLM-approved form. Effective October 1, 1988, all earlier editions of the operating rights transfer form prior to June 1988 were deemed obsolete. Therefore, any transfer of operating rights (sublease) filed since October 1, 1988, on a prior edition of a BLM-approved form must be returned with no action taken by the BLM.

Operating agreements may be entered into where the parties do not attempt to transfer any operating rights. Several co-owners may enter into an agreement specifying that a single party shall control all operations on the lease (this party may or may not be one of the co-owners). The agreement entered into also may specify that upon completion of certain actions, such as the drilling of a well to a certain depth or formation, the co-owners shall transfer a certain portion of the operating rights or record title to the party controlling the operations, normally called the operator. Such operating agreements are no longer accepted or approved by the BLM and cannot be submitted in lieu of Form 3000-3a. If such agreements are filed, they are to be returned to the transferee when the transfer is approved (see Manual Section 3106.41A).

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Keywords

An operating rights transfer is a sublease that is a private subsidiary arrangement between the lessee of record (sublessor) and sublessee that does not affect the contractual agreement between the lessee of record and the United States (lessor). Abstracting or adjudication of the lease operating rights transfer records for percentages of interests (or depths or formations) as to whether the transferor holds what is transferred and as to what each transferee is receiving is no longer to be performed by the BLM fluid leasing adjudicators, except in cases where a drainage determination has been made for lands within a lease during a specific period of time. In accordance with the BLM policy adopted in late 1985, transfers of operating rights interests (subleases) are reviewed and processed solely for the basic purposes of assuring sufficient bonding and qualifications under the MLA (30 U.S.C. 187a).

OPERATING RIGHTS
TRANSFER - A
PRIVATE SUBLEASE
CONTRACTUAL
AGREEMENT NOT
AFFECTING THE
LESSEE AGREEMENT
WITH THE U.S.

A party owning the operating rights interests in a lease may authorize the actual conduct of operations on its behalf by designating as the operator another party who presently holds no recognized operating rights or other legal or equitable title in the lease. Such a designated operator cannot designate a different party as the operator on the lease. The official designation of such an operator is no longer officially recognized by the BLM.

DESIGNATED
OPERATOR

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

B. Processing

Responsible Official	Step	Action	Keywords
Receiving Official	1.	Receive copies of transfer of operating rights that have been filled out. Check that a current BLM-approved Form 3000-3a has been submitted in triplicate (see Illustration 21 for the current edition of Form 3000-3a). Date/time stamp all copies of the form that were received.	OPERATING RIGHTS TRANSFER RECEIVED
		<u>NOTE:</u> The October 1992 Form 3000-3a is presently the current BLM-approved edition. However, the June 1988 and November 1990 Form 3000-3a editions are still acceptable. All versions of the form prior to the June 1988 edition were deemed obsolete effective October 1, 1988 (see Appendix 2). Before the June 1988 or more recent editions of Form 3000-3a can be deemed obsolete, a notice prepared by the Washington Office must be published in the <u>Federal Register</u> and posted in the State Office Public Room to advise the public of the effective date when any such new edition of the transfer form is required to be used.	
Cashier	2.	Validate the nonrefundable \$25 filing fee required for each transfer for each lease. Earn the filing fee for each lease transfer regardless of the number of copies of the form filed. If several transfers are filed at the same time, even though affecting the same lands of the same lease, each transfer requires a separate \$25 filing fee.	VALIDATE FILING FEE
	3.	If insufficient or no filing fee is received with the transfer, mark a large "X" over any date/time stamp markings on all copies of the form.	INSUFFICIENT OR NO FILING FEE

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Responsible Official	Step	Action	Keywords
	3a.	Return forms and/or insufficient fees directly to the first-named transferee or party filing the transfer with a preprinted letter or a completed Form 1370-21, Notice of Return of Remittance (see Illustration 2).	
	4.	Refund to remitter any overpayment of filing fee.	FILING FEE OVERPAYMENT
	5.	If sufficient filing fee is received, prepare an accounting advice for each transfer. Enter the transferee's name as the applicant. In case of multiple transfers, indicate the first-named transferee as the applicant, followed by "et al." Complete the address of the party named. If the filing fee was not tendered by the applicant, complete the name of the party submitting the fee as the remitter. Otherwise, place the word "SAME" in the remitter blank.	ACCOUNTING ADVICE INITIATED
Docket	6.	Pull case file and forward to Adjudication.	
ALMRS Entry	7.	Update case using current data standards to indicate transfer of operating rights was filed:	AUTOMATED NOTATION
	7a.	Enter Action Date (MANDATORY ACTION CODE): Date operating rights transfer filed; DE 1775 Action Code 554/DE 2910 Action Code 932; Action Remarks: Name of transferee (optional).	
	7b.	<u>OPTIONAL</u> : Enter Action Date: Date filing fee received; DE 1775 Action Code 072/DE 2910 Action Code 347; Action Remarks: Amount.	
Adjudication	8.	Review transfer for use of proper form.	

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Responsible Official	Step Action	Keywords
	<p>8a. Check that transfer is on a current BLM-approved Form 3000-3a or a reproduction of the form that has no additions, deletions, or advertisements thereon. If photocopies of the form have been submitted with the reverse side of the form upside down from the format of the BLM-approved form (photocopied head-to-head rather than head-to-toe), the forms are acceptable and do not need to be returned to the transferee. Also, if each copy of the form submitted has been photocopied as two separate sheets of paper, the forms are acceptable and do not need to be returned to the transferee.</p>	<p>CURRENT FORM OR COPY THEREOF SUBMITTED</p>
	<p>8b. If transfer is submitted on an old form that has been deemed obsolete, return transfer to the first-named transferee or party filing the transfer. Do not disapprove at this time, and do not require a new filing fee to be submitted for this type of curable error.</p>	
	<p>8c. If the request for approval on the reverse of the transfer form is not used by the transferee, check that an adequate request for approval, including a transferee certification of qualifications in accordance with 43 CFR 3102.5-1, is submitted. Requests for approval of transfers must be signed and dated by or on behalf of all transferees.</p>	

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Responsible Official	Step	Action	Keywords
	8d.	Check that the transfer of operating rights is not on the record title assignment Form 3000-3. If on the wrong form, return to the transferee who is receiving the most interest. Do not disapprove at this time, and do not require a new filing fee to be submitted for this type of curable error, provided the transfer is returned corrected within 30 days or other reasonable period of time allowed by the authorized officer.	CORRECT FORM SUBMITTED
	9.	Check that three copies of the form have been manually signed and dated by or on behalf of the transferor. If three copies are not manually signed, return the transfers by decision requesting proper execution (see Illustration 22).	THREE COPIES MANUALLY SIGNED BY TRANSFEROR
		<u>NOTE:</u> Transfers are not allowed to be submitted by fax transmission because the signature would be a copy and not an original as required by law and regulation.	
	10.	Check that the serial number indicated on the transfer form matches the lease case file.	LEASE SERIAL NUMBER CHECKED
	11.	Review any cover letter received with the transfer form for any special requests. If appropriate, make a copy of the correspondence for all affected case files.	SPECIAL REQUESTS
	12.	If several transfers are filed at the same time with a single request for approval, check that proper reference is made for all case files.	SINGLE REQUEST FOR MULTIPLE TRANSFERS

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Responsible Official	Step	Action	Keywords
	12a.	Options include making a copy of the request for each transfer indicating the location of the original request for approval and attaching it to the case file copy of each transfer, or stamping "Request for approval filed in Serial No._____."	
	12b.	For operating rights (sublease), a detailed examination of the request for approval is not necessary as long as the request appears to have been signed by all transferees. Disclosure of the signatory relationship is not mandatory.	
	13.	If transfer is for a producing lease, check that the lease account is not delinquent with the MMS, i.e., that the lease does not have unpaid liabilities to the MMS, based on the information indicated on the BIS screens. If unpaid liabilities exist, prepare a decision to the transferee and transferor denying approval of the transfer (see Illustration 7). The transferor and transferee may execute and file the transfer after the lease account has been brought into good standing. In denying approval, return the copies of the transfer to the first-named transferee. Keep a copy of the transfer for the case file.	DELINQUENT ACCOUNT ON PRODUCING LEASE MMS LIABILITIES AND ASSESSMENTS CHECKED ON BIS SCREENS
	14.	The transfer can only be withdrawn by both the transferor and transferee.	WITHDRAWAL OF TRANSFER
	15.	Determine if bond coverage is required for lease and, if so, whether the lessee, operating rights owner, or operator has furnished the bond.	BONDING REQUIREMENTS
	15a.	If no bond is required or if the lessee or a party other than the operator has provided the bond coverage, proceed to Step III.B.16, below.	

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Responsible Official	Step Action	Keywords
	<p>15b. If the only bond coverage is provided by the transferor, approve the transfer only after a bond is provided by the transferee, lessee, or operator on the ground in accordance with 43 CFR 3104.2. A report from the Field Office fluid mineral operations staff is to be obtained as to any special bonding requirements needed. (See Handbook 3104-1.) After bond coverage is determined to be adequate, proceed to next step.</p>	
	<p>16. The BLM does not adjudicate transfers of overriding royalty even though this interest may be included on a transfer instrument. The law and regulations require that such transfers be filed in the proper BLM office. Approval of the operating rights transfer by the authorized officer does not constitute approval of the overriding royalty figures indicated on the transfer form.</p>	<p>OVERRIDING ROYALTY FIGURES NOT ADJUDICATED</p>
	<p>17. Prepare the transfer of operating rights for approval by stamping each copy of the form submitted with the following:</p>	<p>APPROVAL OF TRANSFER</p>
	<p>17a. Effective date, which is the first day of the month following the month in which the transfer was filed, except that if a bond is required, the effective date is the first day of the month after an acceptable bond is filed.</p>	<p>STAMP EFFECTIVE DATE</p>
	<p>17b. Date of approval and the title of the authorized officer.</p>	<p>STAMP DATE SIGNED</p>

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Responsible Official	Step	Action	Keywords
	17c.	If an older form other than the current Form 3000-3a (June 1988 or more current edition) is involved (due to a long-pending transfer), stamp on all copies of the form: "APPROVAL DOES NOT WARRANT THAT EITHER PARTY TO THIS TRANSFER HOLDS LEGAL OR EQUITABLE TITLE TO THIS LEASE." This language is not needed on the current editions of the forms since it is preprinted at the bottom of the front page.	DISCLAIMER
	18.	An accounting advice does not need to be completed unless it is required by internal State Office procedures to track the \$25 filing fee (see Illustration 23).	ACCOUNTING ADVICE COMPLETION
	19.	Assemble case file, surname, and date all other appropriate documents. Forward to the authorized officer for signature.	
	20.	Stamp or mark copies of the transfer form for distribution, with the original placed in the lease case file, the second copy sent to the transferee, the third copy marked for the SMA administering the lands affected, with an additional copy sent to the Field Office fluid mineral operations staff in accordance with individual State Office procedures.	DISTRIBUTION OF OPERATING RIGHTS TRANSFER
	21.	Prepare standard preprinted notice of transfer approval (see Illustration 12). Attach copy of notice to copies of form to be transmitted to transferee/transferor.	ATTACH STANDARD NOTICE TO APPROVED TRANSFER

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Responsible Official	Step Action	Keywords
	22. All transfers must be approved within 60 days of receipt of the request for approval in accordance with the Federal Onshore Oil and Gas Leasing Reform Act. The Reform Act states that except where the assignment or sublease is not in accordance with applicable law, the approval shall be given within 60 days of the date of receipt by the authorized officer of a request for such approval.	TRANSFERS MUST BE APPROVED WITHIN 60 DAYS
	23. Note that operating rights transfers to a bank or other fiduciary institution may be approved as long as all other requirements, including bond coverage, are met.	TRANSFER TO BANK OR OTHER FIDUCIARY INSTITUTION
	24. Severance occurs when the operating rights interest in a lease has been transferred independently of the record title interest.	SEVERANCE OF OPERATING RIGHTS FROM RECORD TITLE
	24a. If the operating rights in the lands have never previously been severed from the record title interest, a record title assignment shall convey operating rights interest as well as record title interest. Therefore, it is not necessary to file a record title assignment and an operating rights transfer when conveying all the interest in a lease.	
	24b. If uncertainty occurs whether the operating rights have been severed in a certain land description, but the intent of a record title assignment is to convey all of the assignor's interest in the land description, including record title interest and operating rights interest, a statement attesting to such needs to be included at the bottom of the land description section of the conveyance form.	

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Responsible Official	Step	Action	Keywords
	24c.	<p>Both a record title assignment and an operating rights transfer are required to be submitted in the following examples:</p> <p><u>EXAMPLE 1:</u> <u>Record Title</u> Company A 50% Company B 50%</p> <p><u>Operating Rights</u> Company A 50% Company B 25% Company C 25%</p> <p>Company B assigning 25% recordtitle would need a separate operating rights transfer to convey 25% of operating rights.</p> <p>Assignments from Company A would convey operating rights interest since Company A's operating rights have not been severed from record title.</p> <p><u>EXAMPLE 2:</u> <u>Record Title</u> Company A 50% Company B 50%</p> <p><u>Operating Rights</u> Company A 75% Company B 25%</p> <p>Assignment of less than 50% record title in Company A or B would require a separate operating rights transfer to convey operating rights interest.</p>	<p>EXAMPLES OF SEVERANCE REQUIRING BOTH OPERATING RIGHTS AND RECORD TITLE FORMS TO BE FILED</p>

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Responsible Official	Step	Action	Keywords
ALMRS Entry	25.	Update to show the action taken on the operating rights transfer using the current data standards (see Illustration 24).	AUTOMATED NOTATION
		<u>NOTE:</u> See Appendix 3 for a listing of the key action codes from the data standards that are to be used in ALMRS Case Recordation and Record System Release 1.0 in conjunction with the lease transfers/assignments.	
	25a.	If the transfer is approved: Enter Action Date (MANDATORY ACTION CODE): Date transfer of operating rights approved; DE 1775 Action Code 555/DE 2910 Action Code 933; Action Remarks: "EFF MM/DD/YY;"	
		<u>NOTE:</u> It is mandatory to enter the name of the transferee in the proprietor field, with the interest relationship (DE 3136) entered with Action Code 39 - Operating Rights, and a "0%" entered in the interest field (DE 2914).	
	25b.	<u>OPTIONAL:</u> Enter Action Date: Date transfer effective; DE 1775 Action Code 564/DE 2910 Action Code 898.	

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Responsible Official	Step	Action	Keywords
	25c.	If the transfer is not approved: Enter Action Date (MANDATORY ACTION CODE): Date transfer of operating rights returned unapproved; DE 1775/2910 Action Codes 558; Action Remarks: Reason returned unapproved (or place in General Remarks); <u>OR</u>	AUTOMATED NOTATION
	25d.	Enter Action Date (MANDATORY ACTION CODE): Date transfer of operating rights denied; DE 1775 Action Code 556/DE 2910 Action Code 957; Action Remarks: Reason for disapproval (or place in General Remarks); <u>OR</u>	
	25e.	Enter Action Date (MANDATORY ACTION CODE): Date transfer of operating rights withdrawn; DE 1775/2910 Action Code 557.	

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IV. Transfers of Overriding Royalty Interests, Payments Keywords
Out of Production, or Similar InterestsA. General

A royalty interest is the interest retained by the lessor in the substances leased and produced, free of the costs of production. This interest must be paid by the lessee or its agent to the lessor out of the production. Most Federal oil and gas noncompetitive leases reserve a 12 1/2 percent royalty to the United States, as lessor. When oil or gas is produced from such a lease, the lessee or its agent pays the United States either 12 1/2 percent of the production or the value of that 12 1/2 percent. Thus, any development of a lease requires consideration that a royalty interest, such as one-eighth of the production, must be turned over to the United States, as lessor, without regard to the costs of obtaining that production.

ROYALTY
INTEREST

An overriding royalty interest (also called an override or ORI) is similar to the royalty interest in the sense that it represents a share of the production over the lessor's royalty interest. An overriding royalty interest is a fractional interest carved out of the lessee's share of interest in the oil and gas produced, free of any expense for exploration, drilling, development, operating, marketing, and other costs incident to the production and sale of oil and gas produced from the lease. A party holding a lease interest is entitled to some portion of the royalty interest from production that may create an overriding royalty by reserving a set portion of that production, usually expressed as a percentage of the total production, to the party when transferring or assigning all or a portion of the lease interest. A second method of creating an ORI is by transfer from a party holding the right to production from the leasehold to any other party.

OVERRIDING
ROYALTY
INTEREST

Although an overriding royalty is normally free and clear of any costs of production, some overrides may be subject to certain taxes before calculation, such as mineral severance taxes levied by the individual States. Once created by reservation or transfer, an ORI continues indefinitely unless it is somehow merged into a working interest. This can occur when the ORI is transferred to a party holding the right to production such as the holder of record title or of operating rights. The merger of an ORI into other interests normally is not of concern to the adjudication of transfers by the BLM.

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Keywords

An ORI is considered to be an interest in a Federal oil and gas lease, in accordance with 43 CFR 3000.0-5(1), and once created by reservation or transfer, is subject to further transfer. The Federal oil and gas leasing regulations require all transfers of overriding royalty interests to be filed with the BLM. In early days of Federal leasing, such transfers were subject to close scrutiny and approval. In final rulemaking effective August 22, 1983, the requirement of the BLM approval of ORI's was removed. When an ORI is filed, it now is simply placed in the appropriate lease case file with no further action by the BLM.

OVERRIDING
ROYALTY
TRANSFERS
MUST BE FILED
WITH BLM

The leasing regulations effective August 22, 1983, also clarify that each ORI for each lease requires submission of a nonrefundable \$25 filing fee, i.e., several overrides for multiple leases to the same party require the submission of multiple filing fees. The ORI's are not accountable or chargeable against acreage holdings.

OVERRIDING
ROYALTY
INTEREST IS
NOT CHARGEABLE
AGAINST ACREAGE
HOLDINGS

Transfers of payments out of production are similar to and are to be processed as if they were transfers of ORI's. Production payments consist of a set dollar figure to be paid out of a specific portion of the production. Like overrides, these payments may be transferred or reserved. Such payments may be subject to costs more than regular overrides.

PAYMENTS OUT
OF PRODUCTION

Transfers consisting of payments out of production or production proceeds frequently are made to financial institutions as part of a security or mortgage arrangement. These types of transfers are to be treated as overriding royalty transfers. Transfers, in such cases, frequently involve more than a single Federal lease, and the filing fee requirements are to be paid on a lease-by-lease basis. Because such documents may contain several hundred pages, it is more practical for the BLM State Office to accept only one complete copy for filing and cross-reference all the other affected lease case files. A filing fee of \$25 for each lease affected is to be collected as a condition for filing a transfer of production proceeds or payment out of production, similar to that required for an ORI.

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Keywords

A mortgage agreement is an instrument used by the owner of a lease to pledge his/her interest in a lease or leases as collateral in order to secure a loan from a person or lending institution. However, a mortgage agreement does not in itself transfer title. Therefore, the mortgagee is to be advised that the BLM does not accept mortgage documents for filing in the lease case files and that rights of the mortgagee as stated in the agreement will not be protected by the BLM (see Illustration 25).

MORTGAGE
AGREEMENT

If a mortgage agreement states that it is assigning record title interest or transferring operating rights, the agreement document is to be returned to the sender with a statement that the proper BLM-approved forms must be filed with the nonrefundable filing fee of \$25 for each lease involved before the conveyance of the appropriate interest can be approved and recognized by the BLM.

A mortgage agreement conveying overriding royalty interest and/or payments out of production may be accepted, if the appropriate filing fee has been submitted, since there is no requirement that such transfers be filed on a particular BLM-approved form.

A stipulation of interest, i.e., an instrument indicating certification of legal title and authorization for payment on royalty interests in accordance with the terms of an oil or gas purchase contract, should be handled in a manner similar to a mortgage agreement, as stated above.

STIPULATION
OF INTEREST

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B. Processing

Responsible Official	Step	Action	Keywords
Receiving Official	1.	Receive copy of the ORI. Note that the BLM-approved Forms 3000-3 or 3000-3a are not required to be used if the ORI is created or reserved independently of a record title or operating rights transfer (see 43 CFR 3106.4-2(b)). Date/time stamp all copies received. (See Illustration 26 for an example ORI.)	OVERRIDING ROYALTY INTEREST RECEIVED
		<u>NOTE:</u> Use of the BLM-approved forms that provide space for execution of such transfers should be encouraged.	
Cashier	2.	Validate nonrefundable \$25 filing fee for each ORI transfer. When several transfers affecting a single lease are filed at the same time in single or multiple copies, each separate transfer requires a \$25 filing fee.	VALIDATE FILING FEE
	3.	If insufficient or no filing fee is received to cover the transfers filed, mark a large "X" over the date/time stamp markings on the documents.	INSUFFICIENT OR NO FILING FEE
	4.	Return ORI transfer and/or insufficient fees to remitter (see Illustration 27).	
	5.	If sufficient filing fees are received, prepare an accounting advice for each ORI transfer (see Illustration 28). Indicate the transferee followed by "et al." as the applicant if there are multiple transferees. If the filing fee was not tendered by the applicant, complete the name of the party submitting the fee as the remitter. Otherwise, place the word "SAME" in the remitter blank. The filing fee, once determined to be adequate, is to be earned immediately, with no effort made to adjudicate the transfer. Attach the goldenrod copy of the accounting advice to the cover letter and corresponding transfer.	ACCOUNTING ADVICE - OVERRIDING ROYALTY TRANSFER

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Responsible Official	Step	Action	Keywords
Docket	6.	If the ORI transfer does not apply to an active lease under the jurisdiction of the State Office, return it to the first-named transferee under a preprinted cover letter.	NO ACTIVE LEASE ON FILE
	7.	Review any correspondence and comply with any request to return a copy of the transfer. Use the regular mail to return any copies of the ORI. If only one copy of the ORI is received, any request to return a copy of the ORI transfer is to be denied. If further inquiry is received, respond that the BLM must retain one copy of the filed ORI, but will return duplicates, if such were filed. Respond to queries for copies of ORI transfers that have already been filed by advising the party that a copy may be obtained for the fixed cost of reproducing any document from lease case file.	SPECIAL REQUESTS
	8.	File transfer and correspondence with the accounting advice in the lease case file.	
ALMRS Entry	9.	Update case to show that the transfer of overriding royalty was filed: Enter Action Date (MANDATORY ACTION CODE): Date ORI filed; DE 1775 Action Code 560/DE 2910 Action Code 899; Action Remarks: Percentage of ORI; name of transferor/transferee (optional).	AUTOMATED NOTATION
	10.	Forward case file to Docket for filing.	

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V. Mass TransfersKeywordsA. General

A mass transfer may be utilized in lieu of the provisions of separate transfers of record title, operating rights, royalty interests, payments out of production, or similar interests when a transferor conveys interests of any type in a large number of Federal leases to the same entity. Requests for approval of mass or blanket transfers must be made on the BLM-approved Forms 3000-3 and/or 3000-3a with an exhibit of all the leases involved attached to each of the three copies of the BLM-approved form submitted. A single copy of the assignment and appropriate exhibit for each affected lease also must be submitted to document each lease file. The exhibit is a counterpart to the form covering the interest information listed under item 2 on the form. The exhibits are to be prepared to describe record title assignments separate from transfers of operating rights, and separate from any other transfers of interest (ORI, payments out of production, etc.) conveyed independently from record title or operating rights transfers. (See Illustration 29 for a fact sheet that is to be sent to the public in response to inquiries regarding correct procedures for filing mass or blanket transfers.)

MASS TRANSFERS

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B. Processing

Responsible Official	Step	Action	Keywords
Adjudication	1.	Process mass record title assignments and operating rights transfers using the steps in Sections I, II, and III of this Handbook.	PROCESS MASS ASSIGNMENT
	2.	File the mass record title assignment and/or operating rights transfer, including the total exhibit for each, in a lead case file, with a single copy of the form and its appropriate exhibit page in each specific case file. The assignee/transferee, if desired, may supply extra copies of the form and exhibit page for each lease involved to be stamped, approved, and returned for its own files.	FILE ORIGINAL IN LEAD FILE
	3.	Approve each lease assignment/transfer on a single lease-by-lease basis in order that individual assignments or transfers are not delayed awaiting the approval of the entire group. (See Sections I, II, and III, above, for guidelines for approval action.)	APPROVE EACH LEASE ASSIGNMENT AND TRANSFER CASE-BY-CASE
	4.	Determine if bond coverage is needed for a lease. If a bond is required, the assignee/transferee, sublessee, or operator on the ground is to furnish bond coverage in accordance with the requirements of 43 CFR 3104.2 before the BLM approval is granted. (See Handbook 3104-1.)	BONDING REQUIREMENTS
	5.	Approval of the original copy of the mass assignment/transfer by the authorized officer does not mean that all of the assignments/transfers in the exhibit are approved. Those not approved are to be so noted in the exhibit with a brief explanation. If there are multiple disapprovals in the exhibit, it may be preferable to also approve the mass assignment/transfer by decision, stating which leases have not had their conveyances approved and the reasons why (see Illustration 30).	CASES IN MASS TRANSFER EXHIBIT NOT APPROVED

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VI. Other Types of Transfers of OwnershipKeywordsA. General

Some changes in ownership of interests in Federal oil and gas leases occur without any intention by the holder of interest to assign or transfer the interest, by sheriff's sale, or by dissolution of corporations, partnerships, or trusts. The most common instances of such changes are by an individual's death, a merger of corporations, and the change of the name of any party holding a lease interest. A name change is not actually a transfer, but the BLM records must be corrected to reflect the proper name. The regulations covering these provisions are found at 43 CFR 3106.8. (See also Manual Section 3106.8.)

OTHER TYPES
OF LEASE
TRANSFERS

Although successions of interest described in this section of the Handbook do not require assignments and transfers, parties often execute and file these documents, paying the appropriate filing fees. This commonly occurs when an estate is settled and the estate's administrator is distributing the estate's assets. Such transfers of lease interests, even if required by a State's probate law and even if on BLM-approved forms, are not necessary for the BLM recognition of a successor-in-interest. However, they are to be processed in lieu of recognizing a successor-in-interest by a BLM-prepared notice. The \$25 filing fee for each such submission is to be retained.

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B. Processing

Responsible Official	Step	Action	Keywords
Receiving Official	1.	Receive and date/time stamp letter, court order, death certificate, or other official document indicating that the lessee or holder of other interest in the lease is deceased, or has a name change, or that a corporation holding a Federal lease has merged into another corporation. Note that no filing fee is required.	OFFICIAL DOCUMENTS FILED FOR OTHER TYPES OF LEASE TRANSFERS
Docket	2.	Pull case files and forward to Adjudication.	
Adjudication	3.	Adjudicate lease actions for <u>deceased interest holders</u> as follows:	DECEASED INTEREST HOLDERS
	3a.	Review the document to determine the party that is to be recognized as the successor of the deceased. The successor may be an executor or personal representative, or more permanently, the heir of the deceased or the devisee under a will, or other parties specified by a probate court order, such as the decree of distribution.	
	3b.	If the document is unclear, request the party sending the information to indicate who is to be recognized as succeeding to the interest of decedent (see Illustration 31, pages 1 and 2).	

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Responsible Official	Step Action	Keywords
	<p>3c. Determine whether all parties who succeed to the interests formerly held by decedent are qualified to hold lease interests. Both the temporary executor or representative and the eventual heirs or devisees must be United States citizens and comply with the acreage limitations. A failure to qualify because of foreign citizenship or excessive acreage holdings will not prevent the transfer from the decedent to the successor from occurring as a matter of law. However, the successor must dispose of these lease interests within 2 years from the time of acquisition (see 43 CFR 3106.8-1(b)). No formal recognition of a holding by a disqualified party is to be made by a BLM authorized officer except in conjunction with approving the disposition of an interest by an assignment or transfer from a decedent to a successor.</p>	<p>QUALIFICATIONS OF SUCCESSOR- IN-INTEREST TO HOLD LEASE INTERESTS</p>
	<p>3d. If the document that was submitted by the successor fails to include a statement that all parties who hold or will hold an interest are qualified to hold lease interests under the Mineral Leasing Act, notify the party that such a statement is required (see Illustration 31, page 3).</p>	
	<p>3e. Check the ALMRS to determine the leases in which the decedent held an interest, and if any bonds are necessary. Verify the interests that the decedent held, including interests in issued leases and pending offers.</p>	

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Responsible Official	Step	Action	Keywords
	3f.	If office records indicate that no Federal lease interests are held, return the documents submitted under a cover letter indicating such, but that further review will be made if specific Federal leases and interests therein are identified by the successor.	
	4.	When office records reveal that the decedent held interests in leases, prepare a decision as follows (see Illustration 32):	SUCCESSOR-IN-INTEREST RECOGNIZED
	4a.	List the leases in which the decedent held an interest.	
	4b.	Specify any change needed in bonding requirements (see Section I.E, above). The bond needs to be changed to recognize the succession, with a change of name of the principal/obligor.	
	4c.	Recognize successor-in-interest, specifying the proportion held in each lease, if there is more than one successor.	
	5.	If the name change is made on the lease records before the name is changed on the bond, a future action suspense date needs to be set to ensure that the bond update is completed.	BONDING REQUIREMENTS
	5a.	While the predecessor's bond, by its own terms, extends to cover interests of a successor-in-interest, the surety is required to recognize the succession, especially as required by 43 CFR 3106.8-2 for change of name.	
	6.	Notify the MMS-DMD of the leases involved by a copy of the decision with an attached list of leases by serial number.	NOTIFY MMS-DMD OF SUCCESSOR- IN-INTEREST

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Responsible Official	Step	Action	Keywords
ALMRS Entry	7.	Update lease records to indicate that successor-in-interest is recognized using the current data standards.	AUTOMATED NOTATION
	7a.	Enter Action Date (MANDATORY ACTION CODE): Enter date of acknowledgement of transfer of lease rights to successor-in-interest; DE 1775 Action Code 586/DE 2910 Action Code 396; Action Remarks: "EFF MM/DD/YY;" General Remarks: Indicate former name to new name.	
	7b.	Change name in proprietor field to new name.	
Adjudication	8.	Adjudicate lease actions for a <u>change of name</u> as follows:	CHANGE OF NAME PROCESSING
	8a.	When a name change request is received, review the Automated Bond and Surety File System to determine if a bond is held and, if so, which State Office holds the bond.	
	8b.	If the bond is held by another State Office, forward the name change request to that office for action.	
	8c.	If the name change involves more than one State Office, the affected State Offices shall come to a consensus as to which office is to process the name change.	
	8d.	Within 10 working days after receipt of the request for a name change, the State Office with the lead action shall place a message on the FTS2000 fluid leasing shared folder to notify all the BLM State Offices of the pending name change, the responsible office, and the bond type and bond number.	MESSAGE PLACED ON FTS2000 SHARED FOLDER BY ACTION OFFICE ON RECEIPT OF NAME CHANGE REQUEST

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Responsible	Step	Action	Keywords
		<p><u>EXAMPLE:</u> Date of receipt: 8/9/94 Name Change from Farmers Union Central Exchange, Inc. to CENEX, Inc. Responsible Office: Utah State Office Bond Type and Number: Nationwide - UT0042</p>	
	8e.	<p>Determine if adequate information concerning the name change has been submitted, including a list of the lease serial numbers where any type of interest is maintained for all States nationwide. Note that the listing of lease serial numbers nationwide is optional (see Step VI.B.8f, below).</p>	
	8f.	<p>Request an ALMRS Case Recordation Report M06, "Special Proprietor List" for each BLM administrative State to determine which State Offices are involved in the name change.</p>	
	8g.	<p>When each BLM administrative State has been identified, request an ALMRS Case Recordation Report IO4 "Proprietor Index" for each involved State Office to obtain the list of lease serial numbers held under the former name.</p>	
	8h.	<p>If ALMRS shows no lease interests held by the party submitting the name change and no list was submitted, require the party to provide a list in accordance with the regulations at 43 CFR 3106.8-2 (see Illustration 33).</p>	
	8i.	<p>Check for bond requirement changes that may be needed (see Section I.E, above).</p>	<p>BONDING REQUIREMENTS</p>

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Responsible

Official	Step	Action	Keywords
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NOTE: The regulations at 43 CFR 3108.8-2 indicate that a name change may be made by surety consent or a rider to the original bond or by a replacement bond. The regulations do not specifically state that a rider to the bond is required prior to the BLM recognition of the name change.

8j. If the name change is made on the lease records before the name is changed on the bond, a future action suspense date shall be set to ensure that the bond revision is completed.

8k.	Within 10 working days of receipt of all required documentation, prepare a notice recognizing the name change (see Illustration 34).	NOTICE OF RECOGNITION OF NAME CHANGE PREPARED
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8l. Attach a copy of the ALMRS reports for all affected State Offices, reduced to 8 1/2" by 11" size, to the decision. If discrepancies exist, they must be resolved by the party submitting the name change.

8m. Send each affected surety or financial institution a copy of the notice with the attached listing of leases for all States.

8n.	Send a copy of the notice to the MMS-DMD with the attached listing of leases for all States.	NOTIFY MMS-DMD OF NAME CHANGE
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H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Responsible Official	Step	Action	Keywords
	8o.	Send each affected State Office a copy of the notice attaching the ALMRS report of leases for that State Office.	
		<u>NOTE:</u> Each State Office is responsible for updating its own leases in the ALMRS Entry in accordance with the current data standards.	
	8p.	Notify all State Offices of the acceptance of the name change by placing a message on the FTS2000 fluid leasing shared folder.	
	8q.	If adjustments are made to a bond, place a message on the Automated Bond and Surety File System Bond Bulletin Board to notify each State Office's bond coordinator.	
ALMRS Entry	9.	Update lease records to indicate that name change is recognized using the current data standards.	AUTOMATED NOTATION
	9a.	Enter Action Date (MANDATORY ACTION CODE): Date name change is recognized; DE 1775 Action Code 290/DE 2910 Action Code 940; Action Remarks: Indicate former name to new name (or enter in General Remarks).	
	9b.	Change the name in proprietor field to new name.	

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Responsible Official	Step	Action	Keywords
Adjudication	10.	Adjudicate lease actions for a <u>corporate merger</u> as follows:	CORPORATE MERGER PROCESSING
	10a.	Adjudication should assume that the transfer is automatic and that individual lease assignments and transfers are unnecessary. If the correspondence submitted for a corporate merger indicates that the merger has not caused the interests held by the merging corporation to be transferred by operation of law to the surviving corporation, or if the BLM is aware that mergers affecting real property do not have the effect of automatically transferring the merging corporation's leases to the surviving corporation as a matter of law, such a transfer is not automatic. The surviving corporation must be advised in such cases that, in order to have the transaction recognized by the BLM, lease assignments/transfers (with the required filing fee for each lease involved) must be submitted.	
	10b.	When notification of a merger is received, review the Automated Bond and Surety File System to determine if a bond is held and, if so, which State Office holds the bond.	
	10c.	If the bond is held by another State Office, forward the merger notification to that office for action.	
	10d.	If the merger involves more than one State Office, the affected State Offices shall come to a consensus as to which office is to process the merger.	

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Responsible Official	Step Action	Keywords
	<p>10e. Within 10 working days after receipt of the documentation of the merger, the State Office with the lead action shall place a message on the FTS2000 fluid leasing shared folder to advise all the BLM State Offices of the receipt of the merger documentation, the responsible office, and the bond type and bond number.</p>	<p>MESSAGE PLACED ON FTS2000 SHARED FOLDER BY ACTION OFFICE ON RECEIPT OF CORPORATE MERGER NOTIFICATION</p>
	<p><u>EXAMPLE:</u> Date of receipt: 9/8/94 Merger of BG Oil Limited Partnership into BG Oil Corporation, Inc. Responsible Office: New Mexico State Office Bond Type and Number: Nationwide - NM0859</p>	
	<p>10f. Determine if adequate information concerning the corporate merger has been submitted, i.e., articles of amendment, Secretary of State's certification, and a list of the lease serial numbers where any type of interest is held for all States nationwide. Note that the listing of lease serial numbers nationwide is optional (see Step VI.B.10g, below).</p>	
	<p><u>NOTE:</u> If the articles of amendment is the only document that is missing, the corporate merger can be processed without it.</p>	
	<p>10g. Request an ALMRS Case Recordation Report M06, "Special Proprietor List" for each BLM administrative State to determine which State Offices are involved in the corporate merger.</p>	

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Responsible Official	Step	Action	Keywords
	10h.	When each BLM administrative State has been identified, request an ALMRS Case Recordation Report I04 "Proprietor Index" for each involved State Office to obtain the list of lease serial numbers held under the former name.	
	10i.	If ALMRS shows no lease interests held by the entity submitting the merger documentation and no list was submitted, require the party to provide a list in accordance with the regulations at 43 CFR 3106.8-3 (see Illustration 35).	
	10j.	Check for bond requirement changes that may be needed (see Section I.E and Step III.B.15, above).	BONDING REQUIREMENTS
	10k.	When both the merging and surviving corporations have existing bonds, check that all responsibilities of the merging corporation continue to be properly covered by the bond of the surviving corporation.	
	<u>NOTE:</u>	The regulations at 43 CFR 3108.8-3 indicate that a bond rider or replacement bond conditioned to cover the obligations of all affected corporations may be required as a prerequisite to recognition of the merger. The regulations do not specifically state that a rider to the bond or a replacement bond is required prior to the BLM recognition of the merger.	

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Responsible Official	Step	Action	Keywords
	10l.	If the name change to the surviving corporation is made on the lease records before the name is changed on the bond, a future action suspense date must be set to ensure that the bond revision is properly completed.	
	10m.	Within 10 working days of receipt of all required documentation, prepare a notice recognizing the corporate merger (see Illustration 36).	NOTICE OF RECOGNITION OF CORPORATE MERGER PREPARED
	10n.	Attach a copy of the ALMRS reports for all affected State Offices, reduced to 8 1/2" by 11" size, to the decision. If discrepancies exist, they must be resolved by the surviving corporation.	
	10o.	Send each affected surety or financial institution a copy of the notice with the attached listing of leases for all States.	
	10p.	Send a copy of the notice to the MMS-DMD with the attached listing of leases for all States.	NOTIFY MMS-DMD OF CORPORATE MERGER
	10q.	Send each affected State Office a copy of the notice attaching the ALMRS report of leases for that State Office.	
	<u>NOTE:</u>	Each State Office shall be responsible for updating its own leases in the ALMRS Entry in accordance with the current data standards.	
	10r.	Notify all State Offices of the acceptance of the corporate merger by placing a message on the FTS2000 fluid leasing shared folder.	

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Responsible Official	Step	Action	Keywords
		10s. If adjustments are made to a bond, place a message on the Automated Bond and Surety File System Bond Bulletin Board to notify each State Office's bond coordinator.	
ALMRS Entry	11.	Update lease records to indicate that merger is recognized using the current data standards.	AUTOMATED NOTATION
	11a.	Enter Action Date (MANDATORY ACTION CODE): Date merger is recognized; DE 1775 Action Code 280/DE 2910 Action Code 817; Action Remarks: Indicate former name to new name of surviving corporation (or enter in General Remarks).	
	11b.	Change name in proprietor field to surviving corporate name.	
Adjudication	12.	In preparing the notice recognizing a successor-in-interest, either through death, name change, or merger, provide an explanation of any discrepancies between the list submitted by the party and those leases the BLM identifies to be affected by the change. Indicate the expired or terminated leases in the notice (see Illustrations 32, 34, and 36). If the BLM records indicate an interest in a lease that is not on the list submitted by the entity, specify the reason in the notice, e.g., due to unit segregation. A lease interest may be unknown to a successor. In such instances, indicate in the notice that the BLM records reflect that decedent or merging corporation holds such lease interests.	

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Responsible Official	Step	Action	Keywords
Adjudication	13.	Process lease actions for a <u>Sheriff's sale/deed</u> as follows:	SHERIFF'S SALE/DEED TRANSFER
	13a.	Title to a Federal lease may pass through foreclosure actions, in which case a judgment is filed in the County records where the lands are located, and an execution is issued to the Sheriff to levy on the leasehold interest. A notice of sale to sell the leasehold interest is published pursuant to the State law applicable to the execution of sales of real property. The purchaser at the sale should receive a Sheriff's Certificate of Sale. This certificate may contain a redemption period, in which case, legal title does not pass, but remains with the debtor until the time for redemption has passed. The purchaser may wish to file the certificate with the BLM, since it contains a record of what transpired and is notice to protect against any intervening claims. If the debtor has not paid the purchaser the amount of the purchase price during the redemption period, the purchaser will receive a Sheriff's deed conveying and transferring the interest to the purchaser. The purchaser must file the Sheriff's deed with the BLM. No filing fee is required.	
	13b.	Upon receipt of the Sheriff's deed (see Illustration 37), request a qualifications statement and, if required, a lease bond. Part B of the assignment Form 3000-3 may be modified and submitted for signature, since it contains all the certification language required for such a transfer.	

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Responsible Official	Step	Action	Keywords
		13c. When the statement (and bond, as may be needed) is received, issue a notice recognizing the transfer of interests (see Illustration 38).	
ALMRS Entry	14.	Enter Action Date (MANDATORY ACTION CODE): Date transfer of interest filed/acknowledged; DE 1775 Action Code 586/DE 2910 Action Code 396; Action Remarks: "EFF MM/DD/YY;" (Date qualification certification and bonding requirements are met); General Remarks: Enter "Sheriff's Deed."	AUTOMATED NOTATION
Adjudication	15.	Process a <u>transfer by dissolution of corporation, partnership, or trust</u> as follows:	DISSOLUTION OF CORPORATION, PARTNERSHIP, OR TRUST
	15a.	Similar to transfers through foreclosures by a Sheriff's sale, transfers may occur through the dissolution of incorporated entities, partnerships, or trusts. Certified copies of the dissolution papers, e.g., a Certificate of Dissolution of an incorporated entity certified as having been accepted by the State where the entity was incorporated, are to be filed in the proper BLM Office in order to allow official recognition of the transferee as indicated by the Articles of Dissolution. Dissolution of a partnership or trust through an order or decree that authorizes settlement, discharge, and distribution of the assets, holdings and/or interests also must be filed with the BLM to allow recognition of the transfer of lease holdings and interests.	

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Responsible Official	Step	Action	Keywords
	15b.	Upon receipt of the dissolution papers, request a qualifications statement and, if required, bonding coverage. Part B of the assignment Form 3000-3 contains all of the certification language required for such a transfer and may be modified and submitted for signature by the transferee.	
	15c.	When the statement (and bond, as may be needed) is received, issue a notice recognizing the transfer of interests (see Illustrations 39, 40, and 41).	
ALMRS Entry	16.	Enter Action Date (MANDATORY ACTION CODE): Date transfer of interest filed/acknowledged; DE 1775 Action Code 586/DE 2910 Action Code 396; Action Remarks: "EFF MM/DD/YY;" (the date qualification certification and bonding requirements are met); General Remarks: Enter brief description of type of transfer, e.g., dissolution of corporation.	AUTOMATED NOTATION

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Assignment of Record Title Interest in a Lease for
Oil and Gas or Geothermal Resources (Form 3000-3)

Form 3000-3
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: July 31, 1995

ASSIGNMENT OF RECORD TITLE INTEREST IN A
LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (42 U.S.C. 6508)

Lease Serial No. _____
Lease Effective Date
(Anniversary Date) _____
New Serial No. _____

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*
Street _____
City, State, ZIP Code _____

*If more than one assignee, check here and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

This record title assignment is for: (Check one) Oil and Gas Lease, or Geothermal Lease

Interest conveyed: (Check one or both, as appropriate) Record Title, Overriding Royalty, payment out of production or other similar interests or payments

2. This assignment conveys the following interest:

Land Description <small>Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein.</small>	Percent of Interest			Percent of Overriding Royalty or Similar Interests	
	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
	a	b	c	d	e

FOR BLM USE ONLY—DO NOT WRITE BELOW THIS LINE
UNITED STATES OF AMERICA

This assignment is approved solely for administrative purposes. Approval does not warrant that either party to this assignment holds legal or equitable title to this lease.

Assignment approved for above described lands;

Assignment approved for attached land description

Assignment approved effective _____

Assignment approved for land description indicated on reverse of this form.

By _____
(Authorized Officer)

(Title)

(Date)

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Assignment of Record Title Interest in a Lease for Oil and Gas or Geothermal Resources (Form 3000-3)

Part A (Continued): ADDITIONAL SPACE for Names and addresses of additional assignees in Item No. 1, if needed, or for Land Description in Item No. 2, if needed.

PART B: CERTIFICATION AND REQUEST FOR APPROVAL

- 1. The Assignor certifies as owner of an interest in the above designated lease that he/she hereby assigns to the above assignee(s) the rights specified above.
2. Assignee certifies as follows: (a) Assignee is a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or territory thereof.
3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) of one percent of the value of output, nor greater than 50 percent of the rate of royalty due to the United States when this assignment is added to all previously created overriding royalties (43 CFR 3241).

I certify that the statements made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this _____ day of _____, 19____ Executed this _____ day of _____, 19____

Name of Assignor as shown on current lease _____ Please type or print

Assignor _____ (Signature)
or _____ (Signature)
Attorney-in-fact _____ (Signature)

Assignee _____ (Signature)
or _____ (Signature)
Attorney-in-fact _____ (Signature)

(Assignor's Address)
(City) (State) (Zip Code)

Public reporting burden for this form is estimated to average 30 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, (Alternate) Bureau Clearance Officer, (WO-771), 1849 C Street, N.W., Washington, D.C. 20240, and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

Title 18 U.S.C. Sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*U.S. GPO: 1992-774-017/87022

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Assignment of Record Title Interest in a Lease for
Oil and Gas or Geothermal Resources (Form 3000-3)

Form 3000-3
(March 1991)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: July 31, 1992

ASSIGNMENT OF RECORD TITLE INTEREST IN A
LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (42 U.S.C. 6508)

Lease Serial No.
Lease Effective Date (Anniversary Date)
New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*

Street
City, State, ZIP Code

*If more than one assignee, check here and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

This record title assignment is for: (Check one) Oil and Gas Lease, or Geothermal Lease

Interest conveyed: (Check one or both, as appropriate) Record Title, Overriding Royalty, payment out of production or other similar interests or payments

2. This assignment conveys the following interest:

Land Description <small>Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein.</small>	Percent of Interest			Percent of Overriding Royalty or Similar Interests	
	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
	a	b	c	d	e

FOR BLM USE ONLY—DO NOT WRITE BELOW THIS LINE

UNITED STATES OF AMERICA

This assignment is approved solely for administrative purposes. Approval does not warrant that either party to this assignment holds legal or equitable title to this lease.

Assignment approved for above described lands;

Assignment approved for attached land description

Assignment approved effective _____

Assignment approved for land description indicated on reverse of this form.

By _____

(Authorized Officer)

(Title)

(Date)

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Assignment of Record Title Interest in a Lease for

Oil and Gas or Geothermal Resources (Form 3000-3)

Part A (Continued): ADDITIONAL SPACE for Names and addresses of additional assignees in Item No. 1, if needed, or for Land Description in Item No. 2, if needed.

PART B: CERTIFICATION AND REQUEST FOR APPROVAL

- 1. The Assignor certifies as owner of an interest in the above designated lease that he/she hereby assigns to the above assignee(s) the rights specified above.
2. Assignee certifies as follows: (a) Assignee is a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or territory thereof.
3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) of one percent of the value of output, nor greater than 50 percent of the rate of royalty due to the United States when this assignment is added to all previously created overriding royalties (43 CFR 3241).

I certify that the statements made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this _____ day of _____, 19____ Executed this _____ day of _____, 19____

Name of Assignor as shown on current lease _____ Please type or print

Assignor _____ (Signature)

or Attorney-in-fact _____ (Signature)

Assignee _____ (Signature)

or Attorney-in-fact _____ (Signature)

(Assignor's Address)

(City) (State) (Zip Code)

Public reporting burden for this form is estimated to average 30 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, (Alternate) Bureau Clearance Officer, (WO-771), 1849 C Street, N.W., Washington, D.C. 20240, and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

Title 18 U.S.C. Sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Assignment of Record Title Interest in a Lease for
Oil and Gas or Geothermal Resources (Form 3000-3)

Form 3000-3
(June 1988)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1989

ASSIGNMENT OF RECORD TITLE INTEREST IN A
LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (42 U.S.C. 6508)

Lease Serial No.
Lease Effective Date (Anniversary Date)
New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*

Street
City, State, ZIP Code

*If more than one assignee, check here and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

This record title assignment is for: (Check one) Oil and Gas Lease, or Geothermal Lease

Interest conveyed: (Check one or both, as appropriate) Record Title, Overriding Royalty, payment out of production or other similar interests or payments

2. This assignment conveys the following interest:

Land Description <small>Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein.</small>	Percent of Interest			Percent of Overriding Royalty or Similar Interests	
	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f

FOR BLM USE ONLY—DO NOT WRITE BELOW THIS LINE

UNITED STATES OF AMERICA

This assignment is approved solely for administrative purposes. Approval does not warrant that either party to this assignment holds legal or equitable title to this lease.

Assignment approved for above described lands;

Assignment approved for attached land description

Assignment approved effective

Assignment approved for land description indicated on reverse of this form.

By

(Authorized Officer)

(Title)

(Date)

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Assignment of Record Title Interest in a Lease for
Oil and Gas or Geothermal Resources (Form 3000-3)

Part A (Continued): ADDITIONAL SPACE for Names and addresses of additional assignees in Item No. 1, if needed, or for Land Description in Item No. 2, if needed.

PART B: CERTIFICATION AND REQUEST FOR APPROVAL

1. The assignor certifies as owner of an interest in the above designated lease that he/she hereby assigns to the above assignee(s) the rights specified above.
2. Assignee certifies as follows: (a) Assignee is a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or territory thereof. For the assignment of NPR-A leases, assignee is a citizen, national, or resident alien of the United States or association of such citizens, nationals, resident aliens or private, public or municipal corporations. (b) Assignee is not considered a minor under the laws of the State in which the lands covered by this assignment are located; (c) Assignee's chargeable interests, direct and indirect, in either public domain or acquired lands, do not exceed 200,000 acres in oil and gas options or 246,080 in oil and gas leases in the same State, or 300,000 acres in leases and 200,000 acres in options in each leasing District in Alaska, if this is an oil and gas lease issued in accordance with the Mineral Leasing Act of 1920 or 51,200 acres in any one State if this is a geothermal lease; (d) All parties holding an interest in the assignment are otherwise in compliance with the regulations (43 CFR Group 3100 or 3200) and the authorizing Acts; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of sec. 41 of the Mineral Leasing Act.
3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) of one percent of the value of output, nor greater than 50 percent of the rate of royalty due to the United States when this assignment is added to all previously created overriding royalties (43 CFR 3241).

I certify that the statements made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this _____ day of _____, 19 _____

Executed this _____ day of _____, 19 _____

Name of Assignor as shown on current lease _____
Please type or print

Assignor _____
or (Signature)

Assignee _____
or (Signature)

Attorney-in-fact _____
(Signature)

Attorney-in-fact _____
(Signature)

(Assignor's Address)

(City) (State) (Zip Code)

Title 18 U.S.C. Sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

II-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Notice of Return of Remittance (Form 1570-21) or
Standard Letter for Returning Assignment/Transfer for
Insufficient or No Filing Fee

Form 1370-21
(October 1964)
(formerly 4-1345)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NOTICE OF RETURN OF REMITTANCE

Date	March 15, 1994
Office	Colorado
Serial Number	COC-11111

Name
Street
City & State
Zip code

John Doe
RFD Route 4
Jonesville, AL 15678

Your check money order numbered _____, dated March 8, 1994

drawn on

located at

in the amount of \$ _____, is returned herewith for the following reason:

- After inquiry, it does not appear that this remittance pertains to the Bureau of Land Management.
- The remittance has not been signed by the maker. Please sign and return promptly to this Office.
- The check must be endorsed before it is negotiable by the Bureau of Land Management. Please endorse and return the check promptly to this Office.
- This check has been replaced by a new remittance received from you.
- The remittance is negotiable by a party other than the Bureau of Land Management. Please submit a new remittance made payable to the Bureau of Land Management.
- The check is post dated. Please submit a new check.
- The name or address of the bank is not shown. Please submit a new check.
- The wording of the endorsement of the remittance prohibits its acceptance by the Government. Please submit a new remittance.
- The figure amount of the check does not agree with the written amount. Please submit a new remittance.
- This is a duplicate payment. According to our records the amount was originally paid on _____ by _____, Therefore, your remittance is returned herewith.
- Other Filing Fee for each assignment or transfer is \$25.00. Please return the enclosed documents with a remittance in the amount of \$25.00 for each lease transaction.

CASHIER
2850 Youngfield St.
Lakewood, CO 80215

Mary Money
(Signature)

(Title)

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Notice of Return of Remittance (Form 1370-21) or
Standard Letter for Returning Assignment/Transfer for
Insufficient or No Filing Fee



IN REPLY REFER TO

United States Department of the Interior
BUREAU OF LAND MANAGEMENT

3106 (Office Code)
Serial No.

ABC Oil Corporation
123 Main Street
Lakewood, Colorado 80219

Dear _____ (Name) _____:

With this cover letter we are returning the record title assignment/
operating rights transfer that you recently attempted to file in this
office. Since no filing fee was received, the assignment/transfer is
unacceptable for processing.

In accordance with the Federal oil and gas leasing regulations at 43 CFR
3106.3, each assignment/transfer shall be accompanied by a nonrefundable
filing fee of \$25 per assignment or transfer. Assignments/transfers must be
completed on an individual lease basis. Record title assignments or
operating rights transfers must be executed on the proper, current form
approved by the Bureau of Land Management. Such documents must be filed in
triplicate in accordance with the instructions contained on the form.

In returning these documents to you, we have not attempted in any way to
review them for validity. If you wish to obtain information concerning the
filing of an assignment/transfer and any special requirements that may be
involved in your case, you may visit our office at the above address or call
_____ (Name) _____ at _____* _____.

Sincerely,

Authorized Officer

Enclosures

Distribution:

* Fill in appropriate office telephone number, including the Area Code.

NOTE: This format is designed to be preprinted and used without the need
for any further action than typing on the name and address and
attaching it to the documents that have been filed without the
required filing fees.

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Sample Record Title Worksheet

RECORD TITLE ASSIGNMENT WORKSHEET SERIAL NO. _____

100 PERCENT ASSIGNMENT

____/____ DE 2910 139/DE 1775 563-ASGN APPV EFF _____ MM/DD/YY

____/____ DE 2910 898/DE 1775 564-ASGN EFFECTIVE _____

(Name of Assignor(s))

To:

ALL UNDIVIDED INTEREST ASSIGNMENT

____/____ DE 2910 139/DE 1775 563-ASGN APPV EFF _____ MM/DD/YY

____/____ DE 2910 898/DE 1775 564-ASGN EFF _____ % To: _____

From: _____

RECORD TITLE HELD

PARTIAL UNDIVIDED INTEREST ASSIGNMENT

____/____ DE 2910 139/DE 1775 563-ASGN APPV EFF _____ MM/DD/YY

____/____ DE 2910 898/DE 1775 564-ASGN EFF _____ % To: _____

From: _____

RECORD TITLE HELD (Assigned lands) ASSIGNED LANDS

RECORD TITLE HELD (Remaining lands) REMAINING LANDS

____/____ DE 2910/1775 Action Code 567-ASGN RETURNED UNAPPV

____/____ DE 2910/1775 Action Code 566-ASGN WITHDRAWN

LAND LAW EXAMINER _____ DATE _____

ALMRS ENTRY _____ DATE _____

RECORDS _____ DATE _____



H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Decision Showing Additional
Requirements/Compliance for Action
on Record Title Assignment



United States Department of the Interior
BUREAU OF LAND MANAGEMENT

IN REPLY REFER TO

3106 (Office Code)
Serial No.

CERTIFIED MAIL--RETURN RECEIPT REQUESTED

	DECISION	
Assignee(s)	:	Oil and Gas
	:	Assignment Executed:
Assignor(s)	:	Assignment Filed: <u>(Date)</u>
	:	

Assignment of Record Title - Additional Requirement

The above referenced assignment affecting the record title to the indicated lease was filed in this office on the date shown. Before the assignment may be approved, the following action must be taken:

— The law and regulations require that three copies of the assignment manually executed by the assignor must be filed. We are returning herewith the necessary number of copies for the assignor to execute manually. The signed copies need to be returned to this office within the time permitted below.

— The following discrepancies must be explained or rectified:

EXAMPLE: (1) The assignor indicates that it holds 90 percent of the record title, is assigning 40 percent, and is retaining 30 percent. Our records shows the assignor holds 85 percent of the record title. Possibly the discrepancies may be explained by assignments that have not yet been filed with this office; OR

(2) The lease contains 3,135.24 acres and the assignment purports to transfer title to all 3,135.24 acres, but the land description is for less than all the lands in the lease. Please confirm if the assignment is to be for all the lands in the lease or only that portion of the lands described.

— Pursuant to 43 CFR 3102.4, all assignments and requests for approval of such assignments must be executed in a manner to disclose the relationship between the signatory and the assignor and/or assignee. On the assignment being considered, we are unable to ascertain the following relationship(s). (EXAMPLE: XYZ Company, the assignor/assignee, and John Jones, the signatory). If and when the relationship is disclosed satisfactorily in writing to this office within the time allowed, this office may then be able to approve the assignment.

— No request for approval of the assignment was filed. The assignee(s) must sign a request for approval, certifying qualification to hold Federal oil and gas lease interests, and should use the back of the BLM-approved form enclosed for that purpose.

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Decision Showing Additional
Requirements/Compliance for Action
on Record Title Assignment

2

_____ The assignment was filed more than 90 days after it was executed by the assignor(s). The Federal oil and gas leasing regulations at 43 CFR 3106.1 specify that this office may require verification that the assignment is still in force and effect in order for the assignment to be approved. As soon as all parties to the assignment confirm the validity of the assignment in writing to this office, provided it is done within the time permitted, the assignment may be approved.

_____ Other deficiencies:

The assignor and/or assignee are allowed 30 days (or longer, as deemed appropriate by State Office procedures) from the receipt of this decision to correct the defect indicated above. If the proper corrective action is not filed in this office within the time permitted (or any extension thereof granted pursuant to a written request received before the expiration of the time allowed), the assignment will not be approved. Any disapproval of the assignment pursuant to this paragraph will be without prejudice to the execution and filing of a subsequent similar assignment with proper filing fees.

During the compliance period specified above, there is no right of appeal to the Interior Board of Land Appeals and an appeal filed within the compliance period is subject to dismissal as being premature. The 30-day appeal period commences upon the expiration of the above-stated compliance period.

Standard appeal paragraph (See Handbook 3100-1, Chapter 1).

Authorized Officer

Enclosure(s)
Assignment Forms (as applicable)
Form 1842-1

Distribution:
Assignor (without assignment forms)

NOTE: While the above format appears as a checklist, any decision issued is to address only the specific defect necessitating additional requirements. Word processing equipment normally can be programmed to select the appropriate paragraph.

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Letter Returning Assignment When Lease Has
Expired, Terminated, or Been Relinquished or Cancelled



IN REPLY REFER TO

United States Department of the Interior
BUREAU OF LAND MANAGEMENT

3106 (Office Code)
Serial No.

First-named Assignee
11111 Main Street
Any Town, Any State 55555

Dear Assignee:

We are returning herewith all copies of the assignment filed in this office affecting the captioned oil and gas lease. The lease expired/terminated/was relinquished/was cancelled before the assignment was processed by this office, and no further action to approve the assignment will be taken.

The terms of an assignment are part of a private contractual agreement between the assignor (seller) and assignee (buyer). The Bureau of Land Management has no jurisdiction over this agreement between parties. It is suggested that you contact the party from whom you purchased the assignment.

The most current address on our records is:

Sincerely,

Authorized Officer

Enclosures
Assignment Forms

Distribution:
Any other assignee(s) (without enclosures)
Assignor(s) (without enclosures)

NOTE: If the lease terminated for nonpayment of annual rental, rather than expired, the following text is to be used:

We are returning herewith all copies of the assignment filed in this office affecting the captioned oil and gas lease. Because the proper annual rental was not paid in a timely manner, the lease automatically terminated by operation of law (30 U.S.C. 188) before the assignment was processed by this office. The termination has become final, and no further action to approve the assignment will be taken.



H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Decision of Assignment Disapproval



United States Department of the Interior
BUREAU OF LAND MANAGEMENT

IN REPLY REFER TO

3106 (Office Code)
Serial No.

CERTIFIED MAIL--RETURN RECEIPT REQUESTED

	DECISION	
Assignee(s):	:	Oil and Gas
Assignor(s):	:	Assignment Filed: <u>(Date)</u>

Assignment Approval Denied

The referenced assignment was filed in this office on the date shown above. For the reason indicated below, the assignment cannot be approved:

- ___ The assignor does not hold the interest that is being assigned.
- ___ In accordance with 43 CFR 3106.1(a), a record title assignment filed on Form 3000-3 of a separate zone or deposit or part of a legal subdivision shall be disapproved. If it is the intent to assign operating rights, Form 3000-3a (June 1988 edition or most current edition) must be filed with a \$25 filing fee.
- ___ The assignee is identified on the Bureau of Land Management list of violators of the reclamation requirements of the Mineral Leasing Act of 1920 (Section 17(g)). Until the reclamation violations are resolved, the law prescribes that a lease cannot be issued or assigned to this party.
- ___ Other:

Enclosed for the first-named assignee are all originals of the assignment filed. One copy of the assignment is retained in the case file for information purposes.

In the event of an appeal, the applicant must resubmit the originals of the assignment returned with this decision with the Notice of Appeal.

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Decision of Assignment Disapproval

2

This decision will become final 30 days from the date of receipt, in the absence of an appeal.

Standard appeal paragraph (see Handbook 3100-1, Chapter 1).

Authorized Officer

Enclosures
Assignment Forms
Form 1842-1

Distribution:
Field Office Operations, as appropriate

NOTE: While the above format appears as a checklist, any decision issued is to address only the specific defect requiring disapproval of the assignment. Word processing equipment normally can be programmed to select the appropriate paragraph.

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Decision Showing Disapproval of Transfer

Due to MMS Liabilities and/or Assessments



IN REPLY REFER TO

United States Department of the Interior
BUREAU OF LAND MANAGEMENT

3106 (Office Code)
Serial No.

CERTIFIED MAIL--RETURN RECEIPT REQUESTED

	DECISION	
	:	
Assignee(s)/Transferee(s):	:	Oil and Gas
	:	
	:	Transfer Filed: <u>(Date)</u>
	:	

Transfer Approval Denied/Lease Account Delinquent

The above referenced assignment of record title/transfer of operating rights was filed in this office on the date indicated.

The latest information provided by the Minerals Management Service (MMS) indicates that the lease account for this lease is currently delinquent due to unpaid royalty assessments. Accordingly, the transfer cannot be approved by the Bureau of Land Management, in accordance with 43 CFR 3106.7-3.

All copies of the transfer are returned herewith to the first-named assignee/transferee. When the lease account is brought into good standing with the MMS, the transfer may be filed again with the Bureau of Land Management, however, a new filing fee will be required. The filing fee submitted with the original transfer is nonrefundable.

This decision will become final 30 days from the date of receipt. If this decision is appealed, the appellant needs to ensure that all of the copies of the transfer returned with this decision are resubmitted to this office with the Notice of Appeal.

Standard appeal paragraph (see Handbook 3100-1, Chapter 1).

Authorized Officer

Enclosure(s)
Transfer
Form 1842-1

Distribution:
Assignor/Transferor (without forms)
Any other lessee (without forms)
Field Office Operations
MMS-DMD, Mail Stop 3110



H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Notice of Approval of Assignment for
Lease Committed to Unit



IN REPLY REFER TO

United States Department of the Interior
BUREAU OF LAND MANAGEMENT

3106 (Office Code)
Serial No.

NOTICE

Assignee(s):	:	Oil and Gas
	:	Assignment Executed: <u>(Date)</u>
Assignor(s):	:	Assignment Filed: <u>(Date)</u>
	:	

Assignment Approved Only as to Part of Lands

Enclosed to the (first-named) assignee is an approved copy of an assignment of record title affecting the above captioned lease.

Prior to the effective date of the assignment on (Date; the first of the month following its filing), the lease was committed to the (Name) Unit Agreement. That portion of the lease outside the unit area was segregated into lease (Serial number), effective (Date).

Accordingly, the assignment has been approved only as to those lands remaining in the lease committed to the unit. In accordance with 43 CFR 3106.4-1, a separate assignment is required for each lease affected. If the parties still desire to assign the lands in the segregated lease, a new assignment must be executed and filed with this office for approval.

Authorized Officer

Enclosure

Distribution:
Field Office Operations, as appropriate

NOTE: The foregoing notice is to be attached to each copy of the distributed assignment and also is to be sent to the assignor and any assignee not receiving a copy of the approved assignment.

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H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Notice of Approval of Assignment of Lease

Committed to Unit and Lease Segregated from Unit



IN REPLY REFER TO

United States Department of the Interior
BUREAU OF LAND MANAGEMENT

3106 (Office Code)
Serial No.

NOTICE

Assignee:	:	Oil and Gas
	:	Assignment Executed: <u>(Date)</u>
Assignor(s):	:	Assignment Filed: <u>(Date)</u>
	:	

Assignment Approved as to Lands in Two Leases

An approved copy of the assignment referenced above is enclosed to the assignee named above.

Since the assignment is effective prior to the date of commitment of lease (Serial number) to the (Name) Unit Agreement, the approval of the assignment extends to lands that are now located in both the lease committed to the unit and lease (New serial number) that has been segregated from the committed lease as a result of the unitization.

A copy of the decision segregating the lease is enclosed.

Future assignments filed affecting these lands will be subject to 43 CFR 3106.4-1, which requires a separate assignment for each lease affected.

Authorized Officer

Enclosures*

Distribution: **
Any other assignees

* The decision indicating the lease segregation, as found in Handbook 3105-1, is to be an enclosure.

** A copy of this notice and a copy of the assignment must be placed in both lease case files.

NOTE: A copy of this notice is to be attached to each copy of the assignment distributed and also is to be sent to the assignor and any assignee not receiving a copy of the approved assignment.

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H-5106-1 TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Memorandum Requesting Field Office

Operations Report on Assignment



United States Department of the Interior
BUREAU OF LAND MANAGEMENT

INTER-OFFICE

3106 (Office Code)
Serial No.

Memorandum

To: Fluid Minerals Field Office Operations
From: State Director, (Fluid Minerals Adjudication Code)
Subject: Assignment Affecting Oil and Gas Lease With Development Activities

This office has pending the approval of a record title assignment that would convey the following interest in the lease identified above:

Assignor(s):

Assignee(s):

Interest Assigned:

Please advise this office of any objections or any special bonding needs.

RESPONSE:

To: State Director, (Fluid Minerals Adjudication Code)

No objection to the assignment; all wells on the lease are in normal operating condition.

Bonding is required.

Bonding for the well is provided by _____.

All operations on the lease have been approved for final abandonment; therefore, no need for bond coverage exists.

Other:

Date

Name (Field Office Operations)

Distribution:



H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Notice Requesting Additional
Requirements/Compliance on Bonding



United States Department of the Interior
BUREAU OF LAND MANAGEMENT

IN REPLY REFER TO:

3106 (Office Code)
Serial No.

CERTIFIED MAIL--RETURN RECEIPT REQUESTED

Assignee:	NOTICE	:	Oil and Gas Lease
		:	
		:	Date Assignment Filed: <u>(Date)</u>
		:	
		:	

Additional Requirement

Your assignment affecting oil and gas lease (Serial number) cannot be approved as filed.

Our records show a well has been drilled on the lease. Liability for the drilling operations is being maintained by the lessee(s). The Federal leasing regulations at 43 CFR 3104.2 state, "The operator on the ground shall be covered by a bond in his/her own name as principal, or a bond in the name of the lessee or sublessee, provided that a consent of the surety, or the obligor in the case of a personal bond, to include the operator under the coverage of the bond is furnished to the BLM office maintaining the bond." One of the following requirements must be met in order to comply with the cited regulation:

1. The assignee maintains Bond No. _____. The assignee may furnish a consent of surety to the bond. A sample consent is enclosed. The consent must be executed by the assignee (principal) and the surety and must be accompanied by a Power of Attorney for the person signing on behalf of the surety.

OR

1. The assignee maintains no bonding coverage. Options available to secure an appropriate bond are contained in the enclosed "Information on Procedures for Obtaining Surety and Personal Bonds." If the assignee files a surety bond, it must be accompanied by a consent of surety. A sample consent is enclosed. The consent must be executed by the assignee (principal) and the surety and must be accompanied by a Power of Attorney for the person signing on behalf of the surety. If a personal bond is secured, a consent of the principal to the personal bond will be required. A sample of the consent of Principal is also enclosed.

All of the lessees (record title holders) are maintaining a bond to cover liabilities on the lease for their proportionate share of record title interest. Only one bond is required to cover the operations provided it covers 100 percent of the liabilities. If one of the lessees agrees to cover 100 percent of the liabilities, a statement to that effect, signed by that lessee, may be filed in this office. That lessee also must obtain a consent of surety to its bond in accordance with 43 CFR 3104.2.

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Notice Requesting Additional
Requirements/Compliance on Bonding

2

2. The operator of the well is _____ (Name) _____. The operator maintains Bond No. _____ that may be used to cover the liabilities provided a statement is filed in the _____ (Name) _____ District Office/Resource Area wherein the operator agrees to use its bond to cover the liabilities.

OR

2. The operator of the well is _____ (Name) _____. The operator currently maintains no bonding coverage. The operator may file an acceptable bond together with a statement that the bond will cover liabilities for operation of the well on the lease. Bond options are outlined in the enclosed "Information on Procedures for Obtaining Surety and Personal Bonds".

Forty-five days are allowed for the defect in the assignment to be cured. During that time, a new filing fee will not be required. If the defect in the assignment is not cured within the time allowed, we will issue a decision denying approval of the assignment. If additional time is needed to comply with the above requirement, a written request for an extension of time must be filed in this office before the end of the 45-day period. Should you have any questions concerning this correspondence, you may contact _____ (Name) _____ at _____* _____.

Authorized Officer

Enclosures

- 1 - Consent of Surety
- 2 - Consent of Principal
- 3 - Bond Information

Distribution:

Field Office Operations, as appropriate

* Fill in appropriate office telephone number, including the Area Code.

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Standard Notice to Assignee of Approved Assignment

Serial No. _____

NOTICE

ASSIGNMENT APPROVAL Attached is a copy of your approved record title assignment or operating rights transfer. The policy of this office is to return copies of the approved assignment/transfer to the assignee. If the assignment/transfer is to more than one assignee/transferee, the copy(ies) will be returned to the assignee/transferee with the greatest interest or, in the case of equal interests being transferred, to the assignee/transferee that is listed first. If any private agreements are filed with the official BLM-approved form, the private agreements will be returned to the assignee/transferee.

RENTAL PAYMENT If the lease is in a terminable (nonproducing) status with the Minerals Management Service (MMS), the annual rental payments must be mailed directly to the MMS at the following address: Minerals Management Service, Royalty Management Program, P.O. Box 5640, Denver, CO 80217. Failure to pay annual rental, which must be received by the MMS on or before the anniversary date of the lease, will result in automatic termination of the lease by operation of law. There is no grace period allowed.

LEASE TERMINATION Termination of your lease is automatic and statutorily imposed by Congress when the annual rental is not timely received. The BLM has no discretion and merely notifies you of this occurrence. Termination is triggered solely by failure of the lessee to timely submit rental to the MMS. The lessee has the responsibility to ensure that the rental payment is timely received. Payments must be sent sufficiently in advance of the lease anniversary date to account for normal delays on the part of the U.S. Postal Service (or other Agent) in collection, transmittal, and delivery to the MMS.

MMS BILLING NOTICES The MMS normally issues courtesy billing notices 75 days prior to the lease anniversary date, the date the rental is due. To expedite processing by the MMS, the party receiving the courtesy billing notice needs to ensure that they return the remittance portion of the notice with the rental payment. If a billing notice is not received, reference to the lease serial number needs to be made on the remittance. For leases where there are multiple lessees, the billing notice is generally mailed to the lessee holding the majority of the lease interest. You must notify the MMS in writing at the above-identified address if you wish to request a change in the party that is to receive the billing notice. Do not rely on receipt of a billing notice as a reminder to pay the rental. Failure to receive a billing notice will not prevent the lease from termination by operation of law if you do not pay the rental, nor is it considered a justifiable reason for not paying the rental on time.

PAYOR CHANGE

Except for rental payments that must be provided to the MMS at the above-specified address, all other lease matters, including address changes, relinquishments, transfers of interest, etc., must be directed to this BLM office at the letterhead address.

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H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Accounting Advices for Approved

Record Title Assignments

Form 1370-41
(March 1984)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIPT AND ACCOUNTING ADVICE

NO. 1495096

43

Subject: RECORD TITLE ASSIGNMENT

EXAMPLE OF ACCOUNTING ADVICE THAT ACCOMPANIES
THE ASSIGNMENT WHEN RECEIVED FROM ACCOUNTS

Applicant: ABC Oil Company
Any Town Street, Suite 001
Any Where, Utah 84111

\$25.00

Remitter: SAME

Assignor: XYZ Partnership

LEASE MANAGEMENT DATA										
<input type="checkbox"/> NEW <input type="checkbox"/> UPDATE <input type="checkbox"/> PAYMENT										
ORIGINAL SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL			ACRES/UNITS	RATE	
UTU-22223										
AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS	
ASSIGNMENT SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL			ACRES/UNITS	RATE	
AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS	

APPLY REMITTANCE			
ACTION	FUND SYMBOL	CTY.	AMOUNT
FILING FEE			
RENTAL			
UNEARNED			
REFUND			
TOTAL			
AMOUNT DUE			

Remarks:

BY:

DATE:

- Lease in Escrow?
- KGS?
- Auto Escalates?
- Auto Renew?

- Of Interest?
- Operating Rights?
- Operator
- Bond Filed?

FOR MMS USE ONLY

BILLEE	FOREST REFUGE
NUMBER	
OC'S SECTION	
CODE	

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Accounting Advices for Approved
Record Title Assignments

Form 1370-41
(March 1984)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIPT AND ACCOUNTING ADVICE

NO. 1495095

43

Subject: RECORD TITLE ASSIGNMENT

EXAMPLE OF ACCOUNTING ADVICE THAT ACCOMPANIES
THE ASSIGNMENT WHEN RECEIVED FROM ACCOUNTS

Applicant:
ABC Oil Company
Any Town Street, Suite 001
Any Where, Utah 84111

\$25.00

Remitter:
XYZ Partnership
2001 17th St., Suite 2040
Denver, CO 80202

Assignor: XYZ Partnership

LEASE MANAGEMENT DATA									
<input type="checkbox"/> NEW <input type="checkbox"/> UPDATE <input type="checkbox"/> PAYMENT									
ORIGINAL SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL			ACRES/UNITS	RATE
UTU-92177									
AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS
ASSIGNMENT SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL			ACRES/UNITS	RATE
AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS

APPLY REMITTANCE			
ACTION	FUND SYMBOL	CTY.	AMOUNT
FILING FEE			
RENTAL			
UNEARNED			
REFUND			
TOTAL			
AMOUNT DUE			

Remarks:

BY: _____ DATE: _____

<input type="checkbox"/> Lease in Escrow? <input type="checkbox"/> KGS? <input type="checkbox"/> Auto Escalates? <input type="checkbox"/> Auto Renew?	Of Interest? Operating Rights? Operator Bond Filed?	FOR MMS USE ONLY	
		BILLEE NUMBER	FOREST REFUGE
		OC'S SECTION	
		CODE	

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Accounting Advices for Approved

Record Title Assignments

Form 1370-41
(March 1984)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIPT AND ACCOUNTING ADVICE

NO. 1420145⁴³

Subject: RECORD TITLE ASSIGNMENT

\$25.00

Applicant: John Doe Oil Co.
781 Sonata Street
Salt Lake City, UT 84116

Remitter: SAME

Assignor: James Smithy

LEASE MANAGEMENT DATA									
ORIGINAL SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL			ACRES/UNITS	RATE
UTU-90351		ON P	43	047 14	5003			320.29	1.50

AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS
481.50	6/1/89	5/31/1999			UT04				

ASSIGNMENT SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL			ACRES/UNITS	RATE

AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS

APPLY REMITTANCE			
ACTION	FUNDSYMBOL	CTY.	AMOUNT
FILING FEE			
RENTAL			
UNEARNED			
REFUND			
TOTAL			
AMOUNT DUE			

Remarks:
Assignment of 100% Record Title
Approved effective 8-1-94.

BY: *Chris Good* DATE: 8/22/94

- Lease in Escrow?
- KGS?
- Auto Escalates?
- Auto Renew?

- Of Interest?
- Operating Rights?
- Operator
- Bond Filed?

FOR MMS USE ONLY

BILLEE NUMBER	FOREST REFUGE
OC'S SECTION	
CODE	

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Accounting Advices for Approved

Record Title Assignments

Form 1370-41
(March 1984)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIPT AND ACCOUNTING ADVICE

NO. 1420152 43

Subject: RECORD TITLE ASSIGNMENT

\$25.00

Applicant: Mary Doe
761 Singer Street
Salt Lake City, UT 84116

Remitter: SAME

Assignor: Dan Dolby

LEASE MANAGEMENT DATA										
<input type="checkbox"/> NEW <input checked="" type="checkbox"/> UPDATE <input type="checkbox"/> PAYMENT										
ORIGINAL SERIAL NO.	ASG.	TYPE	ST	CTY.	FUND SYMBOL			ACRES/UNITS	RATE	
UTU-54332		ON P	43	019	14	5003			240.00	1.50
AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS	
360.00	7/1/91	6/30/2001			UT03					
ASSIGNMENT SERIAL NO.	ASG.	TYPE	ST	CTY.	FUND SYMBOL			ACRES/UNITS	RATE	
AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS	

APPLY REMITTANCE			
ACTION	FUNDSYMBOL	CTY.	AMOUNT
FILING FEE			
RENTAL			
UNEARNED			
REFUND			
TOTAL			
AMOUNT DUE			

Remarks:
Assignment of 75% Record Title
Approved effective 9-1-94.

BY: *Chris Good* DATE: 8/22/94

<input type="checkbox"/> Lease in Escrow? <input type="checkbox"/> KGS? <input checked="" type="checkbox"/> Auto Escalates? <input type="checkbox"/> Auto Renew?		Of Interest? Operating Rights? Operator Bond Filed?		FOR MMS USE ONLY	
				BILLEE	FOREST REFUGE
				NUMBER	
				OC'S SECTION	
				CODE	

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Accounting Advices for Approved
Record Title Assignments

Form 1370-41
(March 1984)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIPT AND ACCOUNTING ADVICE

NO. 1420154 43

Subject: RECORD TITLE ASSIGNMENT

\$25.00

Applicant: ~~XYZ Oil Company
200 Cole Street
Denver, CO 80203~~

Remitter: ABC Oil, Inc.
4255 Scenic Avenue
Denver, CO 80201

Assignor: ABC Oil, Inc.

LEASE MANAGEMENT DATA									
ORIGINAL SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL	ACRES/UNITS	RATE		
UTU-92177		ON P	43	007 14	5003	480.00	1.50		
AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS
720.00	5/1/92	4/30/2002			UT02				
ASSIGNMENT SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL	ACRES/UNITS	RATE		
AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS

APPLY REMITTANCE				Remarks: ABC Oil, Inc. transfers 25% record title to XYZ Oil Company effective 8/1/94. ABC Oil, Inc. remains the majority record title holder. NOTE: If ABC Oil, Inc. is being billed by the MMS for this lease currently, the accounting advice does not need to be forwarded to the MMS-DMD since the billing does not need to be changed. Use the AA for an update to the file. BY: <i>Chris Good</i> DATE: 8/24/94
ACTION	FUND SYMBOL	CTY.	AMOUNT	
FILING FEE				
RENTAL				
UNEARNED				
REFUND				
TOTAL				
AMOUNT DUE				

<input type="checkbox"/> Lease in Escrow?				FOR MMS USE ONLY	
<input type="checkbox"/> KGS?	Of Interest?			BILLEE NUMBER	FOREST REFUGE
<input checked="" type="checkbox"/> Auto Escalates?	Operating Rights?			OCS SECTION	
<input type="checkbox"/> Auto Renew?	Operator			CODE	
	Hand Filed?				

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Accounting Advices for Approved

Record Title Assignments

Form 1370-41
(March 1984)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIPT AND ACCOUNTING ADVICE

NO. 1420157 43

Subject: RECORD TITLE ASSIGNMENT

\$25.00

Applicant: Big Oil Co.
123 Main Street
Any Where, UT 84111

Remitter: SAME

Assignor: Civic Oil Corp.

LEASE MANAGEMENT DATA									
		<input type="checkbox"/> NEW	<input checked="" type="checkbox"/> UPDATE			<input type="checkbox"/> PAYMENT			
ORIGINAL SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL		ACRES/UNITS	RATE	
UTU-89362		OE P	43		019 14	5003	120.00	1.50	
AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS
180.00	6/1/94	5/31/2004			UT04				
ASSIGNMENT SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL		ACRES/UNITS	RATE	
AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS

APPLY REMITTANCE			
ACTION	FUND SYMBOL	CTY.	AMOUNT
FILING FEE			
RENTAL			
UNEARNED			
REFUND			
TOTAL			
AMOUNT DUE			

Remarks:

Assignment of Record Title Effective 8/1/94.
25% ABC Oil Corp.
25% XYZ Partnership
50% Big Oil Co.

BY: *Chris Good* DATE: 8/24/94

- Lease in Escrow?
- KGS? Of Interest?
- Auto Escalates? Operating Rights?
- Auto Renew? Operator
- Bond Filed?

FOR MMS USE ONLY

BILLEE		FOREST REFUGE
NUMBER		
OCS SECTION		
CODE		

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Serial Register Page/Case Abstract Showing Approved

Undivided Interest Record Title Assignment

05/11/93 USDI * BUREAU OF LAND MANAGEMENT * UTAHSTATE OFFICE PG 01

SERIAL REGISTER PAGE

GEO STATE: UTAH SERIAL NO: UTU 34711
CASE TYPE: 311211 O&G LSE SIMO PUBLIC LAND
LEGAL REF: O&G LSE SIMO PUBLIC LAND 02-25-1920;04 COMMODITY: OIL & GAS

NAME	ADDRESS	% INTRST INTEREST
COCHRANE RESOURCES	PO BOX 1652 ROOSEVELT, UT 84606	00.00000 LESSEE
COCHRANE RESOURCES	PO BOX 1652 ROOSEVELT, UT 84606	00.00000 OPERATING RIGHTS
CODY OIL CO	3100 AIRPORT RD BOULDER, CO 80301	00.00000 LESSEE
CODY OIL CO	3100 AIRPORT RD BOULDER, CO 80301	00.00000 OPERATING RIGHTS
LONE MTN PROD CO	BOX 3394 BILLINGS, MT 59103	00.00000 LESSEE
LONE MTN PROD CO	BOX 3394 BILLINGS, MT 59103	00.00000 OPERATING RIGHTS
MCDONALD G W	571 FAIR FOUNDATION TYLER, TX 75702	00.00000 LESSEE
MCDONALD G W	571 FAIR FOUNDATION TYLER, TX 75702	00.00000 OPERATING RIGHTS
TYMCO OIL COMPANY	571 FAIR FOUNDATION TYLER, TX 75702	00.00000 LESSEE
TYMCO OIL COMPANY	571 FAIR FOUNDATION TYLER, TX 75702	00.00000 OPERATING RIGHTS

M_	TOWN	RANGE	SEC	SUBDIVISION	SURFACE MGMT AGENCY
26	6-0S	21-0E	27	NWNW	
			27	LOT 9	
			28	NE, S2NW, SW, W2SE	

***** TOTAL ACRES: 527.770 *****

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H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Serial Register Page/Case Abstract Showing Approved

Undivided Interest Record Title Assignment

05/11/93 USDI * BUREAU OF LAND MANAGEMENT * UTAHSTATE OFFICE PG 02

SERIAL REGISTER PAGE

GEO STATE: UTAH

SERIAL NO: UTU 34711

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M_	TOWN	RANGE	SEC	SUBDIVISION	SURFACE MGMT AGENCY
ACTN DATE	CODE	ACTION		ACTION REMARKS	PEND ACT
09/27/1976	387	CASE ESTABLISHED		#1483;	
09/30/1976	888	DRAWING HELD			
11/27/1981	237	LEASE ISSUED			
12/01/1981	530	ROYALTY RATE-12 1/2%			
12/01/1981	868	EFFECTIVE DATE			
05/03/1982	140	ASGN FILED			
05/17/1982	139	ASGN APPROVED		EFF 06/01/82;	
06/01/1982	898	ASGN EFFECTIVE		SAXE, BACON & BOLAN	
06/28/1982	899	TRF OF ORR FILED			
08/27/1982	140	ASGN FILED			
09/01/1982	898	ASGN EFFECTIVE		A G ANDRIKOPOULOS	
09/08/1982	139	ASGN APPROVED		EFF 09/01/82;	
10/27/1982	899	TRF OF ORR FILED			
07/11/1984	817	MERGER RECOGNIZED		/A/	
10/22/1984	899	TRF OF ORR FILED			
05/25/1985	650	HELD BY PROD - ACTUAL			
05/25/1985	658	MEMO OF 1ST PROD-ACTUAL		#28-1;	
07/22/1985	932	TRF OPER RGTS FILED			
07/25/1985	933	TRF OPER RGTS APPROVED		EFF 08/01/85;	
08/02/1985	940	NAME CHANGE RECOGNIZED		/B/	
11/08/1985	140	ASGN FILED		01	
11/08/1985	140	ASGN FILED		02	
11/22/1985	139	ASGN APPROVED		EFF 12/01/85;	
11/22/1985	139	ASGN APPROVED		EFF 12/01/85;	
12/01/1985	246	LEASE COMMITTED TO CA		UT080P49-86C692	
12/01/1985	898	ASGN EFFECTIVE		/C/	
12/01/1985	898	ASGN EFFECTIVE		/D/	
12/06/1985	235	EXTENDED		BY PRODUCTION	
12/06/1985	651	HELD BY PROD - ALLOCATED			
12/08/1985	660	MEMO OF 1ST PROD-ALLOC		UTU60946;	
02/13/1986	932	TRF OPER RGTS FILED			
03/03/1986	510	KMA CLASSIFIED		GREATER UINTA BASIN	
03/03/1986	933	TRF OPER RGTS APPROVED		EFF 03/01/86;	
03/06/1986	940	NAME CHANGE RECOGNIZED		/E/	
04/21/1986	315	RENTAL RATE DET/ADJ		\$2;	
06/05/1986	102	NOTICE SENT-PROD STATUS			
10/31/1986	932	TRF OPER RGTS FILED			
12/05/1986	933	TRF OPER RGTS APPROVED		EFF 11/01/86;	
12/10/1986	974	AUTOMATED RECORD VERIF			
02/23/1987	140	ASGN FILED			

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H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Serial Register Page/Case Abstract Showing Approved

Undivided Interest Record Title Assignment

05/11/93 USDI * BUREAU OF LAND MANAGEMENT * UTAHSTATE OFFICE PG 03

SERIAL REGISTER PAGE

GEO STATE: UTAH

SERIAL NO: UTU 34711

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ACTN DATE	CODE	ACTION	ACTION REMARKS	PEND ACT
03/11/1987	567	ASGN RETURNED UNAPPROVED	02/23/87; INTEREST	
04/14/1987	140	ASGN FILED	01	
04/14/1987	140	ASGN FILED	02	
04/14/1987	899	TRF OF ORR FILED		
04/14/1987	932	TRF OPER RGTS FILED		
04/21/1987	933	TRF OPER RGTS APPROVED	EFF 05/01/87;	
04/28/1987	139	ASGN APPROVED	EFF 05/01/87;	
05/01/1987	898	ASGN EFFECTIVE	/F/	
05/01/1987	898	ASGN EFFECTIVE	/G/	
05/26/1987	140	ASGN FILED	01	
05/26/1987	140	ASGN FILED	02	
06/01/1987	139	ASGN APPROVED	EFF 06/01/87;	
06/01/1987	139	ASGN APPROVED	EFF 06/01/87;	
06/01/1987	898	ASGN EFFECTIVE	/H/	
06/01/1987	898	ASGN EFFECTIVE	/I/	
03/16/1989	140	ASGN FILED	01	
03/16/1989	932	TRF OPER RGTS FILED		
03/22/1989	139	ASGN APPROVED	EFF 04/01/89;	
03/22/1989	933	TRF OPER RGTS APPROVED	EFF 04/01/89;	
04/01/1989	898	ASGN EFFECTIVE	/J/	
05/10/1989	140	ASGN FILED		
08/25/1989	817	MERGER RECOGNIZED	/K/	
01/11/1990	140	ASGN FILED	01	
01/11/1990	140	ASGN FILED	02	
01/16/1990	567	ASGN RETURNED UNAPPROVED	01/11/90; INTEREST	
01/19/1990	932	TRF OPER RGTS FILED		
01/19/1990	933	TRF OPER RGTS APPROVED	EFF 02/01/90;	
02/01/1990	898	ASGN EFFECTIVE	/L/	
02/06/1990	139	ASGN APPROVED	EFF 02/01/90;	
03/06/1990	140	ASGN FILED	01	
03/16/1990	139	ASGN APPROVED	EFF 04/01/90;	
04/01/1990	898	ASGN EFFECTIVE	/M/	
02/19/1991	140	ASGN FILED		
02/20/1991	817	MERGER RECOGNIZED	/N/	
03/13/1991	140	ASGN FILED		
04/17/1991	139	ASGN APPROVED	EFF 05/01/91;	
04/17/1991	139	ASGN APPROVED	EFF 05/01/91;	
04/17/1991	139	ASGN APPROVED	EFF 05/01/91;	
05/01/1991	898	ASGN EFFECTIVE	/O/	
05/01/1991	898	ASGN EFFECTIVE	/P/	
05/01/1991	898	ASGN EFFECTIVE	/Q/	
05/06/1991	140	ASGN FILED	01	

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H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Serial Register Page/Case Abstract Showing Approved

Undivided Interest Record Title Assignment

05/11/93 USDI * BUREAU OF LAND MANAGEMENT * UTAHSTATE OFFICE PG 04

SERIAL REGISTER PAGE

GEO STATE: UTAH

SERIAL NO: UTU 34711

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ACTN DATE	CODE	ACTION	ACTION REMARKS	PEND ACT
05/08/1991	139	ASGN APPROVED	EFF 06/01/91;	
06/01/1991	898	ASGN EFFECTIVE	/R/	
11/01/1992	536	RLTY RATE- OTHER	10.1%; /1/	
03/01/1993	140	ASGN FILED		
03/01/1993	932	TRF OPER RGTS FILED		
03/08/1993	625	RLTY REDUCTION APPV	UTU34711; /1/	
03/15/1993	139	ASGN APPROVED	EFF 04/01/93;	
03/15/1993	933	TRF OPER RGTS APPROVED	EFF 04/01/93;	
03/30/1993	974	AUTOMATED RECORD VERIF	CM	
04/01/1993	898	ASGN EFFECTIVE	/S/	
04/14/1993	140	ASGN FILED		
04/14/1993	932	TRF OPER RGTS FILED		

COMMENTS:

- 01 /A/ BUCKHORN PETRO CO TO HARPER OIL CO
- 02 /B/ AMERICAN PETROFINA CO OF TX TO FINA OIL & CHEMICAL CO
- 03 /C/ 75% TO TXO PROD CORP FR COTTON PETRO CORP IN SEC 27 LOT 9 NWNW
- 04 /D/ 25% TO TXO PRODUCTION CORP FR HARPER OIL CO IN SEC 27 LOT 9 NWNW SEC 28 NE W2SE
- 05 /E/ HARPER OIL CO TO MIDCON CENTRAL EXPLORATION CO
- 06 /F/ 75% TO APACHE CORP FR COTTON PETRO CORP IN SEC 28 NE W2SE SW
- 07 /G/ 25% TO APACHE CORP FR MIDCON CENTRAL EXPL CO IN SEC 28 S2NW SW
- 08 /H/ 12.5% TO FINA OIL & CHEMICAL CO 12.5% TO PETROFINA DELAWARE INC FR TXO PROD CO (25%) IN SEC 27 LOT 9 NWNW
- 09 /I/ 3.125% TO FINA OIL & CHEMICAL CO & 3.125% TO PETROFINA DELAWARE INC FR TXO PROD CORP (6.25%) IN SEC 28 NE W2SE
- 10 /J/ 75% TO ENTERPRISE 87 FR APACHE CORP IN SEC 23 NE W2SE & 100% IN SEC 28 S2NW SW
- 11 /K/ PETRODEL EXPLORATION INC & FINA O&G INC TO PETROFINA DELAWARE INC
- 12 /L/ 3.125% TO TXO PROD CORP FR FINA OIL & CHEM & 3.125% FR PETROINA DELAWARE INC (6.35%) IN SEC 28 NE W2SE
- 13 /M/ 25% TO TXO PROD CORP FR PETROFINA DELAWARE INC (12.5%) FINA OIL & CHEMICAL CO (12.5%) IN SEC

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H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Serial Register Page/Case Abstract Showing Approved

Undivided Interest Record Title Assignment

05/11/93 USDI * BUREAU OF LAND MANAGEMENT * UTAHSTATE OFFICE PG 05

SERIAL REGISTER PAGE

GEO STATE: UTAH

SERIAL NO: UTU 34711

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COMMENTS:

28 27 LOT 9 NWNW
 29 /N/ TXO PRODUCTION CORP TO MARATHON OIL COMPANY
 30 /O/ 42.5025% TO TYMCO OIL CO 24.9975% TO COCHRANE
 31 RES INC 7.5% TO GW MCDONALD IN SEC 28 NE W2SE
 32 56.67% TO TYMCO OIL CO 33.33% TO COCHRANE RES
 33 INC 10% TO GW MCDONALD IN SEC 28 S2NW SW FR
 34 ENTERPRISE 1987 INC (SEC 28 NE W2SE 75% SEC 28
 35 S2NW SW 100%)
 36 /P/ 15% TO TP EXPL INC 7.5% TO PADRE EXPL LTD
 37 5.0025% TO SI EXPL LTD IN SEC 28 NE W2SE 20% TO
 38 TP EXPL 10% TO PADRE EXPL LTD 6.67% TO SI EXPL
 39 LTD IN SEC 28 S2NW SW FR TYMCO OIL CO (SEC 28
 40 NE W2SE 27.5025% SEC 28 S2NW SW 36.67%)
 41 /Q/ 15% TO CODY OIL CO IN SEC 28 NE W2SE 20% TO CODY
 42 OIL CO IN SEC 28 S2NW SW FR TP EXPL INC
 43 /R/ 12.5025% IN SEC 28 NE W2SE & 16.67% IN SEC 28
 44 S2NW SW TO CODY OIL CO FR PADRE EXPL LTD JT
 45 VENTURE (7.5% & 10%) & SI EXPL LTD JT VENTURE
 46 (15.0025% & 6.67%)
 47 /S/ 25% TO LONE MNT PROD CO IN SEC 28 NE W2SE 100%
 48 TO LONE MNT PROD CO IN SEC 27 LOT 9 NWNW FR
 49 MARATHON OIL CO.
 AA RECORD TITLE HELD
 AB T 6 S R 21 E
 AC SEC 28 S2NW SW
 AD COCHRANE RES INC 33.33%
 AE TYMCO OIL CO 20%
 AF CODY OIL CO 36.67%
 AG G W MCDONALD 10%
 AH SEC 28 NE W2SE
 AI LONE MOUNTAIN PROD CO 25%
 AJ COCHRANE RES INC 24.9975%
 AK TYMCO OIL CO 15%
 AL CODY OIL CO 27.5025%
 AN G W MCDONALD 7.5%
 AO SEC 27 LOT 9 NWNW
 AP LONE MOUNTAIN PROD CO 100%

STATE

ENTITY

ACRES-

VERNAL DISTRICT USDI-BLM-UTAH

527.770

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H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Serial Register Page/Case Abstract Showing Approved

Undivided Interest Record Title Assignment

05/11/93 USDI * BUREAU OF LAND MANAGEMENT * UTAHSTATE OFFICE PG 06

SERIAL REGISTER PAGE

GEO STATE: UTAH

SERIAL NO: UTU 34711

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STATE	ENTITY	ACRES
	BOOKCLIFFS RA	527.770
UTAH	UINTAH COUNTY UTAH	527.770

CASE DISPOSITION: 12/01/1981 AUTHORIZED

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Notice Requesting Evidence on Timely Lease

Rental Payment for Partial Assignment



IN REPLY REFER TO

United States Department of the Interior
BUREAU OF LAND MANAGEMENT

Serial No.

NOTICE

Dear Applicant:

In order to verify that the rental payment for lease number (Serial number) was timely paid to the Minerals Management Service (MMS) Royalty Management Program (RMP), please provide this office with a copy of the front and back of the check that was submitted to the MMS-RMP. After receipt in this office of the evidence of timely annual rental payment, proper documentation can be made to prevent termination of the assigned portion of the lease.

Authorized Officer

Distribution:

C

C

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H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Accounting Advices for Approved
Partial Assignment

Form 1370-41
(March 1984)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIPT AND ACCOUNTING ADVICE

NO. 1420143₄₃

Subject: PARTIAL ASSIGNMENT

\$25.00

Applicant: John Q. Smith
1111 Main Street
Any Where, Any State 55555

Remitter: XYZ Leasing Service
232 Ponce Street
Miami, FL 33333

Assignor: Joe B. Money

LEASE MANAGEMENT DATA									
<input type="checkbox"/> NEW <input checked="" type="checkbox"/> UPDATE <input type="checkbox"/> PAYMENT									
ORIGINAL SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL			ACRES/UNITS	RATE
UTU-11111		OL P	43		019	14	5003	320.00	1.00
AMOUNT	ANV. DATE	EXP. DATE	BILL. CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS
320.00	12/1/87	11/30/97			UT02				
ASSIGNMENT SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL			ACRES/UNITS	RATE
UTU-77777		OL P	43		019	14	5003	40.00	1.00
AMOUNT	ANV. DATE	EXP. DATE	BILL. CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS
40.00	12/1/87	11/30/97			UT02				

APPLY REMITTANCE			
ACTION	FUND SYMBOL	CTY.	AMOUNT
FILING FEE			
RENTAL			
UNEARNED			
REFUND			
TOTAL			
AMOUNT DUE			

Remarks:
Partial Assignment Approved
Effective 7/1/94.

Rental has been satisfied for lease year
12/1/93 through 11/30/94 on UTU-11111.
Transfer \$40.00 to UTU-77777 for this period.

NOTE: This is for a single partial assignment.

BY: *Chris Good* DATE: 7/15/94

<input type="checkbox"/> Lease in Escrow?	Of Interest?	FOR MMS USE ONLY			
<input type="checkbox"/> KGS?	Operating Rights?			BILLEE	FOREST REFUGE
<input checked="" type="checkbox"/> Auto Escalates?	Operator			NUMBER	
<input type="checkbox"/> Auto Renew?	Bond Filed?			DCS SECTION	
		CODE			

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Accounting Advices for Approved

Partial Assignment

Form 1370-41
(March 1984)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
RECEIPT AND ACCOUNTING ADVICE

NO. 1420147 43

Subject: PARTIAL ASSIGNMENT

\$25.00

Applicant: Jonathan Appleby
1234 Seventh Ave.
Bradenton, FL 33339

Remitter: Reliable Leasing Company
2020 Atlantic Ave.
Fort Lauderdale, FL 30309

Assignor: Bruce Smily

LEASE MANAGEMENT DATA									
<input checked="" type="checkbox"/> NEW <input type="checkbox"/> UPDATE <input type="checkbox"/> PAYMENT									
ORIGINAL SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL			ACRES/UNITS	RATE
UTU-43434		OL P	43	037 14	5003			80.00	1.00
AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S.C.	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS
80.00	4/1/87	3/31/97			UTO3				
ASSIGNMENT SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL			ACRES/UNITS	RATE
AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S.C.	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS

APPLY REMITTANCE			
ACTION	FUND SYMBOL	CTY.	AMOUNT
FILING FEE			
RENTAL			
UNEARNED			
REFUND			
TOTAL			
AMOUNT DUE			

Remarks:
 Partial Assignment Approved
 Effective 6/1/94 out of UTU-23232.
 Rental satisfied for lease year 4/1/94 through 3/31/95 on UTU-23232.
 Transfer \$80.00 to UTU-43434 for this period.
 NOTE: This and AA Nos. 1420151 and 1420156 show how to prepare a series of AA's when a single lease is subject to several partial assignments. The retained lease needs to be corrected ONLY on the last AA.
 BY: *Chris Lane* DATE: 6/16/94

<input type="checkbox"/> Lease in Escrow?	
<input type="checkbox"/> RGS?	Of Interest?
<input checked="" type="checkbox"/> Auto Escalates?	Operating Rights?
<input type="checkbox"/> Auto Renew?	Operator
	Bond Filed?

FOR MMS USE ONLY		
BILLEE	NUMBER	FOREST REFUGE
OC'S SECTION		
CODE		

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Accounting Advices for Approved

Partial Assignment

Form 1370-41
(March 1984)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIPT AND ACCOUNTING ADVICE

NO. 1420151 43

Subject: PARTIAL ASSIGNMENT

\$25.00

Applicant: Gloria Smith
P.O. Box 4
Tullares, NM 88882

Remitter: Reliable Leasing Company
2020 Atlantic Ave.
Fort Lauderdale, FL 30309

Assignor: Bruce Smily

LEASE MANAGEMENT DATA										
<input checked="" type="checkbox"/> NEW <input type="checkbox"/> UPDATE <input type="checkbox"/> PAYMENT										
ORIGINAL SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL			ACRES/UNITS	RATE	
UTU-43435		OL P	43		037	14	5003	40.00	1.00	
AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS	
40.00	4/1/87	3/31/97			UT03					
ASSIGNMENT SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL			ACRES/UNITS	RATE	
AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS	

APPLY REMITTANCE			
ACTION	FUNDSYMBOL	CTY.	AMOUNT
FILING FEE			
RENTAL			
UNEARNED			
REFUND			
TOTAL			
AMOUNT DUE			

Remarks:
Partial Assignment Approved
Effective 6/1/94 out of UTU-23232.

Rental satisfied for lease year 4/1/94 through 3/31/95 on UTU-23232. Transfer \$40.00 to UTU-43435 for this period.

NOTE: This is the second partial assignment in a series of 3 partials. See AA Nos. 1420147 and 1420156. Keep these AA's together when forwarding them to the MMS-DMD.

By: *Chris Good* DATE 6/16/94

FOR MMS USE ONLY			
BICLLE	NUMBER	FOREST REFUGE	

- Lease in Escrow?
- KGS? Of Interest?
- Auto Escalates? Operating Rights?
- Auto Renew? Operator
- Bond Filed?

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Accounting Advices for Approved

Partial Assignment

Form 1370-41
(March 1984)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIPT AND ACCOUNTING ADVICE

NO. 1420156 ₄₃

Subject: PARTIAL ASSIGNMENT

\$25.00

Applicant: M.B. Developer, Inc.
22 E. 21st Street
Bigtown, KS 66666

Remitter: Reliable Leasing Company
2020 Atlantic Ave.
Fort Lauderdale, FL 30309

Assignor: Bruce Smily

LEASE MANAGEMENT DATA									
<input type="checkbox"/> NEW <input checked="" type="checkbox"/> UPDATE <input type="checkbox"/> PAYMENT									
ORIGINAL SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL			ACRES/UNITS	RATE
UTU-23232		OL P	43	037 14	5003			480.00	1.00
AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS
480.00	4/1/87	3/31/97			UT03				
ASSIGNMENT SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL			ACRES/UNITS	RATE
UTU-43436		OL P	43	037 14	5003			40.00	1.00
AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS
40.00	4/1/87	3/31/97			UT03				

APPLY REMITTANCE			
ACTION	FUND SYMBOL	CTY.	AMOUNT
FILING FEE			
RENTAL			
UNEARNED			
REFUND			
TOTAL			
AMOUNT DUE			

Remarks:
Partial Assignment Approved Effective 6/1/94 out of UTU-23232.
Rental satisfied for lease year 4/1/94 through 3/31/95 on UTU-23232. Transfer \$40.00 to UTU-43436 for this period.

NOTE: This is the third partial assignment in a series of 3 partials. See AA Nos. 1420147 and 1420151. This being the final AA in the series, it reflects the updated information on the original (base) lease as well as new lease info.

BY *Chris Good* DATE: 6/16/94

- Lease in Escrow?
- EGS? Of Interest?
- Auto Escalates? Operating Rights?
- Auto Renew? Operator
- Bonus/Elect?

FOR MMS USE ONLY	
BILL FEE NUMBER	FOREST REFUGE
DCS SECTION	
CODE	

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Accounting Advices for Approved

Partial Assignment

Form 1370-41
(March 1984)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIPT AND ACCOUNTING ADVICE

NO. 1420158 43

Subject: PARTIAL ASSIGNMENT

\$25.00

Applicant: John Q. Smith
1111 Main Street
Any Where, Any State 67891

Remitter: SAME

Assignor: Suzanne Thompson

LEASE MANAGEMENT DATA																																	
<input type="checkbox"/> NEW <input checked="" type="checkbox"/> UPDATE <input type="checkbox"/> PAYMENT																																	
ORIGINAL SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL			ACRES/UNITS	RATE																								
UTU-34100		OC	P	43	007	14	5003	320.00	2.00																								
<table border="1"> <thead> <tr> <th>AMOUNT</th> <th>ANV. DATE</th> <th>EXP. DATE</th> <th>BILL CYC.</th> <th>S/C</th> <th>DISTRICT</th> <th>NEXT BILL</th> <th>MISC. DATA</th> <th>U of M</th> <th colspan="2">ACTUAL UNITS</th> </tr> </thead> <tbody> <tr> <td>640.00</td> <td rowspan="2">8/1/87</td> <td rowspan="2"></td> <td rowspan="2"></td> <td rowspan="2"></td> <td rowspan="2">UT04</td> <td rowspan="2"></td> <td rowspan="2"></td> <td rowspan="2"></td> <td colspan="2" rowspan="2"></td> </tr> <tr> <td>320.00</td> </tr> </tbody> </table>											AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS		640.00	8/1/87				UT04						320.00
AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS																								
640.00	8/1/87				UT04																												
320.00																																	
ASSIGNMENT SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL			ACRES/UNITS	RATE																								
UTU-89504		OC	P	43	007	14	5003	40.14	2.00																								
<table border="1"> <thead> <tr> <th>AMOUNT</th> <th>ANV. DATE</th> <th>EXP. DATE</th> <th>BILL CYC.</th> <th>S/C</th> <th>DISTRICT</th> <th>NEXT BILL</th> <th>MISC. DATA</th> <th>U of M</th> <th colspan="2">ACTUAL UNITS</th> </tr> </thead> <tbody> <tr> <td>82.00</td> <td rowspan="2">8/1/87</td> <td rowspan="2">7/31/96</td> <td rowspan="2"></td> <td rowspan="2"></td> <td rowspan="2">UT04</td> <td rowspan="2"></td> <td rowspan="2"></td> <td rowspan="2"></td> <td colspan="2" rowspan="2"></td> </tr> <tr> <td>41.00</td> </tr> </tbody> </table>											AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS		82.00	8/1/87	7/31/96			UT04						41.00
AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS																								
82.00	8/1/87	7/31/96			UT04																												
41.00																																	

APPLY REMITTANCE			
ACTION	FUND SYMBOL	CTY.	AMOUNT
FILING FEE			
RENTAL			
UNEARNED			
REFUND			
TOTAL			
AMOUNT DUE			

Remarks:
Partial Assignment Approved Effective 9/1/94.

Rental satisfied for lease year 8/1/94 through 7/31/95. Transfer \$41.00 from UTU-34100 to UTU-89504.

Lease originally issued at \$2 per acre. SUBJECT TO SECRETARIAL RENTAL RATE REDUCTION.

BY: *Chris Good* DATE: 8/18/94

<input type="checkbox"/> Lease in Escrow?				FOR MMS USE ONLY		
<input checked="" type="checkbox"/> RGS?	Of Interest?			BILLEE		FOREST REFUGE
<input type="checkbox"/> Auto Escalates?	Operating Rights?			NUMBER		
<input type="checkbox"/> Auto Renew?	Operator			DCS SECTION		
	Bond Filed?			CODE		

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Accounting Advices for Approved

Partial Assignment

Form 1370-41
(March 1984)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
RECEIPT AND ACCOUNTING ADVICE

NO. 1420160 43

Subject: PARTIAL ASSIGNMENT

\$25.00

Applicant: Big Oil Developers Corp.
234 Fifth Ave.
New York, NY 10098

Remitter: SAME

Assignor: Roger Horner

LEASE MANAGEMENT DATA									
<input type="checkbox"/> NEW <input checked="" type="checkbox"/> UPDATE <input type="checkbox"/> PAYMENT									
ORIGINAL SERIAL NO.	ASG.	TYPE	ST	CTY.	FUND SYMBOL			ACRES/UNITS	RATE
UTU-43219		OG P	43	019	14	5003		657.00	1.00
AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S.C.	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS
657.00	8/1/84			P	UTO2				
ASSIGNMENT SERIAL NO.	ASG.	TYPE	ST	CTY.	FUND SYMBOL			ACRES/UNITS	RATE
UTU-77788		OG P	43	019	14	5003		40.00	1.00
AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S.C.	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS
40.00	8/1/84	7/31/96			UTO2				

APPLY REMITTANCE			
ACTION	FUND SYMBOL	CTY.	AMOUNT
FILING FEE			
RENTAL			
UNEARNED			
REFUND			
TOTAL			
AMOUNT DUE			

Remarks:
 Partial Assignment Approved Effective 6/1/94 out of UTU-43219.
 Base lease UTU-43219 is producing on retained portion; lease account is in nonterminable status.
 New lease UTU-77788 contains no wells and has been extended to 7/31/96; this lease is in a nonproducing/terminable status.

BY: *Chris Good* DATE: 5/12/94

- Lease in Escrow?
- RUS? Of Interest?
- Auto Escalates? Operating Rights?
- Auto Renew? Operator
- Bond Filed?

FOR MMS USE ONLY	
BILLER NUMBER	FOREST REFUGE
OCS SECTION	
CODE	

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Notice of Approval of Partial Assignment on
Producing Lease



IN REPLY REFER TO

United States Department of the Interior
BUREAU OF LAND MANAGEMENT

3106 (Office Code)

Base Lease
Serial No.: _____

Partial Assignment
Serial No.: _____

CERTIFIED MAIL--RETURN RECEIPT REQUESTED

NOTICE

Assignee(s):	:	Oil and Gas
	:	
	:	Date Assignment
	:	Filed: _____ (Date)
Assignor(s):	:	
	:	Effective Date of
	:	Assignment: _____ (Date)

Partial Assignment Approved

This office has approved the partial assignment affecting the oil and gas lease indicated above, wherein the above-named assignor(s) transfers to the assignee(s) identified above all of the record title in part of the lands in the lease.

In accordance with the law and regulations, this assignment, as approved, has the effect of segregating the assigned lands into a new lease, which now carries the new serial number indicated above and below. All future contact with this office concerning the lands in the partial assignment need to refer to this new serial number by which the lease will be identified on our records.

Below are set forth the description of the lands remaining in the original (base) lease, the annual rental for such lease, and any other pertinent data. Similar information is provided for the new lease created by the partial assignment.

BASE LEASE
Serial Number:

ASSIGNED LEASE
Serial Number:

Annual Rental:

Annual Rental:

Lease Anniversary Date:

Lease Anniversary Date:

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Notice of Approval of Partial Assignment on
Producing Lease

2

(NOTE: The following information may be inserted here, if appropriate.)

— The lands in the base lease contain a producible oil and/or gas well. The lease account for the base lease will remain in a nonterminable status with the Minerals Management Service (MMS), Royalty Management Program (RMP). A new lease account will be established with the MMS-RMP for the assigned lease, which contains no wells. This lease account with the MMS-RMP will be in a nonproducing (terminable) status. Beginning with the first lease year following the effective date of the assignment, or within 30 days from receipt of this Notice, whichever is later, rental for the assigned lease must be paid timely in order to avoid termination by operation of law of the assigned lease.

— Since the assigned lease contains a producing well and the lease out of which the assignment occurred was in an extended term by virtue of such production, in accordance with 43 CFR 3107.5-2 (or 3107.3) the term of the base lease which is undeveloped, is extended for a period of 2 years from the effective date of the assignment to (Date) and so long thereafter as oil or gas is produced in paying quantities.

Authorized Officer

Distribution:
MMS-DMD, Mail Stop 3110

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Sample Partial Assignment Worksheet

PARTIAL RECORD TITLE ASSIGNMENT WORKSHEET SERIAL NO. _____

Base Lease Serial Number _____

_____ 570 CASE SEGREGATED BY ASSIGNMENT TO (Lease Serial Number)

_____ 139 ASSIGNMENT APPROVED (DE 1775 Action Code 563)

Lands Remaining in Base Lease Acreage _____

Record Title to Base Lease

Royalty Rate Code _____

New Lease Serial Number _____

_____ 387 CASE ESTABLISHED (DE 1775 Action Code 001)

_____ 868 LEASE EFFECTIVE DATE (DE 1775 Action Code 225)

_____ APPROPRIATE ROYALTY RATE CODE FROM BASE LEASE

_____ 553 CASE CREATED BY ASSIGNMENT (DE 1775 Action Code 551)

_____ 898 ASSIGNMENT EFFECTIVE DATE (DE 1775 Action Code 564)

_____ 763 LEASE EXPIRES

Lands Assigned Acreage _____

County _____

Record Title Held

LAND LAW EXAMINER _____ DATE _____

ALMRS INPUT _____ DATE _____

RECORDS _____ DATE _____

NOTE: For producing leases, other codes may be applicable (e.g. 232 LEASE COMMITTED TO UNIT (DE 1775 Action Code 226). See also the current leasing data standards for other codes that may be required to be entered in the ALMRS automated system.



H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Standard Notice to Assignee of

Approved Partial Assignment

Serial No. _____

NOTICE

PARTIAL ASSIGNMENT APPROVAL Attached is a copy of your approved partial assignment which created a separate lease serialized (Serial number). This lease retains all of the terms and conditions of the original lease. You, as the lessee, are responsible for the payment of annual rentals, and retain the right to relinquish the lease.

RENTAL PAYMENTS Annual rental payments for the new lease are in the amount of \$_____ that must be made directly to the Minerals Management Service (MMS) at the following address and be received in that office **ON OR BEFORE THE ANNIVERSARY DATE EACH YEAR**: Minerals Management Service, Royalty Management Program, P.O. Box 5640, Denver, Colorado 80217.

MMS BILLING NOTICES The MMS normally issues courtesy billing notices 75 days prior to the lease anniversary date, the date the rental is due. To expedite processing by the MMS, the party receiving the courtesy billing notice needs to ensure that they return the remittance portion of the notice with the rental payment. If a billing notice is not received, reference to the lease serial number needs to be made on the remittance. For leases where there are multiple lessees, the billing notice is generally mailed to the lessee holding the majority of the lease interest. You must notify the MMS in writing at the above-identified address if you wish to request a change in the party that is to receive the billing notice. Do not rely on receipt of a billing notice as a reminder to pay the rental. Failure to receive a billing notice will not prevent the lease from termination by operation of law if you do not pay the rental, nor is it considered a justifiable reason for not paying the rental on time.

LEASE TERMINATION Failure to pay the annual rental will result in automatic termination of the lease by operation of law. There is no grace period allowed. Termination of your lease is automatic and is statutorily imposed by Congress when the annual rental is not timely received. The BLM has no discretion and merely notifies you of this occurrence. Termination is triggered solely by failure of the lessee to timely submit the rental to the MMS. The lessee has the responsibility to ensure that the rental payment is timely received. Payments must be sent sufficiently in advance of the lease anniversary date to account for normal delays on the part of the U.S. Postal Service (or other Agent) in collection, transmittal, and delivery to the MMS.

Except for rental payments that must be provided to the MMS at the above-specified address, all other lease matters, including address changes, relinquishments, transfers of interest, etc., must be directed to this BLM office at the letterhead address.



H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Serial Register Page/Case Abstract Showing

Approved Partial Assignment

05/11/93 USDI * BUREAU OF LAND MANAGEMENT * UTAHSTATE OFFICE PG 01

SERIAL REGISTER PAGE

GEO STATE: UTAH SERIAL NO: UTU 63106
CASE TYPE: 311121 O&G LSE NONCOMP PD -1987
LEGAL REF: O&G LSE NONCOMP PD -1987 12-22-1987;10 COMMODITY: OIL & GAS

NAME ADDRESS % INTRST INTEREST

TEXACO EXPL & PROD BOX 2100 100.00000 LESSEE
DENVER, CO 80201

M_ TOWN RANGE SEC SUBDIVISION SURFACE MGMT AGENCY

26 16-0S 19-0W 26 ALL
27 ALL
28 ALL
33 ALL
34 ALL
#01 ALL
#12 ALL
#13 ALL
#14 ALL
#15 ALL
#21 ALL
#22 ALL
#23 ALL
#24 ALL
#25 ALL

***** TOTAL ACRES: 3200.000 *****

* = LANDS RELINQUISHED, WITHDRAWN, REJECTED, SEGREGATED/ASSIGNED OUT

ACTN DATE CODE ACTION ACTION REMARKS PEND ACT

01/20/1988 124 APLN RECD #1145;
01/20/1988 128 PRESALE OFFER
03/28/1988 104 ADDTL INFO RQST NEW LEASE FORM
03/28/1988 106 MONIES REQUESTED \$2120;RENTAL
04/11/1988 103 ADDTL INFO RECD LEASE FORM
04/11/1988 392 MONIES RECEIVED \$2120;RENTAL
04/18/1988 237 LEASE ISSUED
04/21/1988 600 RECORDS NOTED
05/01/1988 530 ROYALTY RATE-12 1/2%
05/01/1988 868 EFFECTIVE DATE
05/08/1990 974 AUTOMATED RECORD VERIF
04/03/1991 111 RENTAL RECEIVED \$14431.50;21/5083575

* CONTINUED *

* CONTINUED *

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Serial Register Page/Case Abstract Showing

Approved Partial Assignment

05/11/93 USDI * BUREAU OF LAND MANAGEMENT * UTAHSTATE OFFICE PG 02

SERIAL REGISTER PAGE

GEO STATE: UTAH

SERIAL NO: UTU 63106

* CONTINUED *

* CONTINUED *

ACTN DATE	CODE	ACTION	ACTION REMARKS	PEND ACT
09/13/1991	140	ASGN FILED		
10/01/1991	898	ASGN EFFECTIVE	TEXACO INC	
10/08/1991	139	ASGN APPROVED	EFF 10/01/91;	
03/25/1992	111	RENTAL RECEIVED	\$14431.50;21/5088204	
06/23/1992	140	ASGN FILED		
07/01/1992	139	ASGN APPROVED	EFF 07/01/92;	
07/01/1992	570	CASE SEGREGATED BY ASGN	INTO UTU69960;	
07/13/1992	600	RECORDS NOTED		
07/16/1992	974	AUTOMATED RECORD VERIF	IA	
04/30/1998	763	EXPIRES		

STATE	ENTITY	ACRES
	RICHFIELD DISTRICT USDI-BLM-UTAH	3200.000
	HOUSE RANGE RA	3200.000
UTAH	MILLARD COUNTY UTAH	3200.000

CASE DISPOSITION: 05/01/1988 AUTHORIZED

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Serial Register Page/Case Abstract Showing

Approved Partial Assignment

05/11/93 USDI * BUREAU OF LAND MANAGEMENT * UTAHSTATE OFFICE PG 01

SERIAL REGISTER PAGE

GEO STATE: UTAH SERIAL NO: UTU 69960
 CASE TYPE: 311121 O&G LSE NONCOMP PD -1987
 LEGAL REF: O&G LSE NONCOMP PD -1987 12-22-1987;10 COMMODITY: OIL & GAS

NAME	ADDRESS	% INTRST INTEREST
WITTER GEORGE G	572 E GREEN ST #303 PASADENA, CA 91101	100.00000 LESSEE

M_	TOWN	RANGE	SEC	SUBDIVISION	SURFACE MGMT AGENCY
26	16-0S	19-0W	1	ALL	
			12	ALL	
			13	ALL	
			14	ALL	
			15	ALL	
			21	ALL	
			22	ALL	
			23	ALL	
			24	ALL	
			25	ALL	

***** TOTAL ACRES: 6420.800 *****

ACTN DATE	CODE	ACTION	ACTION REMARKS	PEND ACT
04/18/1988	387	CASE ESTABLISHED		
05/01/1988	530	ROYALTY RATE-12 1/2%		
05/01/1988	868	EFFECTIVE DATE		
07/01/1992	553	CASE CREATED BY ASGN	OUT OF UTU63106;	
07/13/1992	600	RECORDS NOTED		
04/30/1998	763	EXPIRES		

STATE	ENTITY	ACRES
	RICHFIELD DISTRICT USDI-BLM-UTAH	6420.800
	HOUSE RANGE RA	6420.800
UTAH	MILLARD COUNTY UTAH	6420.800

CASE DISPOSITION: 05/01/1988 AUTHORIZED

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H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Transfer of Operating Rights (Sublease) in a Lease for
Oil and Gas or Geothermal Resources (Form 3000-3a)

Form 3000-3a
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: July 31, 1995

**TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A
LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES**

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (42 U.S.C. 6508)

Lease Serial No.

Type or print plainly in ink and sign in ink.

PART A: TRANSFER

1. Transferee (Sublessee)*
Street
City, State, ZIP Code

*If more than one transferee, check here and list the name(s) and address(es) of all additional transferees on the reverse of this form or on a separate attached sheet of paper.

This transfer is for: (Check one) Oil and Gas Lease, or Geothermal Lease

Interest conveyed: (Check one or both, as appropriate) Operating Rights (sublease) Overriding Royalty, payment out of production or other similar interests or payments

2. This transfer (sublease) conveys the following interest:

Land Description <small>Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein.</small>	Percent of Interest			Percent of Overriding Royalty or Similar Interests	
	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f

FOR BLM USE ONLY—DO NOT WRITE BELOW THIS LINE

THE UNITED STATES OF AMERICA

This transfer is approved solely for administrative purposes. Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.

Transfer approved effective _____

By _____ (Authorized Officer) _____ (Title) _____ (Date)

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Transfer of Operating Rights (Sublease) in a Lease for Oil and Gas or Geothermal Resources (Form 3000-3a)

Part A (Continued): ADDITIONAL SPACE for Names and addresses of additional transferees in Item No. 1, if needed, or for Land Description in Item No. 2 if needed.

PART B: CERTIFICATION AND REQUEST FOR APPROVAL

- 1. The transferor certifies as owner of an interest in the above designated lease that he/she hereby transfers to the above transferee(s) the rights specified above.
2. Transferee certifies as follows: (a) Transferee is a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or territory thereof.
3. Transferee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal transfers, an overriding royalty may not be less than one-fourth (1/4) of one percent of the value of output, nor greater than 50 percent of the rate of royalty due to the United States when this transfer is added to all previously created overriding royalties (43 CFR 3241).

I certify that the statements made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this _____ day of _____, 19____ Executed this _____ day of _____, 19____

Name of Transferor _____ Please type or print

Transferor _____ (Signature)

or Attorney-in-fact _____ (Signature)

Transferee _____ (Signature)

or Attorney-in-fact _____ (Signature)

(Transferor's Address)

(City) (State) (Zip Code)

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 30 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management.

Title 18 U.S.C. Sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Transfer of Operating Rights (Sublease) in a Lease for
Oil and Gas or Geothermal Resources (Form 3000-3a)

Form 3000-3a
(November 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: July 31, 1992

**TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A
LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES**

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (42 U.S.C. 6508)

Lease Serial No.

Type or print plainly in ink and sign in ink.

PART A: TRANSFER

1. Transferee (Sublessee)*
Street
City, State, ZIP Code

*If more than one transferee, check here and list the name(s) and address(es) of all additional transferees on the reverse of this form or on a separate attached sheet of paper.

This transfer is for: (Check one) Oil and Gas Lease, or Geothermal Lease

Interest conveyed: (Check one or both, as appropriate) Operating Rights (sublease) Overriding Royalty, payment out of production or other similar interests or payments

2. This transfer (sublease) conveys the following interest:

Land Description <small>Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein.</small>	Percent of Interest			Percent of Overriding Royalty or Similar Interest	
	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
				e	f
a	b	c	d	e	f

FOR BLM USE ONLY--DO NOT WRITE BELOW THIS LINE

THE UNITED STATES OF AMERICA

This transfer is approved solely for administrative purposes. Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.

Transfer approved effective _____

By _____ (Authorized Officer) _____ (Title) _____ (Date)

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Transfer of Operating Rights (Sublease) in a Lease for Oil and Gas or Geothermal Resources (Form 3000-3a)

Part A (Continued): ADDITIONAL SPACE for Names and addresses of additional transferees in Item No. 1, if needed, or for Land Description in Item No. 2 if needed.

PART B: CERTIFICATION AND REQUEST FOR APPROVAL

- 1. The transferor certifies as owner of an interest in the above designated lease that he/she hereby transfers to the above transferee(s) the rights specified above.
2. Transferee certifies as follows: (a) Transferee is a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or territory thereof.
3. Transferee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal transfers, an overriding royalty may not be less than one-fourth (1/4) of one percent of the value of output, nor greater than 50 percent of the rate of royalty due to the United States when this transfer is added to all previously created overriding royalties (43 CFR 3241).

I certify that the statements made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this _____ day of _____, 19 _____ Executed this _____ day of _____, 19 _____

Name of Transferor _____ Please type or print

Transferor _____ (Signature)

or Attorney-in-fact _____ (Signature)

Transferee _____ (Signature)

or Attorney-in-fact _____ (Signature)

(Transferor's Address)

(City) (State) (Zip Code)

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 30 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, (Alternate) Bureau Clearance Officer, (WO-771), 18 and C Streets, N.W., Washington, D.C. 20240, and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

Title 18 U.S.C. Sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Transfer of Operating Rights (Sublease) in a Lease for
Oil and Gas or Geothermal Resources (Form 3000-3a)

Form 3000-3a
(June 1988)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1989

**TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A
LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES**

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
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Lease Serial No. _____

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	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
	a	b	c		

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THE UNITED STATES OF AMERICA

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Transfer approved effective _____

By _____ (Authorized Officer) _____ (Title) _____ (Date)

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Transfer of Operating Rights (Sublease) in a Lease for

Oil and Gas or Geothermal Resources (Form 3000-3a)

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I certify that the statements made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this _____ day of _____, 19 _____ Executed this _____ day of _____, 19 _____

Name of Transferor _____ Please type or print

Transferor _____ (Signature)

or _____ (Signature)

Attorney-in-fact _____ (Signature)

(Transferor's Address)

(City) (State) (Zip Code)

Transferee _____ (Signature)

or _____ (Signature)

Attorney-in-fact _____ (Signature)

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H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE
Format for Decision Showing Additional Requirements/Compliance
for Action on Operating Rights Transfer



United States Department of the Interior
BUREAU OF LAND MANAGEMENT

IN REPLY REFER TO

3106 (Office Code)
Serial No.

CERTIFIED MAIL--RETURN RECEIPT REQUESTED

	DECISION	
Transferee(s)	:	Oil and Gas
	:	Transfer Executed: <u> (Date) </u>
Transferor(s)	:	
	:	Transfer Filed: <u> (Date) </u>
	:	

Transfer of Operating Rights (Sublease) - Additional Requirement

The above referenced transfer of operating rights affecting the indicated lease was filed in this office on the date shown. Before the transfer may be approved, the following action must be taken:

- _____ The law and regulations require that three copies of the transfer manually executed by the transferor be filed. We are returning herewith to the (first-named) transferor the necessary number of copies to execute manually and return to this office within the time permitted below.
- _____ Bond coverage for the transferee is required. Such bond coverage may be provided by an Oil and Gas Lease Bond (Form 3000-4). A copy of the BLM form is enclosed for the transferee who must ensure that such coverage is made prior to Bureau of Land Management approval of the transfer.
- _____ Before the transfer may be approved, the transferee and its surety must specifically extend the coverage of the bond to include the responsibility to properly plug and abandon the following well:

A copy of a rider that may be used is enclosed (See Handbook 3104-1).

- _____ No request for approval of the transfer was filed. The transferee must sign a request for approval, certifying qualification to hold Federal oil and gas lease interests, and should use the back of the BLM-approved form enclosed for that purpose.
- _____ Other deficiencies:

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE
Format for Decision Showing Additional Requirements/Compliance
for Action on Operating Rights Transfer

2

The transferor and/or transferee are allowed 30 days (or longer, as deemed appropriate by State Office procedures) from the date of receipt of this decision to correct the defect indicated above. If the proper corrective action is not filed in this office within the time permitted (or any extension thereof granted pursuant to a written request received before the expiration of the time allowed), the transfer will not be approved. Any disapproval of the transfer pursuant to this paragraph will be without prejudice to the execution and filing of a subsequent similar transfer with proper filing fees.

During the compliance period specified above, there is no right of appeal to the Interior Board of Land Appeals and an appeal filed within the compliance period is subject to dismissal as being premature. The 30-day appeal period commences upon the expiration of the above-stated compliance period.

Standard appeal paragraph (See Handbook 3100-1, Chapter 1).

Authorized Officer

Enclosure(s)
Form 1842-1

Distribution:

NOTE: While the above format appears as a checklist, any decision issued is to address only the specific defect(s) necessitating additional requirements. Word processing equipment normally can be programmed to select the appropriate paragraph(s).

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Accounting Advices for Approved Transfers of
Operating Rights

Form 1370-41
(March 1984)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIPT AND ACCOUNTING ADVICE

NO. 1495094

43

Subject: TRANSFER OF OPERATING RIGHTS

\$25.00

Applicant: Pete Customer
8999 Flower Way
Magnolia, South Carolina 88990

Remitter: SAME

Assignor: Frank Farmout

LEASE MANAGEMENT DATA NEW UPDATE PAYMENT

ORIGINAL SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL	ACRES/UNITS	RATE
UTU-34567							

AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS

ASSIGNMENT SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL	ACRES/UNITS	RATE

AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS

APPLY REMITTANCE

ACTION	FUND SYMBOL	CTY.	AMOUNT
FILING FEE			
RENTAL			
UNEARNED			
REFUND			
TOTAL			
AMOUNT DUE			

Remarks:

Indicate whether approved or returned unapproved, and sign and date.
Retain goldenrod copy for case file.

BY: Jane Adjudicator

DATE: 3/17/94

- Lease in Escrow?
- RGS?
- Auto Escalates?
- Auto Renew?

Of Interest?
Operating Rights?
Operator
Bond Filed?

FOR MMS USE ONLY

BILLEE NUMBER	FOREST REFUGE
OC'S SECTION CODE	

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Serial Register Page/Case Abstract Showing

Approved Operating Rights Transfer

05/11/93 USDI * BUREAU OF LAND MANAGEMENT * UTAHSTATE OFFICE PG 01

SERIAL REGISTER PAGE

GEO STATE: UTAH SERIAL NO: UTU 39714
CASE TYPE: 311111 O&G LSE NONCOMP PUB LAND
LEGAL REF: O&G LSE NONCOMP PUB LAND 02-25-1920;04 COMMODITY: OIL & GAS

NAME	ADDRESS	% INTRST INTEREST
BLACKMUN FRED W	8144 WALNUT HILL LN DALLAS, TX 75231	00.00000 OPERATING RIGHTS
CHORNEY RAYMOND ESTA	555 17TH ST DENVER, CO 80202	25.00000 LESSEE
CHORNEY RAYMOND ESTA	555 17TH ST DENVER, CO 80202	00.00000 OPERATING RIGHTS
GHP/JH LTD PARTNERSH	5251 DTC PARKWY 1200 ENGLEWOOD, CO 80111	00.00000 OPERATING RIGHTS
OVERTHRUST OIL ROYAL	2662 SKYLINE DR SALT LAKE CITY , UT 84108	00.00000 OPERATING RIGHTS
PG&E RESOURCES CO	6688 N CENTRAL EXPRE DALLAS, TX 75206	75.00000 LESSEE
PG&E RESOURCES CO	6688 N CENTRAL EXPRE DALLAS, TX 75206	00.00000 OPERATING RIGHTS
R L JACOBS O&G CO	2647 COMMERCE BLVD GRAND JUNCTION , CO 81501	00.00000 OPERATING RIGHTS
ROBERT S WEST G&O	RT 1 HANCOCK COVE ROOSEVELT, UT 84066	00.00000 OPERATING RIGHTS

M_	TOWN	RANGE	SEC	SUBDIVISION	SURFACE MGMT AGENCY
26	9-0S	18-0E	9	N2,N2S2	
			17	N2,NWSW,S2SW,SE	
			18	ALL	

***** TOTAL ACRES: 1717.320 *****

ACTN DATE	CODE	ACTION	ACTION REMARKS	PEND ACT
01/04/1972	387	CASE ESTABLISHED		

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H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Serial Register Page/Case Abstract Showing

Approved Operating Rights Transfer

05/11/93 USDI * BUREAU OF LAND MANAGEMENT * UTAHSTATE OFFICE PG 02				
SERIAL REGISTER PAGE				
GEO STATE: UTAH			SERIAL NO: UTU 39714	
* CONTINUED *			* CONTINUED *	
ACTN DATE	CODE	ACTION	ACTION REMARKS	PEND ACT
02/01/1972	530	ROYALTY RATE-12 1/2%		
02/01/1972	868	EFFECTIVE DATE		
01/30/1978	209	CASE CREATED BY SEGR	OUT OF UTU17414;	
09/15/1980	510	KMA CLASSIFIED	CASTLE PEAK-MON BUTTE	
10/31/1980	315	RENTAL RATE DET/ADJ	\$2;	
12/12/1980	140	ASGN FILED		
01/01/1981	898	ASGN EFFECTIVE	/A/	
07/30/1981	232	LEASE COMMITTED TO UNIT	UTU63073X;8 MILE FLAT	
08/20/1981	139	ASGN APPROVED	EFF 01/01/81;	
01/18/1982	235	EXTENDED	BY PRODUCTION	
01/18/1982	653	HELD BY LOC IN PROD UNIT		
01/18/1982	659	LOCATED IN PROD UNIT	UTU63073B;8 MILE FLAT	
07/06/1982	899	TRF OF ORR FILED		
03/17/1983	932	TRF OPER RGTS FILED		
04/04/1983	932	TRF OPER RGTS FILED	01	
04/04/1983	932	TRF OPER RGTS FILED	02	
04/07/1983	933	TRF OPER RGTS APPROVED	EFF 04/01/83;	
04/15/1983	933	TRF OPER RGTS APPROVED	EFF 05/01/83;	
04/15/1983	933	TRF OPER RGTS APPROVED	EFF 05/01/83;	
05/17/1983	932	TRF OPER RGTS FILED	01	
05/17/1983	932	TRF OPER RGTS FILED	02	
05/17/1983	932	TRF OPER RGTS FILED	03	
05/19/1983	932	TRF OPER RGTS FILED	01	
05/19/1983	932	TRF OPER RGTS FILED	02	
05/19/1983	932	TRF OPER RGTS FILED	03	
05/19/1983	932	TRF OPER RGTS FILED	04	
06/20/1983	932	TRF OPER RGTS FILED		
06/20/1983	933	TRF OPER RGTS APPROVED	EFF 06/01/83;	
06/20/1983	933	TRF OPER RGTS APPROVED	EFF 06/01/83;	
07/19/1983	933	TRF OPER RGTS APPROVED	EFF 06/01/83;	
07/19/1983	933	TRF OPER RGTS APPROVED	EFF 06/01/83;	
01/16/1984	932	TRF OPER RGTS FILED	01	
01/16/1984	932	TRF OPER RGTS FILED	02	
05/31/1984	932	TRF OPER RGTS FILED		
06/07/1984	558	TRF OPER RGTS RETD UNAPR	FILED 06/20/83;	
06/14/1984	933	TRF OPER RGTS APPROVED	EFF 02/01/84;	
06/14/1984	933	TRF OPER RGTS APPROVED	EFF 06/01/84;	
06/25/1984	932	TRF OPER RGTS FILED		
06/25/1984	932	TRF OPER RGTS FILED	02	
07/06/1984	102	NOTICE SENT-PROD STATUS		
08/06/1984	932	TRF OPER RGTS FILED		
08/06/1984	932	TRF OPER RGTS FILED	01	
* CONTINUED *			* CONTINUED *	

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Serial Register Page/Case Abstract Showing

Approved Operating Rights Transfer

05/11/93 USDI * BUREAU OF LAND MANAGEMENT * UTAHSTATE OFFICE PG 03

SERIAL REGISTER PAGE

GEO STATE: UTAH

SERIAL NO: UTU 39714

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ACTN DATE	CODE	ACTION	ACTION REMARKS	PEND ACT
08/06/1984	932	TRF OPER RGTS FILED	02	
08/06/1984	932	TRF OPER RGTS FILED	03	
08/06/1984	932	TRF OPER RGTS FILED	04	
08/06/1984	932	TRF OPER RGTS FILED	05	
08/06/1984	932	TRF OPER RGTS FILED	06	
08/06/1984	932	TRF OPER RGTS FILED	07	
08/06/1984	932	TRF OPER RGTS FILED	08	
08/06/1984	932	TRF OPER RGTS FILED	09	
08/06/1984	932	TRF OPER RGTS FILED	10	
08/21/1984	933	TRF OPER RGTS APPROVED	EFF 09/01/84;	
08/21/1984	933	TRF OPER RGTS APPROVED	EFF 09/01/84;	
08/21/1984	933	TRF OPER RGTS APPROVED	EFF 09/01/84;	
08/21/1984	933	TRF OPER RGTS APPROVED	EFF 09/01/84;	
08/21/1984	933	TRF OPER RGTS APPROVED	EFF 09/01/84;	
08/22/1984	558	TRF OPER RGTS RETD UNAPR	FILED 08/06/84;	
08/31/1984	932	TRF OPER RGTS FILED		
09/01/1984	933	TRF OPER RGTS APPROVED	EFF 09/01/84;	
09/01/1984	933	TRF OPER RGTS APPROVED	EFF 09/01/84;	
09/25/1984	933	TRF OPER RGTS APPROVED	EFF 07/01/84;	
09/25/1984	933	TRF OPER RGTS APPROVED	EFF 07/01/84;	
09/25/1984	933	TRF OPER RGTS APPROVED	EFF 09/01/84;	
09/25/1984	933	TRF OPER RGTS APPROVED	EFF 09/01/84;	
09/25/1984	933	TRF OPER RGTS APPROVED	EFF 09/01/84;	
09/25/1984	933	TRF OPER RGTS APPROVED	EFF 09/01/84;	
09/25/1984	933	TRF OPER RGTS APPROVED	EFF 09/01/84;	
09/25/1984	933	TRF OPER RGTS APPROVED	EFF 09/01/84;	
10/26/1984	933	TRF OPER RGTS APPROVED	EFF 09/01/84;	
10/26/1984	933	TRF OPER RGTS APPROVED	EFF 09/01/84;	
10/26/1984	933	TRF OPER RGTS APPROVED	EFF 09/01/84;	
10/26/1984	933	TRF OPER RGTS APPROVED	EFF 09/01/84;	
03/11/1985	933	TRF OPER RGTS APPROVED	EFF 09/01/84;	
03/15/1985	932	TRF OPER RGTS FILED		
03/28/1985	933	TRF OPER RGTS APPROVED	EFF 04/01/85;	
12/23/1986	253	ELIM BY CONTRAC (PARTIAL)/B/		
03/03/1987	974	AUTOMATED RECORD VERIF		
06/03/1987	899	TRF OF ORR FILED	01	
06/03/1987	899	TRF OF ORR FILED	02	
05/27/1988	932	TRF OPER RGTS FILED		
06/06/1988	932	TRF OPER RGTS FILED		
06/06/1988	933	TRF OPER RGTS APPROVED	EFF 06/01/88;	
06/13/1988	558	TRF OPER RGTS RETD UNAPR	FILED 06/06/88;	
06/22/1988	932	TRF OPER RGTS FILED		
06/24/1988	933	TRF OPER RGTS APPROVED	EFF 07/01/88;	

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H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Serial Register Page/Case Abstract Showing

Approved Operating Rights Transfer

05/11/93 USDI * BUREAU OF LAND MANAGEMENT * UTAHSTATE OFFICE PG 04

SERIAL REGISTER PAGE

GEO STATE: UTAH

SERIAL NO: UTU 39714

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ACTN DATE	CODE	ACTION	ACTION REMARKS	PEND ACT
07/13/1988	932	TRF OPER RGTS FILED		
07/19/1988	933	TRF OPER RGTS APPROVED	EFF 08/01/88;	
10/23/1989	940	NAME CHANGE RECOGNIZED	/C/	
08/17/1990	932	TRF OPER RGTS FILED		
08/22/1990	932	TRF OPER RGTS FILED		
08/22/1990	933	TRF OPER RGTS APPROVED	EFF 09/01/90;	
08/24/1990	933	TRF OPER RGTS APPROVED	EFF 09/01/90;	
08/28/1990	932	TRF OPER RGTS FILED		
08/30/1990	933	TRF OPER RGTS APPROVED	EFF 09/01/90;	
09/13/1990	140	ASGN FILED		
09/13/1990	932	TRF OPER RGTS FILED		
09/18/1990	558	TRF OPER RGTS RETD UNAPR	FILED 09/13/90;	
09/18/1990	567	ASGN RETURNED UNAPPROVED	FILED 09/13/90;	
09/24/1990	140	ASGN FILED		
09/24/1990	932	TRF OPER RGTS FILED		
09/25/1990	139	ASGN APPROVED	EFF 10/01/90;	
09/25/1990	933	TRF OPER RGTS APPROVED	EFF 10/01/90;	
10/01/1990	898	ASGN EFFECTIVE	/D/	
11/16/1990	932	TRF OPER RGTS FILED		
11/20/1990	933	TRF OPER RGTS APPROVED	EFF 12/01/90;	
10/15/1991	932	TRF OPER RGTS FILED		
11/22/1991	933	TRF OPER RGTS APPROVED	EFF 11/01/91;	
06/30/1992	396	TRF OF INT FILED/ACKN	/E/	
09/22/1992	974	AUTOMATED RECORD VERIF	CM	
10/01/1992	536	RLTY RATE- OTHER	6.1% /1/	
10/01/1992	536	RLTY RATE- OTHER	5.3% /2/	
11/19/1992	625	RLTY REDUCTION APPV	891019635B /1/	
01/11/1993	625	RLTY REDUCTION APPV	8910196350 /2/	
03/11/1993	932	TRF OPER RGTS FILED		
03/26/1993	558	TRF OPER RGTS RETD UNAPR	FILED 03/11/93; /F/	
04/26/1993	932	TRF OPER RGTS FILED	01	
04/26/1993	932	TRF OPER RGTS FILED	02	
05/01/1993	933	TRF OPER RGTS APPROVED	02	
05/04/1993	933	TRF OPER RGTS APPROVED	01	

COMMENTS:

- 01 /A/ 75% TO NAT GAS CORP OF CA FR PACIFIC TRANSM
- 02 SUPPLY CO
- 03 /B/ LANDS REMAINING W/IN EIGHT MILE FLAT UNIT
- 04 SEC 9 NENW SEC 17 NWNE SEC 18 LOTS 1 2 E2NW4
- 05 /C/ NAT GAS CORP OF CA TO PG&E RESOURCES CO

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H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Serial Register Page/Case Abstract Showing

Approved Operating Rights Transfer

05/11/93 USDI * BUREAU OF LAND MANAGEMENT * UTAHSTATE OFFICE PG 05

SERIAL REGISTER PAGE

GEO STATE: UTAH

SERIAL NO: UTU 39714

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* CONTINUED *

COMMENTS:

- 06 /D/ 75% TO PG&E RESOURCES CO FR NATURAL GAS CORP OF
- 07 CALIFORNIA
- 08 /E/ RAYMOND CHORNEY TO ESTATE OF RAYMOND CHORNEY
- 09 /F/ SPLIT LOT

STATE	ENTITY	ACRES
	VERNAL DISTRICT USDI-BLM-UTAH	1717.320
	DIAMOND MOUNTAIN RA	1717.320
UTAH	UINTAH COUNTY UTAH	1717.320

CASE DISPOSITION: 02/01/1972 AUTHORIZED

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H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Returning Liens/Mortgage Agreements



United States Department of the Interior
BUREAU OF LAND MANAGEMENT

IN REPLY REFER TO

3106 (Office Code)
Serial No.

Doe & Doe, P.C.
Attn: James M. Doe
100 Doe Place
Billings, MT 59101

Dear Mr. Doe:

On (Date), you submitted a Certified Copy of a Lien Statement, filed as No. 1989 in the Records of Carbon County, Montana on (Date), relating to a lien of your client, Smith Laboratories, Inc. against ABC Oil Corporation, lessee of oil and gas lease (Serial number).

You also recommended this office require a satisfaction of the lien prior to allowing an assignment of the lease by ABC Oil Corporation.

We are returning the instrument based on advice from the Regional Solicitor's office in Denver relating to claims to an interest in a lease by third parties. A copy of that memorandum is enclosed. We direct your attention particularly to the second page of the memorandum which states in part, "Protection by the Bureau of Land Management of third party interests, e.g. mortgagee, may seriously impede implementation of the purpose of the Mineral Leasing Act of 1920. Thus, the general rule should be to refuse mortgage documents for filing in the mineral lease files and to advise the mortgagee that his rights will not be protected by the Bureau of Land Management."

Sincerely yours,

Authorized Officer

Enclosures

Distribution:



H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Example of Overriding Royalty Interest Transfer

TRANSFER OF OVERRIDING ROYALTY AND/OR PRODUCTION PAYMENT

KNOW ALL MEN BY THESE PRESENTS, That John J. Doe, of 428 Marion Street, New Orleans, Louisiana 70118, called "Assignor" (whether one or more) for and in consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby bargain, sell, transfer, assign, and deliver to XYZ PARTNERSHIP, a Limited Partnership of which Edith Doe and David Smith are the sole General Partners, its successors and assigns, of 1331 Third Street, New Orleans, Louisiana 70130, the following:

1. An undivided 2% of the Assignor's rights, title and interest in and to the overriding royalty/production payment reserved by Assignor from the oil and gas lease(s) listed below:

C-30468

T. 8 S., 92 W., 6th PM, Mesa County, Colorado

Sec. 25: All
 Sec. 27: W/2 NW/4, S/2
 Sec. 28: All
 Sec. 35: All

Containing 2,320.00 acres, more or less.

2. Assignor's right to be tendered or to receive a reassignment of said oil and gas lease(s), according to the provisions contained herein; and Assignor hereby authorizes and directs the present owner and subsequent owners of said lease(s) to tender or to make reassignment of said lease(s) to XYZ PARTNERSHIP, its successors and assigns.

DATE: February 15, 1989

Assignor: John J. Doe

STATE OF Louisiana
 PARISH _____
 COUNTY OF Orleans

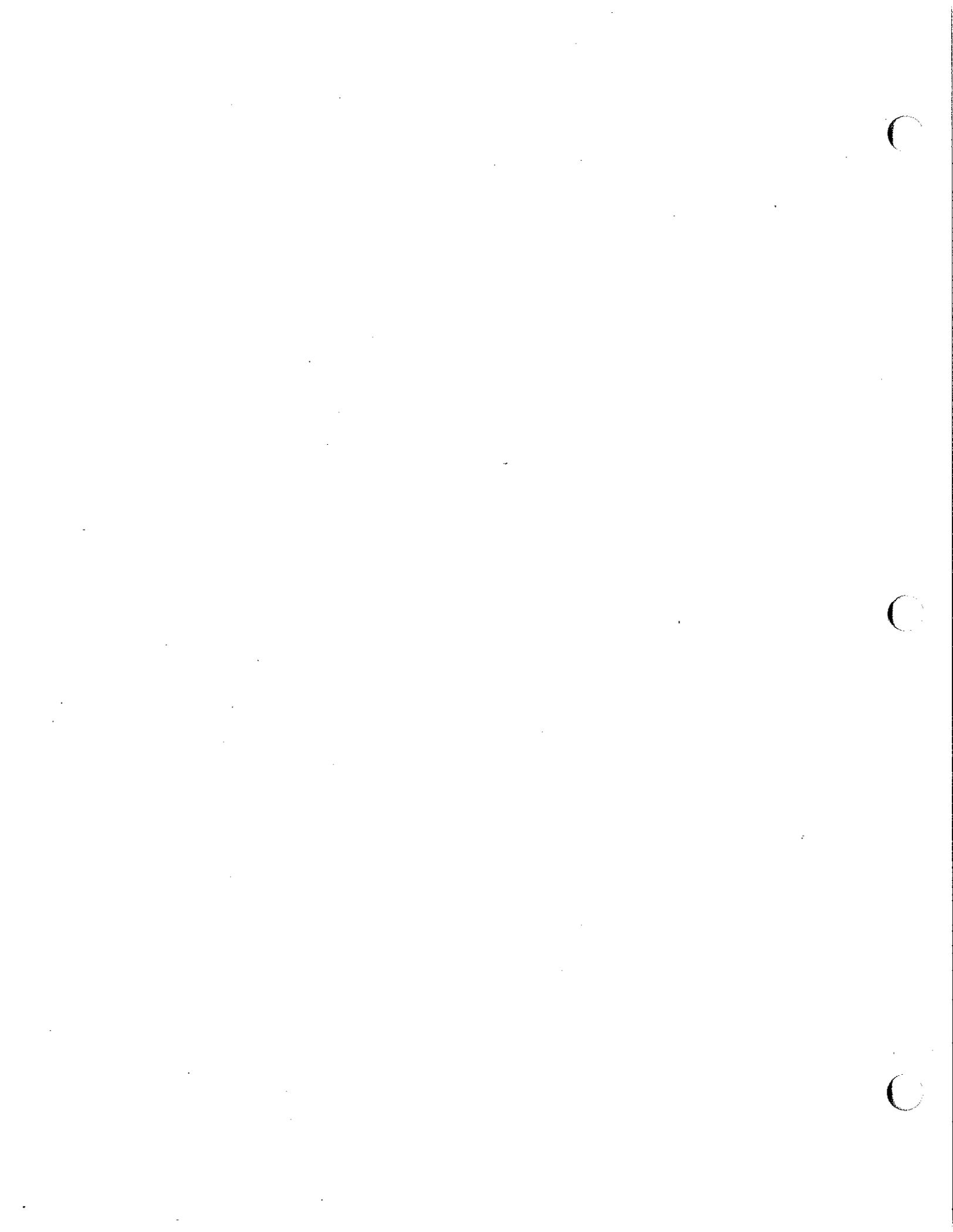
Assignor:

The foregoing instrument was acknowledged before me this 15th day of February, 1989, by (the above named).

Witness by hand and official seal.

NOTARY PUBLIC

My Commission Expires: At Death
 My address is: 420 Marion Street, New Orleans, LA. 70118



H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Letter Returning Overriding Royalty Interest



IN REPLY REFER TO

United States Department of the Interior
BUREAU OF LAND MANAGEMENT

3106 (Office Code)
Serial No.

Transferee
102 First Street
Any Town, Any State 66666

Dear Transferee:

We are returning the transfer of overriding royalty filed by you, or on your behalf, for the following reasons:

- ___ The transfer was not accompanied by a nonrefundable filing fee of \$25 as required by the regulation 43 CFR 3106.3.
- ___ We have no record of the lease referenced on your transfer document.
- ___ The mineral interest in the conveyance instrument is not owned by the United States.
- ___ Other:

If we can be of further assistance, please contact our office at the address above or telephone _____ (Name) _____ at _____ *

Sincerely

Authorized Officer

Distribution:

* Fill in appropriate office telephone number, including the Area Code.



H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Accounting Advice for Transfer of Overriding Royalty

Form 1370-41
(March 1984)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIPT AND ACCOUNTING ADVICE

No. 1420095₄₃

Subject: TRANSFER OF OVERRIDING ROYALTY

\$25.00

Applicant: Hickory Partnership
1331 Third Street
New Orleans, LA 70130

Remitter: SAME

Assignor:

LEASE MANAGEMENT DATA										
<input type="checkbox"/> NEW <input checked="" type="checkbox"/> UPDATE <input type="checkbox"/> PAYMENT										
ORIGINAL SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL			ACRES/UNITS	RATE	
UTU-32567										
AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS	
ASSIGNMENT SERIAL NO.	ASG.	TYPE	ST.	CTY.	FUND SYMBOL			ACRES/UNITS	RATE	
AMOUNT	ANV. DATE	EXP. DATE	BILL CYC.	S/C	DISTRICT	NEXT BILL	MISC. DATA	U of M	ACTUAL UNITS	

APPLY REMITTANCE			
ACTION	FUND SYMBOL	CTY.	AMOUNT
FILING FEE			
RENTAL			
UNEARNED			
REFUND			
TOTAL			
AMOUNT DUE			

Remarks:

BY:

DATE:

<input type="checkbox"/> Lease in Escrow?				FOR MMS USE ONLY		
<input type="checkbox"/> RGS?	Of Interest?			BILLEE		FOREST REFUGE
<input type="checkbox"/> Auto Escalates?	Operating Rights?			NUMBER		
<input type="checkbox"/> Auto Renew?	Operator			OCS SECTION		
	Band Filed?			CODE		



H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format of Fact Sheet Providing Information and Procedures
for Preparation and Filing of Mass Transfers
Under 43 CFR 3106.4-3

**SUGGESTED PROCEDURES FOR FILING MASS ASSIGNMENTS AND TRANSFERS
FOR FEDERAL OIL AND GAS LEASES**

For Federal oil and gas leases under the jurisdiction of each Bureau of Land Management Office, file the following:

1. BLM-approved Form 3000-3 (Assignment of Record Title) and/or Form 3000-3a (Transfer of Operating Rights) completed and manually signed in original triplicate. In Item 2 on the form, provide a cross-reference to an attached exhibit which will describe the lease interests being conveyed.
2. An exhibit listing all the leases for which record title is being assigned and a separate exhibit listing all the leases for which only the operating rights are being transferred. For each lease, the exhibit is to provide the information described in Section 3, below. Attach three copies of the appropriate exhibit to the corresponding BLM form which has been completed as described in Section 1, above.
3. For each lease involved in the mass assignment of record title or mass transfer of operating rights (sublease) identify in the exhibit:
 - a. Serial number of lease.
 - b. Type and percent of interest conveyed, specifying:
 - 1) record title; or
 - 2) operating rights/working interests (sublease); or
 - 3) overriding royalty/production payment.
 - c. Land description affected by the assignment/transfer (if less than entire lease interest is being conveyed*).
4. Submit a \$25 filing fee for each separate assignment or transfer for each lease as identified in Section 3, above.
5. For each separate lease case file in the State Office, provide a single copy of the BLM form with an attached copy of the specific page of the exhibit containing the line item information pertaining to each individual lease.

NOTE: If your firm also desires to receive a copy of each lease assignment/transfer when processing is completed by the State Office, you need to provide a second copy of the BLM form with the attached specific exhibit page for each lease.

ATTENTION: For leases with drilling operations and/or production, evidence of bond coverage must be furnished in accordance with 43 CFR 3104.2, either through submission of a proper bond or consent of the surety.

* **NOTE:** If 100 percent of the record title of the entire area encompassed within the lease is being conveyed, no legal land description is required in accordance with 43 CFR 3106.5.

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format of Fact Sheet Providing Information and Procedures
for Preparation and Filing of Mass Transfers
Under 43 CFR 3106.4-3

SUGGESTED PROCEDURES FOR FILING MASS TRANSFERS FOR OVERRIDING ROYALTY
INTERESTS FOR FEDERAL OIL AND GAS LEASES

For overriding royalty interest or production payment transfers (ORI), file the following with each Bureau of Land Management State Office for Federal oil and gas leases under the jurisdiction of that State Office:

1. No official BLM form is required for the filing of an ORI. However, either the BLM-approved Form 3000-3 (Assignment of Record Title) or Form 3000-3a (Transfer of Operating Rights) may be used. If a BLM form is used, it is to be completed, manually signed, and dated. If a non-BLM format is used, it must be accompanied by (or have within its text) a statement manually signed by the transferee as to his/her qualifications in accordance with 43 CFR 3102. With the single copy of the ORI transfer, attach an exhibit listing the information indicated in item 2, below for all the involved leases within that State Office jurisdiction. In addition, for each lease case file in the State Office, provide a single copy of the transfer with an attached copy of the specific page of the exhibit containing the line item information pertaining to each individual lease.

NOTE: If your firm also desires to receive a copy of each lease ORI when processing is completed by the State Office, you need to provide a second copy of the ORI transfer and its attached exhibit page for each lease.

2. For each lease involved in the mass transfer/assignment of ORI, identify:
 1. Serial number of lease.
 2. Type and percent of ORI interest conveyed.
 3. Type and percent of ORI interest previously reserved or conveyed.
 4. Land description, specific depth, formation, etc., affected by ORI, if less than the entire lease area.
3. Submit a \$25 filing fee for each transfer/assignment for each lease as identified in 2, above.

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE
Format for Approving Mass/Blanket Assignments and Transfers
with Modifications and Exceptions



United States Department of the Interior
BUREAU OF LAND MANAGEMENT

IN REPLY REFER TO

3106 (Office Code)
Serial No.

CERTIFIED MAIL--RETURN RECEIPT REQUESTED

	DECISION	
Assignor:	:	Blanket Record Title
ABC Oil Co./Address	:	Assignment Filed: <u>(Date)</u>
	:	
	:	
Assignee:	:	Blanket Transfer of
DEF Oil Corp./Address	:	Operating Rights
	:	Filed: <u>(Date)</u>
	:	

Mass/Blanket Assignment and Transfer
Approved with Modifications and Exceptions

On (Date), a mass or blanket assignment of (Number) record title assignments, and a mass or blanket transfer of (Number) operating rights transfers from (Name of assignor) to (Name of assignee) were filed in this office.

The assignments and transfers are hereby approved with the following modifications and exceptions as noted on the enclosed exhibits. This decision is an overview of the corrections to the assignments. The exhibits need to be consulted for the specific changes to percentages and land descriptions.

The assignments and transfers for the following leases were not approved, since (Name of assignor) does not hold the interest being assigned or transferred.

UTU-13653 (record title)	SL-0171172 (record title)
UTU 31255 (record title)	UTU-38368 (record title)
UTU-3931 (record title)	UTU-10427 (operating rights)

Our records show the interest being assigned or transferred in leases UTU-10427, UTU-13653, and UTU-38368 is held by TOC Oil & Gas Corporation. In doing research for this mass assignment, this office found, in many of the other files, conveyances of interest from TOC Oil & Gas Corporation to TOX Production Corp.; however, none were found in the above files.

Lease SL-071172 is held by fifty-one record title holders, however, not one of them is (Name of assignor). Although (Name of assignor) holds no record title in UTU-9831, TOC Oil & Gas Corporation holds 100 percent of the operating rights. As for lease UTU-31255, (Name of assignor) holds the record title percentage listed as operating rights from the surface to 4,074' below the surface. (Name of assignor) holds no record title interest in this lease.

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE
Format for Approving Mass/Blanket Assignments and Transfers
with Modifications and Exceptions

2

The interest and/or land descriptions have been amended for the operating rights transfers in the following leases.

UTU-29644	UTU-36904
UTU-31807	UTU-38720
UTU-36847	UTU-42469

The interest and/or land descriptions have been amended for the record title assignments in the following leases.

SL-064806	UTU-24632
UTU-0779	UTU-34033
UTU-05015-A	UTU-34373
UTU-13371	UTU-42480

Under lease UTU-24632 is listed the following land description: Township 16 S., Range 25 E., SLM, Sec. 33, SWSW. This land has been segregated into lease UTU-64959, which is held 100 percent by Black Bear Oil & Gas Company.

If there are any questions concerning this decision, contact _____ at _____.

Standard appeal paragraph (See Handbook 3100-1, Chapter 1).

Authorized Officer

Enclosures (3)

- 1 - Blanket Record Title Assignment (number of pages)
- 2 - Blanket Operating Rights Transfer (number of pages)
- 3 - Form 1842-1

Distribution:

Assignor
Field Office Operations, as appropriate

* Fill in appropriate office telephone number, including the Area Code.

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Letter Requesting Further Evidence/Information
for Transfer of Interests to Estates or Heirs/Devises



IN REPLY REFER TO

United States Department of the Interior
BUREAU OF LAND MANAGEMENT

3106 (Office Code)
Serial No.

Dear _____:

This letter is in response to your request for information on the transfer of Federal oil and gas lease interests to an heir/devisee or an estate.

In order for this office to recognize the transfer of interests to an heir/devisee or an estate, additional evidence must be submitted. Please refer to the attached Information Sheet to determine what evidence is required.

When submitting this information, please make reference to the serial number of all oil and gas leases involved in the transfer.

Sincerely,

Authorized Officer

2 Enclosures
1 - Information Sheet
2 - Individual Statement

Distribution:

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE
Format for Letter Requesting Further Evidence/Information
for Transfer of Interests to Estates or Heirs/Devisees

Information Sheet

TRANSFER OF INTEREST
ESTATES - HEIRS/DEVISEES

If probate of the estate has been completed, the following may be submitted:

1. A certified copy, or a copy of the will or decree of distribution.
2. A qualification statement as to citizenship and acreage holdings in Federal oil and gas leases signed by each heir. (Blank statement is attached.)

If probate of the estate has not been completed, the following may be submitted:

1. A statement signed by each heir setting forth his citizenship and acreage holdings in Federal oil and gas leases. (Blank statement is attached.)
2. Evidence of the authority of the executor or administrator to act on behalf of the estate.
3. Evidence that the heirs or devisees are the only heirs or devisees of the deceased.

Where there is no will and probate proceedings are not required, the following may be submitted:

1. A statement signed by the heirs that they are the only heirs of the deceased.
2. A statement signed by each heir setting forth his citizenship and acreage holdings in Federal oil and gas leases. (Blank statement is attached.)

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Letter Requesting Further Evidence/Information
for Transfer of Interests to Estates or Heirs/Devisees

INDIVIDUAL STATEMENT

I hereby certify:

_____ (Name(s)) _____ is of legal age and is a
citizen of the United States; and

The interests of the undersigned held in Federal oil and gas leases,
direct and indirect, in either public domain or acquired lands do not
exceed 246,080 acres in the same State, of which not more than 200,000
acres are held under option, or 300,000 acres in leases and 200,000 acres
in options in each leasing district in Alaska.

(Date)

(Signature)



H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Notice Recognizing Successor-in-Interest



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

3106 (Office Code)

IN REPLY REFER TO

NOTICE

Successor-in-Interest	:	Oil and Gas
Address	:	Serial No.
	:	
	:	

Successor-in-Interest Recognized

Acceptable evidence has been received establishing that the party named above is entitled to be recognized as the successor-in-interest to (Name), deceased. A sufficient statement has been received showing that the successor is qualified to hold the interests in Federal oil and gas leases which were held by the decedent at the time of death.

NOTE: Insert any statement that may be necessary concerning recognition of changes made in bonding coverage.

Accordingly, this office recognizes the above named successor-in-interest as holding, in equal shares,* the interests the decedent held in the following leases:

Record Title	Operating Rights	Other
--------------	------------------	-------

(NOTE: If the leases in which interests were held were numerous, an attached Exhibit may be used to list the leases.)

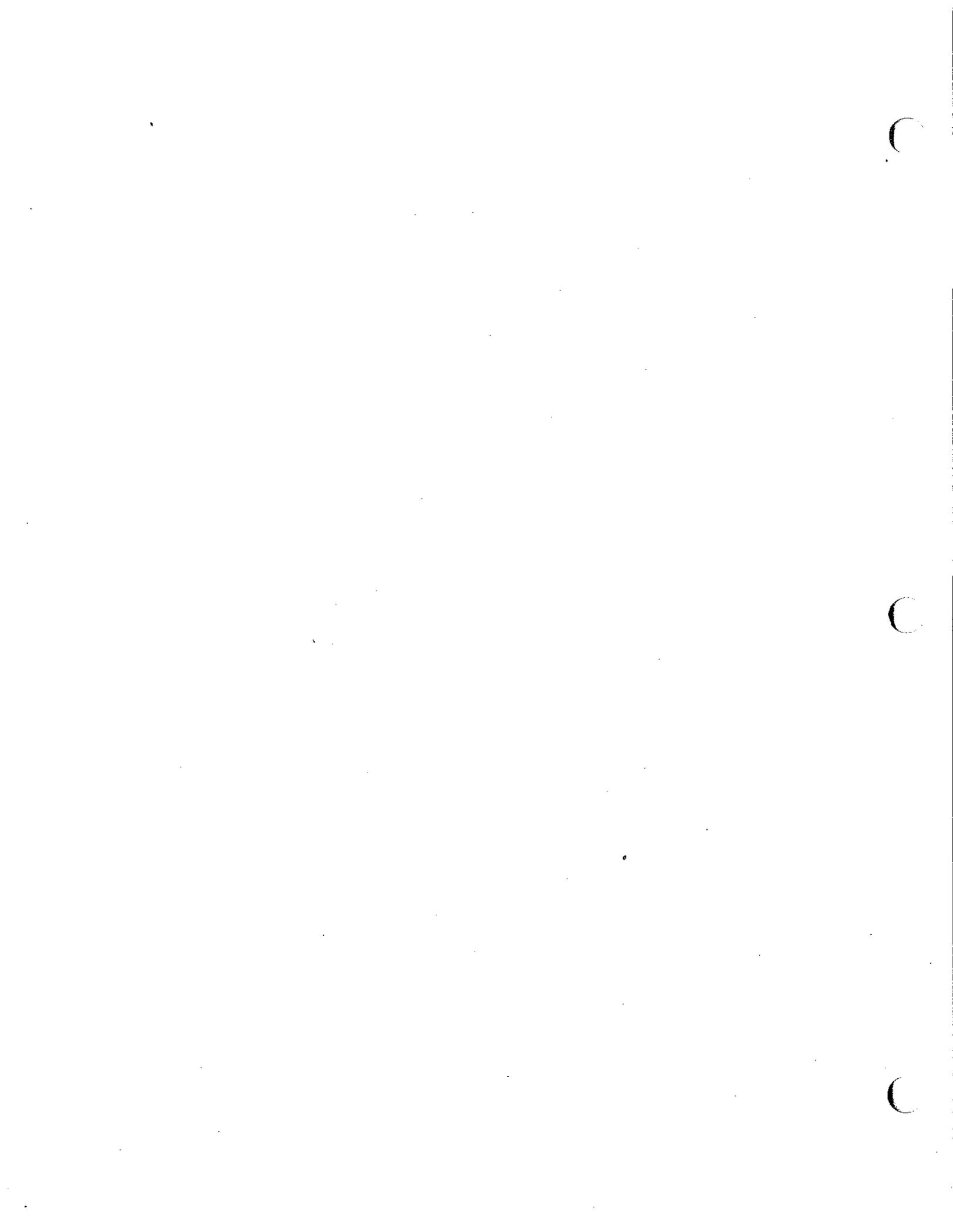
Based on the information contained in The BLM Automated Land and Mineral Record System, the above leases are the only leases under the jurisdiction of the BLM in which the decedent held any interest. If the successor is aware of any other leases, please notify this office promptly to allow proper correction of the BLM records.

Authorized Officer

Distribution:

- All Affected State Offices (with copy of applicable ALMRS State report)
- MMS-DMD, Mail Stop 3110 (with copy of all ALMRS reports)
- Surety
- Field Office Operations, as appropriate
- SMA, if other than BLM (with copy of applicable ALMRS reports)

* If there is only one successor, the phrase "in equal shares" is to be deleted; if the successors do not hold in equal shares (e.g., a wife may be entitled to two-thirds of the interest while the children divide the remaining one-third), the division of interests need to be spelled out precisely.



H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Letter Requesting Party Changing Name to

Supply List of Lease Serial Numbers



IN REPLY REFER TO

United States Department of the Interior
BUREAU OF LAND MANAGEMENT

3106 (Office Code)
Serial No.

Party Changing Name
Address

Dear (Name) :

This acknowledges your recent correspondence concerning your change of name. Our Bureau of Land Management records indicate no lease interests held in the former name of (Name) . As required by the Federal oil and gas leasing regulations at 43 CFR 3106.8-2, we request that you furnish this office with a list of lease serial numbers for all Federal oil and gas leases held that are affected by the name change.

If any lease bonds have been furnished under your previous name, you need to arrange for the surety to provide a rider consenting to this name change. You may, instead, want to furnish a new bond to replace the bond in the former name.

As soon as this office receives the list of serial numbers affected, we will change our Bureau of Land Management records, and also will inform the Minerals Management Service, Royalty Management Program, the office that is responsible for billing and collection of lease payments.

Sincerely,

Authorized Officer

Distribution:



H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Notice Recognizing Change of Name



IN REPLY REFER TO:

United States Department of the Interior
BUREAU OF LAND MANAGEMENT

3106 (Office Code)
Serial No.

NOTICE

Mrs. Mary D. Smith : Oil and Gas
511 First Street :
Denver, CO 80299 :
:

Change of Name Recognized on Leases

Acceptable evidence has been received in this office concerning the change of name by marriage of Mary Jane Doe to Mary D. Smith on Federal oil and gas leases.

The oil and gas lease files identified on the enclosed exhibit have been noted as to the name change. The exhibit was compiled from your list of leases (if one was furnished), and a list of leases obtained from our Automated Land and Mineral Record System (ALMRS). We have not abstracted the lease files to determine if the entity(ies) affected by the name change hold an interest in the leases identified nor have we attempted to identify leases where the entity(ies) is the operator on the ground maintaining no vested record title or operating rights interests. We are notifying the Minerals Management Service, Royalty Management Program, and all other applicable Bureau of Land Management State Offices of the name change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

The following leases identified by you are not active leases:

(List of lease serial numbers.)

Due to the name change, the name of the principal/obligor on the bond is required to be changed from (Name) to (Name) on Bond No. _____ (BLM Bond No. _____). You may accomplish this name change by consent of the surety on the original bond in the form of a rider to the original bond. Otherwise, a replacement bond with the new name needs to be furnished to this office.

Authorized Officer

Enclosure

Exhibit of Lease Serial Numbers (number of pages)

Distribution:

- All Affected State Offices (with copy of applicable ALMRS State report)
- MMS-DMD, Mail Stop 3110 (with copy of all ALMRS reports)
- Surety
- Field Office Operations, as appropriate
- SMA, if other than BLM (with copy of applicable ALMRS reports)

C

C

C

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Letter Requesting Surviving Corporation of
Merger to Supply List of Lease Serial Numbers



IN REPLY REFER TO

United States Department of the Interior
BUREAU OF LAND MANAGEMENT

3106 (Office Code)
Serial No.

Surviving Corporation
Address

Gentlemen:

This acknowledges your recent correspondence indicating that (Name) merged into your corporation. Our Bureau of Land Management records indicate no lease interests held in the name of (Name), the merging entity. As required by the Federal oil and gas leasing regulations at 43 CFR 3106.8-3, we request that you furnish this office with a list of lease serial numbers for all Federal oil and gas leases held that are affected by the merger, i.e., those leases in which the corporation which merged into your company held any interest before the merger.

If any bonds were furnished by the merged corporation, action needs to be taken to have the surety provide a rider consenting to the change affected by the merger. Alternatively, new replacement bonds may be provided. You also may want to provide a rider to your current (statewide/nationwide) oil and gas bond assuming the liabilities outstanding on such bonds in order to avoid unnecessary duplicate coverage.

As soon as this office receives the list of lease serial numbers affected and appropriate replacement bonds or bond riders, as applicable, we will change our records to reflect the merger and inform the Minerals Management Service, Royalty Management Program, the office that is responsible for billing and collection of lease payments.

Sincerely,

Authorized Officer

Distribution:

C

C

C

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Notice Recognizing Corporate Merger



United States Department of the Interior
BUREAU OF LAND MANAGEMENT

IN REPLY REFER TO:

3106 (Office Code)
Serial No.

NOTICE

Surviving Corporation	:	
Address	:	Oil and Gas
	:	
	:	

Merger Recognized

Acceptable evidence has been filed in this office concerning the merger of (Name of Merging Corporation) into (Name), with the named corporation* being the surviving entity. For our purposes, the merger is recognized effective (Secretary of State's approval date).

The oil and gas lease files identified on the enclosed exhibit have been noted as to the merger. The exhibit was compiled from your list of leases (if one was furnished), and a list of leases obtained from our Automated Land and Mineral Record System (ALMRS). We have not abstracted the lease files to determine if the entity(ies) affected by the merger hold an interest in the leases identified nor have we attempted to identify leases where the entity(ies) is the operator on the ground maintaining no vested record title or operating rights interests. We are notifying the Minerals Management Service, Royalty Management Program, and all other applicable Bureau of Land Management State Offices of the merger by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify leases in which the merging entity maintains an interest, please contact this office and we will appropriately document those files with a copy of this notice.

The following leases identified by you are not active leases:

(List of lease serial numbers.)

NOTE: The space following the list of inactive leases may be used to explain other discrepancies from the list provided by the surviving corporation, e.g., "The list of leases provided indicated that ADC Company held record title to XXX-27297, which is reflected on our records as a right-of-way grant held by AT&T. We assume that the discrepancy was a typographical error." OR "In addition to the leases indicated on the list provided by the surviving corporation, the BLM records list XXX-79981, which was segregated from XXX-48349 as a result of the commitment of such lease to the Evergreen Unit effective August 22, 1994."

*Frequently, the surviving corporation will change its name concurrently with the merger, sometimes to the same name as the now extinct merging corporation. When this happens, the change of name is to be handled simultaneously by an additional statement in this notice.

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Notice Recognizing Corporate Merger

2

By recognition of the merger, the principal/obligor is automatically changed by operation of law from (Name) to (Name) on Bond No. _____ (BLM Bond No. _____) and Bond No. _____ (BLM Bond No. _____). Only one of the bonds is required to cover liabilities for lease obligations. However, both bonds will remain in effect until the principal/obligor advises us as to which bond it wishes to maintain and which bond it wishes to have the period of liability terminated. A rider to the surviving corporation's bond, assuming any and all liabilities of the merging corporation's bond that you wish to terminate must be submitted for approval by this office.

Authorized Officer

Enclosure

Exhibit of Lease Serial Numbers (number of pages)

Distribution:

All Affected State Office (with copy of applicable ALMRS State report)
MMS-DMD, Mail Stop 3110 (with copy of all ALMRS reports)
Surety
Field Office Operations, as appropriate
SMA, if other than BLM (with copy of applicable ALMRS reports)

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Example of Sheriff's Deed Issued by Judicial System

DEED

STATE OF NORTH DAKOTA		IN DISTRICT COURT
COUNTY OF MCKENZIE		NORTHWEST JUDICIAL DISTRICT
Home Petroleum Corporation,)	
)	Plaintiff,)
)		SHERIFF'S DEED
vs.)	
)		Civil No. 4872
Sotrana-Texas Corporation,)	
)	Defendant.)
***	***	***

THIS INDENTURE, made this _____ day of _____, 1994,
between Paul Larson as Sheriff of McKenzie County, North Dakota, party of
the first part, and ABC Petroleum Corporation, Suite 100, 17th Street
Plaza, 1225 Seventeenth Street, Denver, Colorado, 80299-9999, party of
the second part:

WHEREAS, a judgment in favor of ABC Petroleum Corporation in the
above entitled action was docketed on February 6, 1994; and

WHEREAS, Paul Larson, pursuant to a writ of execution issued on said
judgment, did on the 19th day of May 1994, sell the real property
hereinafter described to ABC Petroleum Corporation, the said party of the
second part, for the sum of \$3,367.00; and

WHEREAS, there was no redemption period because the sale was
absolute, and the said party of the second part is the owner and holder
of a Certificate of Sale.

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that Paul Larson, Sheriff
of McKenzie County, party of the first part, in order to carry into
effect the sale so made by him pursuant to the writ of execution and in
conformity to the statutes in such case made and provided, and, in

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Example of Sheriff's Deed Issued by Judicial System

consideration of the premises, has bargained, sold, and confirmed, and by these presents does grant, bargain, sell, convey, and confirm, unto the said party of the second part, the following real property, situated in the County of McKenzie, and State of North Dakota:

1. An undivided 72.65625 percent interest in and to Federal Oil and Gas Lease Serial No. XXX-12345 covering the following described premises:

(Legal Land Description)

2. An undivided 21.875 percent interest in and to Federal Oil and Gas Lease Serial No. XXX-98765 covering the following described premises:

(Legal Land Description)

together with all the appurtenances and improvements thereunto belonging or in any wise appertaining.

TO HAVE AND TO HOLD, all and singular, the interests in real property above mentioned and described and hereby conveyed unto the said party of the second part, ABC Petroleum Corporation, its successors and assigns, forever.

IN WITNESS WHEREOF, the said party of the first part has hereunto set his hand the day and year above written.

PAUL LARSON
McKENZIE COUNTY SHERIFF

STATE OF NORTH DAKOTA)
COUNTY OF McKENZIE) SS
)

The foregoing instrument was acknowledged before me this _____ day of _____, 1994, by Paul Larson, Sheriff of McKenzie County, North Dakota.

Notary Public
McKenzie County, North Dakota
My Commission Expires: 2-23-97

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Notice Recognizing Transfer of Sheriff's Deed



United States Department of the Interior
BUREAU OF LAND MANAGEMENT

IN REPLY REFER TO

3106 (Office Code)
Serial No.

NOTICE

Name and Address : Oil and Gas
:
:
:
:

Transfer of Record Title Interest by Operation of Law

On (Date), an originally executed Sheriff's Deed was filed in this office pursuant to an action entitled (Name) vs. (Name). By this instrument, dated _____, (Name) received the interests formerly held by (Name) in Federal oil and gas leases (Serial No.(s)) being 72.65625 percent and 21.875 percent, respectively. There is no redemption period.

The transfer of interests is recognized effective as of (Date). (Name) has held interests in these two leases, and is qualified to hold the additional interests.

Interests in the two leases are now held as follows:

(Legal Land Description)

Undivided 87.96875% interest - (Name)
Undivided 7.65625% interest - (Name)
Undivided 4.37500% interest - (Name)
100.0000% - Total

Authorized Officer

Distribution:



H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Notice Recognizing Transfer by
Dissolution of Corporation



United States Department of the Interior
BUREAU OF LAND MANAGEMENT

IN REPLY REFER TO

3106 (Office Code)
Serial No.

NOTICE

Name and Address

:
:
:
:
:

Oil and Gas

Dissolution of (Name) Recognized

On (Date), you filed in this office a certified copy of the Certificate of Dissolution of (Name). Accompanying the Certificate was an updating of the qualifications of (Name) and a list of the leases in which (Name) held an interest.

Consent of surety for bonding coverage executed by (Name) was filed in this office on (Date). By this instrument, the surety has consented to the transfer of the interests of (Name) to (Name) under Statewide Bond identified as No. _____ in the amount of \$25,000 which operates to assume liabilities for oil and gas leases issued under the authority of the Mineral Leasing Act of February 25, 1920, as amended, in the State of (Name).

Under the Articles of Dissolution filed in the office of the Secretary of State of (Name), all of the properties and assets of (Name) have been distributed to its sole stockholder, (Name), a Delaware corporation.

All of the evidence submitted has been examined and found satisfactory. The dissolution of (Name) and distribution of its properties and assets to its sole stockholder, (Name), is hereby recognized.

The Bureau of Land Management records have been changed to show that (Name) has succeeded to the ownership of interests previously held by (Name) in each of the Federal oil and gas leases identified as follows:

- XXX-12345
- XXX-12346
- XXX-98765

Authorized Officer

Distribution:

- Surety
- MMS-DMD, Mail Stop 3110
- SMA (if other than BLM)
- Field Office Operations, as appropriate

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H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Notice Recognizing Transfer by
Dissolution of Partnership

IN REPLY REFER TO



United States Department of the Interior
BUREAU OF LAND MANAGEMENT

3106 (Office Code)
Serial No.

NOTICE

Name and Address :
: Oil and Gas
:
:

Transfer of Leasehold Interests Recognized

The official lease file record of Federal oil and gas lease (Serial number(s)) shows (Name), a partnership of (Name), deceased, and (Name), was vested with an undivided 2.50 percent leasehold interest affecting all lands embraced in the lease, identified as follows:

(Legal Land Description)

A certified copy of ORDER AUTHORIZING DISTRIBUTION OF PRODUCING OIL AND GAS LEASES in the matter of the Partnership Estate of (Name), deceased, in partnership with (Name), under the firm name of (Name), was filed in this office on (Date). In accordance with this ORDER, the interests held by (Name) were ordered to be distributed as follows:

- Undivided 50% interest - (Name)
- Undivided 50% interest - (Name)

On (Date), a certified copy of DECREE ORDERING DISTRIBUTION OF OIL AND GAS PROPERTY in the matter of the Estate of (Name), deceased, was filed in this office. In accordance with this DECREE, the interests held by the Estate of (Name), deceased, were ordered to be distributed as follows:

- Undivided 50% interest - (Name)
- Undivided 25% interest - (Name)
- Undivided 25% interest - (Name)

(Name(s) of parties), have submitted statements of qualifications to accept and hold interests in this lease. On (Date), an acceptable consent of surety was filed in this office adding (Name(s)) as co-principals under the \$10,000 Bond No. _____, maintained for this lease.

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Notice Recognizing Transfer by
Dissolution of Partnership

2

The transfer of leasehold interests is hereby recognized as of (Date), the date all of the required evidence was filed in this office. The undivided 2.50% interest formerly held in the name of (Name) in oil and gas lease XXX-56789 is now held as follows:

Undivided 1.2500% interest - (name)
Undivided .6250% interest - (name)
Undivided .8125% interest - (name)
Undivided .3125% interest - (name)
2.5000% Total

The records in this office have been noted to reflect this change in ownership, and all interested parties are being notified by copies of this decision.

Authorized Officer

Distribution:
Surety
MMS-DMD, Mail Stop 3110
SMA (if other than BLM)
Field Office Operations, as appropriate

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Notice Recognizing Transfer by
Dissolution of Trust

IN REPLY REFER TO



United States Department of the Interior
BUREAU OF LAND MANAGEMENT

3106 (Office Code)
Serial No.

NOTICE

Name and Address

:
:
:
:
:

Oil and Gas

Transfer of Leasehold Interests Recognized

The lease file record of oil and gas lease (Serial number(s)) indicates an undivided 0.80 percent interest held by (Name(s)), Trustees for (Name), in a portion of the lands embraced in the lease, described as follows:

(Legal Land Description)

On (Date), a Decree of Final Settlement and Discharge of Trustees in the Matter of the Trusteeship of the Will of (Name), for (Name), Beneficiary, was filed in this office, whereby the trust assets are distributed by the trustees to the beneficiary. A citizenship and holdings statement executed by (Name) also has been filed.

On (Date), an acceptable consent of surety was filed in which the surety agrees to accept (Name) as co-principal on the bond in lieu of the Trustees for his/her benefit.

It is hereby recognized that (Name) has succeeded to the undivided 0.80 percent interest in the above lands embraced in this lease, formerly held in trust on his/her behalf.

The records of this office have been noted to reflect this change and all interested parties are being notified by copies of this decision.

Authorized Officer

Distribution:

- Surety
- MMS-DMD, Mail Stop 3110
- SMA (if other than BLM)
- Field Office Operations, as appropriate

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H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Part A (Continued): ADDITIONAL SPACE for Land Description in Item No. 2, if needed.

PART B: CERTIFICATION AND REQUEST FOR APPROVAL

1. The assignor certifies as owner of an interest in the above designated lease that he/she hereby assigns to the above assignee(s) the rights specified above.
2. Assignee certifies as follows: (a) Assignee is a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or territory thereof. For the assignment of NPR-A leases, assignee is a citizen, national, or resident alien of the United States or association of such citizens, nationals, resident aliens or private, public or municipal corporations. (b) Assignee is not considered a minor under the laws of the State in which the lands covered by this assignment are located; (c) Assignee's chargeable interests, direct and indirect, in either public domain or acquired lands, do not exceed 200,000 acres in oil and gas options or 246,080 in oil and gas leases in the same State, or 300,000 acres in leases and 200,000 acres in options in each leasing District in Alaska, if this is an oil and gas lease issued in accordance with the Mineral Leasing Act of 1920 or 51,200 acres in any one State if this is a geothermal lease; and (d) All parties holding an interest in the assignment are otherwise in compliance with the regulations (43 CFR Group 3100 or 3200) and the authorizing Acts.
3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For oil and gas assignments, the obligation to pay overriding royalties, payment out of production, carried interests, net profit interests, or such similar payments or interests created herein, which, when added to overriding royalties or payments out of production or other similar interests or payments previously created, may be suspended by the Secretary at any time upon a determination that the excess constitutes a burden on lease operations in accordance with 43 CFR 3103.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) of one percent of the value of output, nor greater than 50 percent of the rate of royalty due to the United States when this assignment is added to all previously created overriding royalties (43 CFR 3241).

I certify that the statements made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this _____ day of _____, 19____

Assignor _____ (Signature)
 or
 Attorney-in-fact _____ (Signature)

Name of assignor as shown on current lease or assignment _____

(Assignor's Address) (City) (State) (Zip Code)

Executed this _____ day of _____, 19____

Assignee _____ (Signature)
 or
 Attorney-in-fact _____ (Signature)

Title 18 U.S.C. Sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

BLM, GPO: 1987-181-523/64103

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Form 3000-3
(December 1986)
(formerly 3106-5 & 3200-17)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

**ASSIGNMENT OF RECORD TITLE INTEREST IN A
LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES**

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (P.L. 96-514)

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1989

Lease Serial No. _____

New Serial No. _____

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee

Street _____
City, State _____
Zip Code _____

Additional Assignees _____

This record title assignment is for: (Check one) Oil and Gas Lease, or Geothermal Lease

Interest conveyed: (Check one or both, as appropriate) Record Title, Overriding Royalty, payment out of production or other similar interests or payments

2. This assignment conveys the following interest:

Land Description <small>Additional space on reverse, if needed. Do not submit documents other than this form; such documents should only be referenced herein.</small>	Percent of Interest			Percent of Overriding Royalty or Similar Interests	
	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
	b	c	d	e	f
a					

FOR BLM USE ONLY

UNITED STATES OF AMERICA

This assignment is approved solely for administrative purposes. Approval does not warrant that either party to this assignment holds legal or equitable title to this lease.

Assignment approved for above described lands; Assignment approved for attached land description

Assignment approved effective _____

By _____ (Authorized Officer) _____ (Title) _____ (Date)

Part A (Continued): ADDITIONAL SPACE for Land Description in Item No. 2, if needed.

PART B: CERTIFICATION AND REQUEST FOR APPROVAL

1. The assignor certifies as owner of an interest in the above designated lease that he/she hereby assigns to the above assignee(s) the rights specified above.
2. Assignee certifies as follows: (a) Assignee is a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or territory thereof. For the assignment of NPR-A leases, assignee is a citizen, nation, or resident alien of the United States or association of such citizen, nationals, resident aliens or private, public or municipal corporations. (b) Assignee is not considered a minor under the laws of the State in which the lands covered by this assignment are located; (c) Assignee's chargeable interests, direct and indirect, in either public domain or acquired lands, do not exceed 200,000 acres in oil and gas options or 246,080 in oil and gas leases in the same State, or 300,000 acres in leases and 200,000 acres in options in each leasing District in Alaska, if this is an oil and gas lease issued in accordance with the Mineral Leasing Act of 1920 or 51,200 acres in any one State if this is a geothermal lease; and (d) All parties holding an interest in the assignment are otherwise in compliance with the regulations (43 CFR Group 3100 or 3200) and the authorizing Acts.
3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For oil and gas assignments, the obligation to pay overriding royalties, payment out of production, carried interests, net profit interests, or such similar payments or interests created herein, which, when added to overriding royalties or payments out of production or other similar interests or payments previously created, may be suspended by the Secretary at any time upon a determination that the excess constitutes a burden on lease operations in accordance with 43 CFR 3103.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) of one percent of the value of output, nor greater than 50 percent of the rate of royalty due to the United States when this assignment is added to all previously created overriding royalties (43 CFR 3241).

I certify that the statements made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this _____ day of _____, 19____

Assignor _____ (Signature)
or
Attorney-in-fact _____ (Signature)

Name of assignor as shown on current lease or assignment _____

(Assignor's Address) (City) (State) (Zip Code)

Executed this _____ day of _____, 19____

Assignee _____ (Signature)
or
Attorney-in-fact _____ (Signature)

Title 18 U.S.C. Sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

U.S.GPO: 1987-0-773-017/81814

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Form 3106 - 5 (October 1982)	UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT ASSIGNMENT AFFECTING RECORD TITLE TO OIL AND GAS LEASE	FORM APPROVED OMB NO. 1004-0034 Expires: August 31, 1985 Lease Serial No. _____ Lease effective date _____ FOR BLM OFFICE USE ONLY New Serial No. _____
PART I		
1. Assignee's Name _____ Address (include zip code) _____		
The undersigned, as owner of _____ percent of the record title of the above-designated oil and gas lease, hereby transfers and assigns to the assignee shown above, the record title interest in and to such lease as specified below.		
2. Describe the lands affected by this assignment	Assignment approved as to lands described below	
3. Specify interest or percent of assignor's record title interest being conveyed to assignee _____		
4. Specify interest or percent of record title interest being retained by assignor, if any _____		
5. Specify overriding royalty being reserved by assignor _____		
6. Specify overriding royalty previously reserved or conveyed, if any _____		
7. If any payments out of production have previously been created out of this lease, or if any such payments are being reserved under this assignment, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.		
It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.		
I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.		
Executed this _____ day of _____, 19 ____		
_____ (Assignor's Signature)		_____ (Assignor's Address)
		_____ (City) (State) (Zip Code)
Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.		
THE UNITED STATES OF AMERICA		
Assignment approved effective _____		By _____ (Authorized Officer)

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

PART II
ASSIGNEE'S REQUEST FOR APPROVAL OF ASSIGNMENT

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0-5(b)) in this assignment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; associations of the United States; or any State or Territory thereof; or municipalities.
2. Of the age of majority in the State where the lands to be assigned are located.
3. In compliance with the acreage limitation set forth in 43 CFR 3101.1-5 and 3101.2-4.

B. ASSIGNEE AGREES That, upon approval of this assignment by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the lands covered by this assignment, including, but not limited to, the obligation to pay all rentals and royalties due and accruing under said lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor to assure compliance with the terms and conditions of the lease and the applicable regulations.

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this _____ day of _____, 19 _____.

(Assignee's Signature)

(Assignee's Address)

(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

INSTRUCTIONS

- | | |
|---|--|
| <p>1. USE OF FORM - Use only for assignment of record title interest in oil and gas leases. If more than one assignment is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.</p> <p>2. FILING AND NUMBER OF COPIES - File three (3) completed and manually signed copies in the appropriate BLM office. A \$25.00 nonrefundable filing fee must accompany the assignment. File assignment within ninety (90) days after date of final execution.</p> | <p>3. EFFECTIVE DATE OF ASSIGNMENT - Assignment, if approved, takes effect on the first day of the month following the date of filing of all required papers. If bond is necessary, it must be furnished prior to approval of the assignment.</p> <p>4. EFFECT OF ASSIGNMENT - Approval of assignment of a definitely described portion of the leased lands creates separate leases of the retained and the assigned portions. It does not change the terms and conditions of the lease or the lease anniversary date for purposes of payment of annual rental.</p> <p>5. A copy of the lease out of which this assignment is made should be obtained from the assignor.</p> |
|---|--|

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. 181 et. seq.

PRINCIPAL PURPOSE - The information is to be used to process the assignment and request for approval.

ROUTINE USES:

- (1) The adjudication of the assignee's rights to the land or resources.
- (2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
- (3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
- (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION - If all the information is not provided, the assignment may be rejected.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:

Bureau of Land Management collects this information pursuant to the law (see 43 CFR 3106-3(c)).

Bureau of Land Management uses the information to create a record of lease assignment and to determine the qualifications of assignees.

A Federal lessee is obligated to report this information under provisions of 43 CFR 3106.

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

<p>Form 3106-5 (November 1981)</p> <p style="text-align: center;">UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT</p> <p style="text-align: center;">ASSIGNMENT AFFECTING RECORD TITLE TO OIL AND GAS LEASE</p>	<p style="text-align: center;">FORM APPROVED OMB NO. 1004-0034 Expires: February 28, 1982</p> <p>Lease Serial No. _____</p> <p>Lease effective date _____</p> <p style="text-align: center;">FOR BLM OFFICE USE ONLY</p> <p>New Serial No. _____</p>
PART I	
1. Assignee's Name _____	
Address (include zip code) _____	
<p>The undersigned, as owner of _____ percent of the record title of the above-designated oil and gas lease, hereby transfers and assigns to the assignee shown above, the record title interest in and to such lease as specified below.</p>	
7. Describe the lands affected by this assignment	Assignment approved as to lands described below
3. Specify interest or percent of assignor's record title interest being conveyed to assignee	
4. Specify interest or percent of record title interest being retained by assignor, if any	
5. Specify overriding royalty being reserved by assignor	
6. Specify overriding royalty previously reserved or conveyed, if any	
<p>7. If any payments out of production have previously been created out of this lease, or if any such payments are being reserved under this assignment, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.</p>	
<p>It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.</p>	
<p>I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.</p>	
Executed this _____ day of _____, 19 _____	
_____ (Assignor's Signature)	_____ (Assignor's Address)
_____ (City)	_____ (State)
_____ (Zip Code)	
<p><small>Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.</small></p>	
THE UNITED STATES OF AMERICA	
Assignment approved effective _____	By _____ (Authorized Officer)
50020	

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

PART II

ASSIGNEE'S REQUEST FOR APPROVAL OF ASSIGNMENT

A. ASSIGNEE CERTIFIES THAT

1. Assignee is over the age of majority
2. Assignee is a citizen of the United States
3. Assignee is Individual Municipality Association Corporation. If other than an individual, assignee's statement of its qualifications are attached. If previously furnished, identify the serial number of the record in which filed _____.
4. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,000 chargeable acres in options and leases in the same State, or 300,000 chargeable acres in leases and options in each leasing District in Alaska.
5. Assignee is is not the sole party in interest in this assignment. Information as to interests of other parties in this assignment must be furnished as provided in the regulations (43 CFR 3106).
6. A filing fee of \$25.00 is attached.

B. ASSIGNEE AGREES That, upon approval of this assignment by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the lands covered by this assignment, including, but not limited to, the obligation to pay all rentals and royalties due and accruing under said lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor to assure compliance with the terms and conditions of the lease and the applicable regulations.

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this _____ day of _____, 19 _____.

(Assignee's Signature)

(Assignee's Address)

(City)

(State)

(Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

INSTRUCTIONS

1. *Use of Form* - Use only for assignment of record title interest in oil and gas leases. If more than one assignment is made out of a lease, a separate instrument of transfer is required for each assignment.
2. *Filing and Number of Copies* - File three (3) completed and manually signed copies in the appropriate BLM office. A \$25.00 nonrefundable filing fee must accompany the assignment. File assignment within ninety (90) days after date of final execution.
3. *Effective Date of Assignment* - Assignment, if approved, takes effect on the first day of the month following the date of filing of all required papers. Assignee's qualifications must be in full compliance with the regulations (43 CFR 3102). If bond is necessary, it must be furnished prior to approval of the assignment.
4. *Statement of Interest of Other Parties* - If assignee is not the sole party in interest in the assignment, assignee must submit, at the time assignment is filed, a signed statement giving the names of any other parties who will have an interest in the lease. Within fifteen (15) days after the filing of the assignment, the assignee and all such other interested parties must submit, together with evidence of their qualifications to hold the lease interest, separate, signed statements giving the nature and extent of the interest of each, the nature of agreement between them, if oral; and a copy of the agreement, if written.
5. *Effect of Assignment* - Approval of assignment of a definitely described portion of the leased lands creates separate leases of the retained and the assigned portions. It does not change the terms and conditions of the lease or the lease anniversary date for purposes of payment of annual rental.
6. A copy of the lease out of which this assignment is made should be obtained from the assignor.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. 181 et. seq.

PRINCIPAL PURPOSE - The information is to be used to process the assignment and request for approval.

ROUTINE USES:

- (1) The adjudication of the assignee's rights to the land or resources.
- (2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
- (3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
- (4)(X) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION - If all the information is not provided, the assignment may be rejected.

Bureau of Land Management collects this information pursuant to the law (See 43 CFR 3106-3(c)).

Bureau of Land Management uses the information to create a record of lease assignment and to determine the qualifications of assignees.

A Federal leasee is obligated to report this information under provisions of 43 CFR 3106.

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

PART II

ASSIGNEE'S REQUEST FOR APPROVAL OF ASSIGNMENT

A. ASSIGNEE CERTIFIES THAT

1. Assignee is over the age of majority
2. Assignee is a citizen of the United States
3. Assignee is Individual Municipality Association Corporation. If other than an individual, assignee's statement of its qualifications are attached. If previously furnished, identify the serial number of the record in which filed _____
4. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,000 chargeable acres in options and leases in the same State, or 300,000 chargeable acres in leases and options in each leasing District in Alaska.
5. Assignee is is not the sole party in interest in this assignment. Information as to interests of other parties in this assignment must be furnished as provided in the regulations (43 CFR 3106).
6. A filing fee of \$25.00 is attached.

B. ASSIGNEE AGREES That, upon approval of this assignment by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the lands covered by this assignment, including, but not limited to, the obligation to pay all rentals and royalties due and accruing under said lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor to assure compliance with the terms and conditions of the lease and the applicable regulations.

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this _____ day of _____, 19 _____

(Assignee's Signature)

(Assignee's Address)

(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

INSTRUCTIONS

1. *Use of Form* - Use only for assignment of record title interest in oil and gas leases. If more than one assignment is made out of a lease, a separate instrument of transfer is required for each assignment.
2. *Filing and Number of Copies* - File three (3) completed and manually signed copies in the appropriate BLM office. A \$25.00 nonrefundable filing fee must accompany the assignment. File assignment within ninety (90) days after date of final execution.
3. *Effective Date of Assignment* - Assignment, if approved, takes effect on the first day of the month following the date of filing of all required papers. Assignee's qualifications must be in full compliance with the regulations (43 CFR 3102). If bond is necessary, it must be furnished prior to approval of the assignment.
4. *Statement of Interest of Other Parties* - If assignee is not the sole party in interest in the assignment, assignee must submit, at the time assignment is filed, a signed statement giving the names of any other parties who will have an interest in the lease. Within fifteen (15) days after the filing of the assignment, the assignee and all such other interested parties must submit, together with evidence of their qualifications to hold the lease interest, separate, signed statements giving the nature and extent of the interest of each, the nature of agreement between them, if oral; and a copy of the agreement, if written.
5. *Effect of Assignment* - Approval of assignment of a definitely described portion of the leased lands creates separate leases of the retained and the assigned portions. It does not change the terms and conditions of the lease or the lease anniversary date for purposes of payment of annual rental.
6. A copy of the lease out of which this assignment is made should be obtained from the assignor.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. 181 et. seq.

PRINCIPAL PURPOSE - The information is to be used to process the assignment and request for approval.

ROUTINE USES:

- (1) The adjudication of the assignee's rights to the land or resources.
- (2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
- (3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
- (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION - If all the information is not provided, the assignment may be rejected.

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Form 3106-5
(August 1977)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

ASSIGNMENT AFFECTING RECORD TITLE
TO OIL AND GAS LEASE
PART I

FORM APPROVED OMB NO. 42-R1599
Serial No. _____
New Serial No. _____

1.

The undersigned, as owner of _____ percent of record title of the above-designated oil and gas lease issued effective (date) _____, hereby transfers and assigns to the assignee shown above, the record title interest in and to such lease as specified below.

2. Describe the lands affected by this assignment (43 CFR 3101 2-3)

3. What part of assignor(s) record title interest is being conveyed to assignee? (Give percentage or share)

4. What part of the record title interest is being retained by assignor(s)?

5a. What overriding royalty or production payments is the assignor reserving herein? (See Item 4 of General Instructions; specify percentage.)

b. What overriding royalties or production payments, if any, were previously reserved or conveyed? (Percentage only)

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this _____ day of _____, 19 _____

(Assignor's Signature)

(Assignor's Address)

(City)

(State)

(Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved as to the lands described below:

Assignment approved effective _____ By _____
(Date) (Authorized Officer)

(Title)

(Date)

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Part A (Continued): ADDITIONAL SPACE for Land Description in Item No. 2, if needed.

PART B: CERTIFICATION AND REQUEST FOR APPROVAL

1. The transferor certifies as owner of an interest in the above designated lease that he/she hereby transfers to the above transferee(s) the rights specified above.
2. Transferee certifies as follows: (a) Transferee is a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or territory thereof. For the transfer of NPR-A leases, transferee is a citizen, national, or resident alien of the United States or associations of such citizens, nationals, resident aliens or private, public or municipal corporations. (b) Transferee is not considered a minor under the laws of the State in which the lands covered by this transfer are located; (c) Transferee's chargeable interests, direct and indirect, in either public domain or acquired lands, do not exceed 200,000 acres in oil and gas options or 246,080 in oil and gas leases in the same State, or 300,000 acres in leases and 200,000 acres in options in each leasing District in Alaska, if this is an oil and gas lease issued in accordance with the Mineral Leasing Act of 1920 or 51,200 acres in any one state if this is a geothermal lease; and (d) All parties holding an interest in the transfer are otherwise in compliance with the regulations (43 CFR Group 3100 or 3200) and the authorizing Acts.
3. Transferee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein. Applicable terms and conditions include, but are not limited to, an obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any operations as described in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to regulations 43 CFR 3104, 3134, or 3206.

For oil and gas transfers, the obligation to pay overriding royalties, payment out of production, carried interests, net profit interests, or such similar payments or interests created herein, which, when added to overriding royalties or payments out of production or other similar interests or payments previously created, may be suspended by the Secretary at any time upon a determination that the excess constitutes a burden on lease operations in accordance with 43 CFR 3103.

For geothermal transfers, an overriding royalty may not be less than one-fourth (1/4) of one percent of the value of output, nor greater than 50 percent of the rate of royalty due to the United States when this transfer is added to all previously created overriding royalties (43 CFR 3241).

I certify that the statements made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this _____ day of _____, 19____ Transferor _____
(Signature)

or

(Transferor's Address) Attorney-in-fact _____
(Signature)

(City) (State) (Zip Code) Transferee _____
(Signature)

or
Executed this _____ day of _____, 19____ Attorney-in-fact _____

Title 18 U.S.C. Sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*U.S.GPO:1987-181-423/64101

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Form 3000-3a
(December 1986)
(formerly 3106-14)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1989
Lease Serial No. _____

**TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A
LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES**

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (P.L. 96-514)

Type or print plainly in ink and sign in ink.

PART A: TRANSFER

1. Transferee (Sublessee)

Street _____
City, State _____
Zip Code _____

Additional Transferees _____

This transfer is for: (Check one) Oil and Gas Lease, or Geothermal Lease

Interest conveyed: (Check one or both, as appropriate) Operating Rights (sublease) Overriding Royalty, payment out of production or other similar interests or payments

2. This transfer (sublease) conveys the following interest:

Land Description <small>Additional space on reverse, if needed. Do not submit documents other than this form; such documents should only be referenced herein.</small>	Percent of Interest			Percent of Overriding Royalty or Similar Interests	
	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
	a	b	c	d	e

FOR BLM USE ONLY

THE UNITED STATES OF AMERICA

This Transfer is approved solely for administrative purposes. A approval does not warrant that either party to this transfer holds legal or equitable title to this lease.

Transfer Approved Effective _____

By _____ (Authorized Officer) _____ (Title) _____ (Date)

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Part A (Continued): ADDITIONAL SPACE for Land Description in Item No. 2, if needed.

PART B: CERTIFICATION AND REQUEST FOR APPROVAL

- 1 The transferor certifies as owner of an interest in the above designated lease that he/she hereby transfers to the above transferee(s) the rights specified above.
- 2 Transferee certifies as follows: (a) Transferee is a citizen of the United States; an association of such citizens, a municipality; or a corporation organized under the laws of the United States or of any State or territory thereof. For the transfer of NPR-A leases, transferee is a citizen, nation, or resident alien of the United States or associations of such citizens, nationals, resident aliens or private, public or municipal corporations. (b) Transferee is not considered a minor under the laws of the State in which the lands covered by this transfer are located; (c) Transferee's chargeable interests, direct and indirect, in either public domain or acquired lands, do not exceed 200,000 acres in oil and gas options or 246,080 in oil and gas leases in the same State, or 300,000 acres in leases and 200,000 acres in options in each leasing District in Alaska, if this is an oil and gas lease issued in accordance with the Mineral Leasing Act of 1920 or 51,200 acres in any one state if this is a geothermal lease; and (d) All parties holding an interest in the transfer are otherwise in compliance with the regulations (43 CFR Group 3100 or 3200) and the authorizing Acts.
- 3 Transferee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein. Applicable terms and conditions include, but are not limited to, an obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any operations as described in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to regulations 43 CFR 3104, 3134, or 3206.

For oil and gas transfers, the obligation to pay overriding royalties, payment out of production, carried interests, net profit interests, or such similar payments or interests created herein, which, when added to overriding royalties or payments out of production or other similar interests or payments previously created, may be suspended by the Secretary at any time upon a determination that the excess constitutes a burden on lease operations in accordance with 43 CFR 3103.

For geothermal transfers, an overriding royalty may not be less than one-fourth (1/4) of one percent of the value of output, nor greater than 50 percent of the rate of royalty due to the United States when this transfer is added to all previously created overriding royalties (43 CFR 3241).

I certify that the statements made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this _____ day of _____, 19____ Transferor _____ (Signature)

_____, or
_____, Attorney-in-fact _____ (Signature)

(Transferor's Address)

(City) (State) (Zip Code)

Transferee _____ (Signature)

_____, or
_____, Attorney-in-fact _____

Title 18 U.S.C. Sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*U.S.GPO:1987-0-773-017/81815

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Form 3106-14 September 1982	UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE	FORM APPROVED OMB NO. 1004-0034 Expires: August 31, 1985 Lease Serial No. _____ Lease effective date _____
PART I		
1. Assignee's Name _____		
Address (include zip code) _____		
The undersigned, as owner of _____ percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.		
2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3 or 3101.1-4)		
3. Specify interest or percent of operating rights being conveyed to assignee		
4. Specify interest or percent of operating rights being retained by assignor		
5. Specify overriding royalty interest being reserved by assignor		
6. Specify overriding royalty previously reserved or conveyed, if any		
7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.		
It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.		
I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.		
Executed this _____ day of _____, 19 _____		
_____ (Assignor's Signature)		_____ (Assignor's Address)
_____ (City)		_____ (State)
_____ (Zip Code)		
Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, fraudulent statements or representations as to any matter within its jurisdiction.		
THE UNITED STATES OF AMERICA		
Assignment approved effective _____		By _____ (Authorized Officer)
_____ (Title)		_____ (Date)
NOTE: This form may be reproduced provided that copies are exact reproductions on one sheet of both sides of this official form in accordance with provisions of 43 CFR 3106.		

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

PART II

ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

- A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0-5(b)) in this assignment are:
1. Citizens of the United States or qualified alien stockholders in a domestic corporation; association of the United States; or any State or Territory thereof; or municipalities.
 2. Of the age of majority in the State where the lands to be assigned are located.
 3. In compliance with the acreage limitation set forth in 43 CFR 3101.1-5 and 3101.2-4.
- B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).
- C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this _____ day of _____, 19 ____

(Assignee's Signature)

(Assignee's Address)

(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

INSTRUCTIONS

- | | |
|--|---|
| <p>1. USE OF FORM - Use only for assignment of operating rights (including working interests) in oil and gas leases. If transfer of operating rights is accompanied by an operating agreement, a single copy of such agreement must be submitted with the assignment. If more than one transfer of operating rights is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.</p> <p>2. FILING AND NUMBER OF COPIES - File three (3) completed</p> | <p>and manually signed copies in the appropriate BLM office. A \$25.00 nonrefundable filing fee must accompany this assignment. File assignment within ninety (90) days after date of final execution.</p> <p>3. EFFECTIVE DATE OF ASSIGNMENT - The assignment, if approved, takes effect on the first day of the month following the date of filing of all required papers. If an operator's bond is required, it must be furnished prior to approval of the assignment.</p> |
|--|---|

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. et. seq.

PRINCIPAL PURPOSE - The information is to be used to process the assignment and request for approval.

ROUTINE USES:

- (1) The adjudication of the assignee's rights to the land or resources.
- (2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
- (3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
- (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION - If all the information is not provided, the assignment may be rejected.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that: This information is being collected pursuant to the law (43 CFR 3106-3(c)). This information will be used to create a record of lease assignment. Response to this request is required to obtain a benefit.

BPO 010-104

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Form 3106-14
(October 1981)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: February 28, 1982

TRANSFER, ASSIGNMENT, OR SUBLEASE
OF OPERATING RIGHTS IN OIL AND GAS LEASE

Lease Serial No.

Lease effective date

PART I

1. Assignee's Name

Address (include zip code)

The undersigned, as owner of _____ percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3)

3. Specify interest or percent of operating rights being conveyed to assignee

4. Specify interest or percent of operating rights being retained by assignor

5. Specify overriding royalty interest being reserved by assignor

6. Specify overriding royalty previously reserved or conveyed, if any

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

8. If the parties to this transfer and assignment have entered into an operating agreement and/or sublease, the terms and conditions of such agreement/sublease (copy attached) are incorporated into and made a part of this assignment. Approval of this assignment shall constitute approval of the agreement/sublease insofar as such agreement/sublease is not inconsistent with the provisions of the above-designated lease and the applicable regulations.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this _____ day of _____, 19 _____

(Assignor's Signature)

(Assignor's Address)

(City)

(State)

(Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective _____ By _____ (Authorized Officer)

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

PART II

ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER
OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT

1. Assignee is over the age of majority
2. Assignee is a citizen of the United States
3. Assignee is Individual Municipality Association Corporation. If other than an individual, assignee's statement of its qualifications are attached. If previously furnished, identify the serial number of the record in which filed _____
4. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,000 chargeable acres in options and leases in the same State, or 300,000 chargeable acres in leases and options in each leasing District in Alaska.
5. Assignee is is not the sole party in interest in this assignment. Information as to interests of other parties in this assignment must be furnished as provided in the regulations (43 CFR 310.6).
6. A filing fee of \$25.00 is attached.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this _____ day of _____, 19 _____

(Assignee's Signature)

(Assignee's Address)

(City)

(State)

(Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

INSTRUCTIONS

1. *Use of Form* - Use only for assignment of operating rights (including working interests) in oil and gas leases. If transfer of operating rights is accompanied by an operating agreement, a single copy of such agreement must be submitted with the assignment. If more than one transfer of operating rights is made out of a lease, a separate instrument of transfer is required for each assignment.
2. *Filing and Number of Copies* - File three(3) completed and manually signed copies in the appropriate BLM office. A \$25.00 nonrefundable filing fee must accompany this assignment. File assignment within ninety (90) days after date of final execution.
3. *Effective Date of Assignment* - The assignment, if approved, takes effect on the first day of the month following the date of filing of all required papers. Assignee's qualifications must be in full compliance with the regulations (43 CFR 3102). If an operator's bond is required, it must be furnished prior to approval of the assignment.
4. *Statement of Interest of Other Parties* - If assignee is not the sole party in interest in the assignment, assignee or transferee must submit, at the time assignment is filed, a signed statement giving the names of any other parties who will have an interest in such operating rights. Within fifteen (15) days after the filing of the assignment, the assignee and all such other parties interested must submit, together with evidence of their qualifications to hold the lease interest, separate and signed statements giving 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.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. et. seq.

PRINCIPAL PURPOSE - The information is to be used to process the assignment and request for approval.

ROUTINE USES:

- (1) The adjudication of the assignee's rights to the land or resources.
- (2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
- (3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
- (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION - If all the information is not provided, the assignment may be rejected.

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Form 3106-14 (March 1980)	UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT	FORM APPROVED CMB NO. 42-R1599
TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE		Lease Serial No.
PART I		Lease effective date
1. Assignee's Name		
Address (include zip code)		
The undersigned, as owner of _____ percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.		
2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3)		
3. Specify interest or percent of operating rights being conveyed to assignee		
4. Specify interest or percent of operating rights being retained by assignor		
5. Specify overriding royalty interest being reserved by assignor		
6. Specify overriding royalty previously reserved or conveyed, if any		
7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.		
8. If the parties to this transfer and assignment have entered into an operating agreement and/or sublease, the terms and conditions of such agreement/sublease (copy attached) are incorporated into and made a part of this assignment. Approval of this assignment shall constitute approval of the agreement/sublease insofar as such agreement/sublease is not inconsistent with the provisions of the above-designated lease and the applicable regulations.		
It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.		
I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.		
Executed this _____ day of _____, 19____.		
_____ (Assignor's Signature)		_____ (Assignor's Address)
_____ (City) (State) (Zip Code)		
This 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.		
THE UNITED STATES OF AMERICA		
Assignment approved effective _____ By _____ (Authorized Officer)		

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

PART II

ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER
OF OPERATING RIGHTS AND OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT

1. Assignee is over the age of majority
2. Assignee is a citizen of the United States
3. Assignee is Individual Municipality Association Corporation. If other than an individual, assignee's statement of its qualifications are attached. If previously furnished, identify the serial number of the record in which filed.
4. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,000 chargeable acres in options and leases in the same State, or 300,000 chargeable acres in leases and options in each leasing District in Alaska.
5. Assignee is is not the sole party in interest in this assignment. Information as to interests of other parties in this assignment must be furnished as provided in the regulations (43 CFR 310.6).
6. A filing fee of \$25.00 is attached.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this _____ day of _____, 19 _____.

(Assignee's Signature)

(Assignee's Address)

(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

INSTRUCTIONS

- | | |
|---|--|
| <ol style="list-style-type: none"> 1. <i>Use of Form</i> - Use only for assignment of operating rights (including working interests) in oil and gas leases. If transfer of operating rights is accompanied by an operating agreement, a single copy of such agreement must be submitted with the assignment. If more than one transfer of operating rights is made out of a lease, a separate instrument of transfer is required for each assignment. 2. <i>Filing and Number of Copies</i> - File three(3) completed and mutually signed copies in the appropriate BLM office. A \$25.00 nonrefundable filing fee must accompany this assignment. File assignment within ninety (90) days after date of final execution. 3. <i>Effective Date of Assignment</i> - The assignment, if approved, takes effect on the first day of the month following the date of filing of all required papers. Assignee's | <p>qualifications must be in full compliance with the regulations (43 CFR 3102). If an operator's bond is required, it must be furnished prior to approval of the assignment.</p> <ol style="list-style-type: none"> 4. <i>Statement of Interest of Other Parties</i> - If assignee is not the sole party in interest in the assignment, assignee or transferee must submit, at the time assignment is filed, a signed statement giving the names of any other parties who will have an interest in such operating rights. Within fifteen (15) days after the filing of the assignment, the assignee and all such other parties interested must submit, together with evidence of their qualifications to hold the lease interest, separate and signed statements giving 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. |
|---|--|

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. et. seq.

PRINCIPAL PURPOSE - The information is to be used to process the assignment and request for approval.

ROUTINE USES:

- (1) The adjudication of the assignee's rights to the land or resources.
- (2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
- (3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
- (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION - If all the information is not provided, the assignment may be rejected.

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Listing of ALMRS (Case Recordation) Data Element (DE)
1775 and 2910 Action Codes Applicable to Handbook 3106-1*

DE 1775

001 Apln Recd/Case Establish@#
072 Filing Fee Received
102 Rlty Rate - 12 1/2%#
103 Rlty Rate - 16 2/3%#
104 Rlty Rate 12.5-25% Sch B#
105 Rlty Step 12.5-32%#
106 Rlty Rate - Sliding-Sch D#
107 Rlty Rate - 5%#
108 Rlty Rate - Other#
109 Rlty Rate 12.5-25% Sch C#
112 Addtl Info Rqstd@
113 Addtl Information Recd
152 Report Requested@
153 Report Received
225 Effective Date#
230 Ext of Time Rqstd@
231 Ext of Time Granted
232 Ext of Time Denied
233 Ext of Time Terminated
247 Future Action Suspense
280 Merger Recognized#
290 Name Change Recognized#
417 Acres - County##
444 Fund Symbol###
448 Acres-Fed Int Under 100%#
551 Case Created by Asgn#
554 Trf of Oper Rgts Filed#
555 Trf of Oper Rgts Approved#
556 Trf of Oper Rgts Denied#
557 Trf of Oper Rgts Withdrawn#
558 Trf of Oper Rgts Ret Unappv#
560 Trf of ORR Filed#

DE 2910

387 Apln Recd/Case Establish@#
347 Filing Fee Received
530 Rlty Rate - 12 1/2%#
531 Rlty Rate - 16 2/3%#
532 Rlty Rate 12.5-25% Sch B#
533 Rlty Step 12.5-32%#
534 Rlty Rate - Sliding-Sch D#
535 Rlty Rate - 5%#
536 Rlty Rate - Other#
549 Rlty Rate 12.5-25% Sch C#
104 Addtl Info Rqstd@
103 Addtl Info Recd
910 Report Requested@
911 Report Received
868 Effective Date#
122 Ext of Time Rqstd@
203 Ext of Time Granted
228 Ext of Time Denied
951 Ext of Time Terminated
247 Future Action Suspense
817 Merger Recognized#
940 Name Change Recognized#
523 Acres - County##
496 Fund Symbol###
527 Acres-Fed Int Under 100%#
553 Case Created by Asgn#
932 Trf of Oper Rgts Filed#
933 Trf of Oper Rgts Approved#
957 Trf of Oper Rgts Denied#
557 Trf of Oper Rgts Withdrawn#
558 Trf of Oper Rgts Ret Unappv#
899 Trf of ORR Filed#

- * See official fluid leasing data standards for complete listing.
- @ Pending action required.
- # Mandatory use of action code required.
- ## Mandatory use of action code required when lands are located in more than one county.
- ### Mandatory use of action code required only for acquired lands mineral cases.

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Listing of ALMRS (Case Recordation) Data Element (DE)
1775 and 2910 Action Codes Applicable to Handbook 3106-1*

DE 1775

562 Asgn Filed@#
563 Asgn Approved#
564 Asgn Effective
565 Asgn Denied#
566 Asgn Withdrawn#
567 Asgn Returned Unapproved#
570 Case Segr by Asgn#
586 Trf of Int Filed/Ack#
718 Decision Issued
673 Expires#
970 Case Closed#
974 Automated Record Verif

DE 2910

140 Asgn Filed@#
139 Asgn Approved#
898 Asgn Effective
269 Asgn Denied#
566 Asgn Withdrawn#
567 Asgn Returned Unapproved#
570 Case Segr by Asgn#
396 Trf of Int Filed/Ack#
393 Decision Issued
763 Expires#
970 Case Closed#
974 Automated Record Verif

- * See official fluid leasing data standards for complete listing.
- @ Pending action required.
- # Mandatory use of action code required.
- ## Mandatory use of action code required when lands are located in more than one county.
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