

Form 3000-3
(January 1996)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: September 30, 1998

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.
N-55937
Lease Effective Date
(Anniversary Date)
June 1, 1992
New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Diversified Title, Inc.
Street 10915 Snow Cloud Trail
City, State, ZIP Code Littleton, CO 80125

*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
	b	c	d		
Township 1 South, Range 58 East, MDM Section 4: Lots 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ Section 5: Lots 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ Section 6: Lots 1-7, S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{2}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ Section 7: Lots 1-4, E $\frac{1}{2}$, E $\frac{1}{2}$ NW $\frac{1}{4}$ Containing 2412.56 acres more or less Lincoln County, Nevada	100%	100%	-0-	-0-	7%

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.

Part A (Continued): ADDITIONAL SPACE for Names and addresses of additional assignees in Item No. 1, if needed, or for Land Descriptions 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 each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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 27th day of July, 1999

Executed this 27th day of July, 1999

Name of Assignor as shown on current lease: Nessalk Energy, Inc.

Diversified Title, Inc.

Assignor: Gerald D. Klassen (Signature) President

Assignee: Lane M. Jungers (Signature) President

Attorney-in-fact (Signature)

Attorney-in-fact (Signature)

1615 California, Suite 702 (Assignor's Address)

Denver, CO 80202 (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, Bureau Clearance Officer (DW-110), Denver Federal Center, Building 40, P.O. Box 25047, Denver, CO 80225-0047 and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

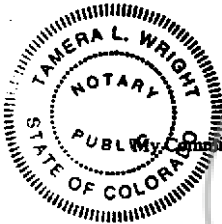
Title 18 U.S.C. Sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

ACKNOWLEDGMENT (for use by corporation)

STATE OF: COLORADO
COUNTY OF: DENVER

On the 27th day of July, 1999, before me personally appeared Gerald D. Klassen, to me personally known, who, being by me duly sworn, did say that he is the President of Nessalk Energy, Inc., and that the seal affixed is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and said Gerald D. Klassen acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal the 27th day of July, 1999.



Tamera L. Wright
Notary Public
1534 California, Denver, Colorado
Address

My Commission Expires: **MY COMMISSION EXPIRES**
02/18/2001

NO. 113124

FILED AND RECORDED AT REQUEST OF

Nessalk Energy Inc

July 30, 1999

AT 45 MINUTES PAST 02 O'CLOCK

PM IN BOOK 143 OF OFFICIAL

RECORDS PAGE 51 LINCOLN

COUNTY, NEVADA

Leslie Boucher

COUNTY RECORDER

By Tamera L. Wright Deputy