

Official Record

Recording requested By
BLUE MOUNTAIN RESEARCH & DEVELOPMENT

Lincoln County - NV

Leslie Boucher - Recorder

Fee: \$43.00

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RPTT:

Recorded By: LB

Book- 292 Page- 0328



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Acknowledgment of Ownership
Federal Oil and Gas Leases
NVN-086809, NVN-086810 and
NVN-086811

Note: The upper right hand
corner (3 in. by 3in) of this cover
page is reserved for the Lincoln County
Recorders Office recording.

**Acknowledgment of Ownership for Federal Oil and Gas Leases
NVN-086809, NVN-086810 and NVN-086811**

Affirmation Statement

I, the undersigned hereby affirm that the attached document, including any exhibits, hereby submitted for recording **does not contain** the social security number, driver's license or identification card number, or any "Personal Information" (as defined by NRS 603A.040) of any person or persons. (Per NRS 239B.030)

John H. Snow
Signature Submitter

John H. Snow
Print

1/9/15
Date

Please return this recorded document to:
John H Snow
Blue Mountain Research and Development LLC
14075 Saddlebow Drive
Reno, NV 89511



Assessor's Parcel No. – N/A Oil and Gas Lease
Recorded at the request of and when recorded to:
RRSR Holding Trust
43303 West Delia Blvd.
Maricopa, Arizona 85138

The undersigned affirm that this document does not contain the personal information of any person.

**Acknowledgment of Ownership
Federal Oil and Gas Leases
NVN-086809, NVN-086810 and NVN-086811**

This Acknowledgment of Ownership (“Acknowledgment”) is made by and among RRSR Holding Trust dated August 24, 2011 (“RRSR”) and Blue Mountain Research & Development LLC, a Nevada limited liability company (“BMRD”) (“Lessee”), for the purpose of acknowledging and confirming ownership of federal oil and gas leases and overriding royalties on the leases.

Recitals

A. Effective May 1, 2009, the United States of America, acting through the Bureau of Land Management (“BLM”), issued to Heritage Capital LLC, a Nevada limited liability company, the Leases of Oil and Gas, Serial No. NVN-086809, NVN-086810 and NVN-086811 covering portions of Sections 3, 4, 5, 8, 9, 10, 15, 16 and 17; T7N, R66E, MDB&M, Lincoln County Nevada (each a “Lease” and collectively the “Leases”).

B. The Leases were assigned in sequence to: (1) Heritage Oil & Gas LLC, a Nevada limited liability company; (2) the Heritage Capital Royal Palms Business Trust; (3) RRSR; and (4) BMRD as to an undivided twenty percent (20.00%) interest. RRSR as to an undivided eighty percent (80.00%) interest and BMRD as to an undivided twenty percent (20.00%) interest currently are the lessees under the Leases. The leases are in good standing.

C. Overriding royalties in the Lease were granted in accordance with the following instruments: (1) Assignment of Record Title Interest from Blue Mountain Research & Development LLC to SR Brands LLC dated October 2, 2014, filed with BLM October 3, 2014, recorded in the Office of the Lincoln County Recorder October 8, 2014, Document 146336; (2) Assignment of Record Title Interest from RRSR Holding Trust created August 24, 2011, to SR Brands LLC dated October 2, 2014, filed with BLM October 3, 2014, recorded in the Office of the Lincoln County Recorder October 8, 2014, Document 146337; (3) Assignment of Record Title Interest from RRSR Holding Trust dated August 24, 2011, to Roy R. Waddell dated October 2, 2014, filed with BLM October 3, 2014, recorded in the Office of the Lincoln County Recorder October 8, 2014, Document 146338; (4) Assignment of Record Title Interest from Blue Mountain



Research & Development LLC to Roy R. Waddell dated October 2, 2014, filed with BLM October 3, 2014, recorded in the Office of the Lincoln County Recorder October 8, 2014, Document 146339; (5) Assignment of Record Title Interest from Blue Mountain Research & Development LLC to Charles Laser and Glenda Lynn Laser, Tenants by the Entireties, dated October 7, 2014, filed with BLM October 7, 2014, recorded in the Office of the Lincoln County Recorder October 8, 2014, Document 146340; (6) Assignment of Record Title Interest from RRSR Holding Trust created August 24, 2011 to Charles Laser and Glenda Lynn Laser, Tenants by the Entireties, filed with BLM October 7, 2014, recorded in the Office of the Lincoln County Recorder October 8, 2014, Document 146341; (7) Assignment of Overriding Royalty from RRSR Holding Trust dated August 24, 2011, and Blue Mountain Research & Development LLC to Donald E. Hibbard undated, filed with BLM October 3, 2014, recorded October 8, 2014, Document 146342; and (8) on March 19, 2013 an Assignment of Overriding Royalty Interest from RRSR dated March 12, 2013 was filed and recorded in the Office of the Bureau of Land Management Reno, Nevada office assigning one percent (1.00%) Overriding Royalty Interest to BMRD.

D. In addition to the instruments described in preceding Recital, the following instruments have been recorded in the Office of the Lincoln County Recorder: (1) Assignment of Record Title Interest from Heritage Capital LLC to Charles Laser and Glenda Lynn Laser dated November 20, 2010; (2) Assignment of Record Title Interest from Heritage Capital LLC to E.J. Bestoso dated November 15, 2010; (3) Assignment of Record Title Interest from Heritage Capital LLC to Donald E. Hibbard dated November 15, 2010; (4) Cancellation of Overriding Royalty Assignments from Heritage Capital LLC to Donald Hibbard, Charles Laser and Glenda Lynn Laser executed by RRSR Holding Trust created August 24, 2011, on September 19, 2014; executed by Blue Mountain Research and Development LLC on October 2, 2014; executed by Charles Laser and Glenda Lynn Laser on September 24, 2014; and executed by Donald E. Hibbard on September 13, 2014; and recorded in the Office of the Lincoln County Recorder on October 8, 2014, Document 146335, which cancelled the overriding royalties described subsections (1) and (3) of this recital.

E. RRSR and BMRD desire to acknowledge and confirm the ownership of the Leases by RRSR and BMRD and the ownership of the overriding royalties held by the Royalty Holders as described in Section 2 below.

Now, therefore, in consideration of the covenants and promises in this Acknowledgment, and for other good and valuable consideration, the receipt of which RRSR and BMRD acknowledge, RRSR and BMRD acknowledge and confirm the following:

1. That RRSR and BMRD collectively are the lessee under the Leases, and that RRSR holds an undivided eighty percent (80.00%) interest and BMRD holds an undivided twenty percent (20.00%) interest in the Leases, subject only to the overriding royalties described in Section 2 below.



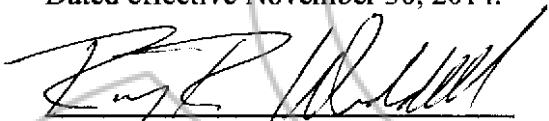
2. That no party other than RRSR and BMRD holds any right, title or interest in the Leases other than the holders of the following overriding royalties in the Leases:

- E.J. Bestoso: 1.00%;
- SR Brands LLC: 2.00%;
- Roy R. Waddell: 2.00%;
- Charles Laser and Glenda Lynn Laser (Tenants by the Entireties): 1.00%;
- Blue Mountain Research & Development LLC: 1.00%;
- Donald E. Hibbard: 2.00%.


3. None of the Royalty Holders holds any right, title or interest in the Leases, other than the overriding royalty interests described in Section 2. RRSR and BMRD acknowledge and confirm the Royalty Holders' ownership of the overriding royalties described above and, to the extent not previously assigned or granted to the Royalty Holders by a properly recorded instrument, convey and grant to the Royalty Holders the overriding royalties described above, provided, however, that such conveyance and grant shall be by way of acknowledgment and confirmation and not by addition to or in duplication of the overriding royalties described in Section 2.

4. The undersigned agree that a duly executed copy of this Acknowledgment may be recorded in the Office of the Recorder of Lincoln County, Nevada, and the BLM State Office, Reno, Nevada.


Dated effective November 30, 2014.


 Roy R. Waddell, Individually

RRSR Holding Trust

By 
 Name Roy R. Waddell
 Title Sole Trustee

Blue Mountain Research & Development LLC

By 
 Name John Snow
 Title President

