X-40 Re: Exception #21

ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:
That the undersigned, Elco Oil Inc., a Nebraska corporation, hereinafter called Assignor, and William F. and Helen E. Elder, for and in consideration of One Dollar ($1.00) the receipt whereof is hereby acknowledged, does hereby sell, assign, transfer and set over unto Blazer Oil and Gas Inc., Suite 12, 4780 South 131st Street, Omaha, Nebraska, 68137, hereinafter called Assignee, an undivided 75% interest, and William F. and Helen E. Elder, hereinafter called Assignor, for and in consideration of One Dollar ($1.00) the receipt whereof is hereby acknowledged, does hereby sell, assign, transfer and set over unto Blazer Oil and Gas Inc., hereinafter called Assignee, an undivided 25% interest in and to the oil and gas leases shown in Exhibit "A" attached hereto and made a part hereof together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used or obtained in connection therewith.

The Assignor herein hereby expressly excepts, reserves, and retains title to a Previous Reserved undivided One Sixteen of Seven-eighths (1/16 of 7/8th) of all oil, gas, and casinghead gas produced, saved and marketed from the lands as shown in Exhibit "A" under the provisions of the aforesaid leases, or any extensions or renewals thereof, as an overriding royalty, free and clear of any cost and expense of the development and operation thereof, excepting taxes applicable to said interest and the production therefrom.

And for the same consideration the Assignor covenants with the Assignee, its heirs, successors, or assigns: That the Assignor is the lawful owner of and has good title to the interest above assigned in and to said leases, estates, rights, and property, free and clear from all liens, encumbrances or adverse claims; That said leases are valid and subsisting leases on the land above described, and all rentals and royalties due thereunder have been paid and all conditions necessary to keep the same in full force have been duly performed.

All of the provisions of this assignment shall be available to and binding upon the respective heirs, executors, administrators, successors, and assigns of the Assignor and Assignee herein.
EXECUTED, this 9 day of Aug, 1973.

ELCO OIL INC.

Attest: Helen E. Elder
Secretary

William F. Elder
PRESIDENT
William F. Elder

Helen E. Elder
Personally

William F. Elder
Personally

STATE OF NEBRASKA) ss. ACKNOWLEDGMENT FOR INDIVIDUAL
COUNTY OF DOUGLAS)
On this 9 day of Aug A.D. 1973, before me a Notary Public duly commissioned and qualified for and residing in said County, personally came William F. and Helen E. Elder to me known to be the identical persons whose names William and Helen E. Elder affixed to the foregoing instrument as grantors and acknowledged the execution thereof to be their voluntary act and deed.
My Notarial commission expires on the 18th day of April, 1977.
Witness my hand and Notarial Seal the day and year last above written.

Russell D. Randall
Notary Public

STATE OF NEBRASKA)ss. ACKNOWLEDGEMENT FOR CORPORATION
COUNTY OF DOUGLAS)
Be it remembered that on this 9 day of Aug, 1973, before me, the undersigned, a Notary Public, duly commissioned, in and for the county and state aforesaid, came William F. Elder, president of Elco Oil Inc., a corporation of the State of Nebraska, personally known to me to be such officer, and to be the same person who executed as such officer the foregoing instrument of writing in behalf of said corporation, and he duly acknowledged the execution of the same for himself and for said corporation for the uses and purposes therein set forth.
IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the day and year last above written.
My commission expires April 18, 1977.

Russell D. Randall

EXHIBIT A

Oil and Gas Lease dated August 19, 1970, from Anna G. Miller, a widow, to W. B. Smethers, a single man, and recorded in book U, pages 640-641 covering lands in Washington County, Nebraska as follows:

Township 18 North, Range 11 East
Section 13: Tax Lots 98, 137, 138, 139
Section 24: NE/4NE/4

Township 18 North, Range 12 East
Section 18: Tax Lots 1, 6, 12, S/2SW/4
Section 19: Tax Lots 10, 11, 21, N/2NW/4, SW/4NW/4
Containing 534 acres, more or less.

Oil and Gas Lease dated August 17, 1970, from Herman C. Kay and Helen M. Kay, his wife, to W. B. Smethers, a single man, and recorded in book U, pages 507-508 covering lands in Washington County, Nebraska as follows:

Township 18 North, Range 12 East
Section 30: W/2SW/4NE/4, all that part of the SE/4NW/4 lying East of Center of the Creek, E/2NW/4NE/4, E/2SW/4NE/4, SE/4NE/4
Containing 120 acres, more or less.

STATE OF NEBRASKA, COUNTY OF WASHINGTON) ss 1345
ENTERED IN NUMERICAL INDEX AND FILED FOR RECORD
THIS 14th DAY OF August A.D. 1973
AT 2:00 O'CLOCK P M. AND RECORDED IN BOOK
X AT PAGE 40-41
COUNTY CLERK Charlotte L. Petersen
DEPUTY Elizabeth Mey

FILED
1973 AUG 14 PM 2:00
CHARLOTTE L. PETERSEN
WASHINGTON COUNTY CLERK