DESIGNATION OF SUCCESSOR OPERATOR

To be used for designating a new operator in all or any part of communitized areas in the lease. <u>Four (4)</u> <u>executed originals</u> must be submitted and the form must be complete as to the following:

- A. SUIT Communitization Agreement Number.
- B. Full and complete description of lands and associated formations (must match original communitization agreement).
- C. Executed effective date
- D. First party "Assignor" clearly stated
- E. Second party "Assignee" clearly stated
- F. Communitization Agreement number, effective date and current operator (first "whereas" clause)
- G. Current operator name (second "whereas" clause).
- H. Designated Operator's nationwide oil and gas lease bond number and bonding amount (new operator/second party "assignee" third "whereas" clause).
- I. Communitization Agreement number ("now, therefore," clause).
- J. Second party "Assignee" company name and signature with signor title.
- K. First party "Assignor" company name and signature with signor title.
- L. Signature, address, and date of current operator.
- M. Copy of Second Party Articles of Incorporation, State Certificate to do Business in Colorado, and Nationwide Oil and Gas Lease Bond must be included in packet.

All such Designations of Successor Operator forms must be submitted to the Southern Ute Indian Tribe, Department of Energy, PO Box 1500, Ignacio, CO 81137, together with copies of the fees for administrative and filing, to wit:

Administrative Fee \$50.00 per designation

payable to the Southern Ute Indian Tribe

SOUTHERN UTE INDIAN TRIBE

PO BOX 973375

ACCOUNT CODE: 25 (administrative fees)

DALLAS, TEXAS 75397-3375

The documents will be reviewed by the Southern Ute Indian Tribe Department of Energy Land team for accuracy prior to Tribal Council/Chairmen approval or disapproval. The documents will then be transmitted to the BIA for action to be taken, fees are not refundable.

Upon final approval of the designation, one (1) copy will be returned to the newly assigned company. A copy will only be transmitted upon the request to the assignor company. A total of four (4) original signed copies, must be submitted for each desired transaction, one (1) original of the Evidence of Authority is necessary. If the assignee or assignor company desires additional executed "originals" same should be submitted to the BIA with appropriate instructions.

DESIGNATION OF SUCCESSOR OPERATOR

Designation of Successor Operator, Communitization Agreement No
Township North, Range West, N.M.P.M.
Section:
(Formation)
This indenture, dated as of the day of, 20, and effective, is by and between, hereinafter designated as "First Party"
(Assignor) and the owners of communitized working interests, and, hereinafter designated as "Second Parties" (Assignee).
WHEREAS, under the provisions of the Act of March 3, 1909, Chapter 263, 35 Stat. 793, and the Indian Minerals Leasing Act of May 11, 1938, 52 Stat. 348, 25 U.S.C.A., Secs. 396 a-d, and regulations issued pursuant thereto (25 CFR 211 and 212), Communitization Agreement No.
effective date, for the above communitized area was approved by the Bureau of Indian Affairs on, and current designated as Operator (or successor Operator, as applicable) of the communitized area,
WHEREAS, has resigned as Operator and the designation of successor Operator is now required pursuant to the terms of the Communitization Agreement; and
WHEREAS, the Second Party has been and hereby is designated by First Parties Operator of the communitizated area, and said Second Party desires to assume all the rights, duties, and obligations of Operator under the said Communitization Agreement and has Bond No.
on file with the Tribe and BIA; NOW, THEREFORE, in consideration of the premises hereinbefore set forth and the promises hereinafter stated, the Second Party hereby covenants and agrees to fulfill the duties and assume the obligations of Operator of the communitizated area and pursuant to all the terms of Communitization Agreement No and the First Parties covenant and agree that effective as of the date herein specified, and upon approval of this indenture, properly executed, by the Authorized Officer, the Second Party shall be granted the exclusive right and privilege of exercising any and all rights and privileges, as Operator, pursuant to the terms and conditions of

said Communitization Agreement, said Communitization Agreement hereby incorporated herein by reference and made a part hereof as fully and effectively as though said agreement were expressly set forth in this instrument.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date hereinabove set forth.

FIRST PARTY (Assignor):
(Company name)
By:(Name/Title)
By:(Name/Title)
ACKNOWLEDGED FOR THE RECORD:
BUREAU OF INDIAN AFFAIRS
Date:
nowledged before me this day of
, (assignor) for and on
.
My Commission Expires: