



COLORADO

State Land Board

Department of Natural Resources

APP NO. \_\_\_\_\_

LEASE ASSIGNMENT FORM

ASSIGNMENT OF LEASE NO. 72/2407-S (108213)

Please check if this is a full or partial assignment: FULL ☒ PARTIAL ☐

If there is a conflict between the full/partial box checked above and the acreage assigned indicated below, the specific acreage assigned will control.

In consideration of good and valuable consideration agreed to between the Assignor and Assignee (named below), this lease assignment ("Assignment") is entered into between the Assignor and Assignee and they agree as follows:

ASSIGNOR ("Assignor")(Name & Address) Heartland Oil and Gas Company  
6666 Gunpark Drive, Suite 200  
Boulder, CO 80301

hereby assigns and transfers, subject to approval from the State of Colorado, acting by and through its State Board of Land Commissioners ("State Land Board"), all right, title and interest as "Lessee of Record" on the State Land Board's oil and gas lease identified above (the "Lease") in  
640.00 acres of the Lease lands located in Washington County, Colorado ("County"), All of:  
(Acreage Assigned) (Subsection)

Section 16 Township 3 South, Range 52 West (collectively, the "Assigned Lands"),

including all stipulations and requirements attached and incorporated into the Lease, unto:

ASSIGNEE ("Assignee")(Name & Address) St. Croix Operating Inc.  
P.O. Box 13799  
Denver, CO 80201-3799

Reserving unto the Assignor all previously reserved minority reservations of Lease ownership and/or overriding royalties made and filed by the Assignor in the clerk and recorder's office of the County ("Clerk & Recorder's Office"), to the extent that such reservations comply with the terms of the Lease. The parties acknowledge that the State Land Board has one "Lessee of Record" on the Lease and does not track minority assignments of overriding royalties or minority leasehold interests in the Lease; however, pursuant to the terms of the Lease, the State Land Board acknowledges that separate contracts for minority leasehold interests and overriding royalties in the Lease may exist between the Assignor, the Assignee and/or other minority owners in documents filed in the Clerk & Recorder's Office and this Assignment does not purport to assign those interests.

As of the Effective Date (as defined below), the Assignee hereby agrees to accept and assume all title, responsibility, liability and interest in, and to abide by all terms and conditions of the Lease being assigned, and will herein be the new "Lessee of Record" for all, or part of the Lease assigned (as specified above). However, pursuant to the terms of the Lease, the State Land Board's approval of this Assignment shall not release the Assignor from any liability for known or unknown waste or damage to the Assigned Lands, including, but not limited to, environmental damage which arose from, or in connection with Assignor's use or occupancy of the Assigned Lands and/or from any liability for violations of the Lease and/or of the rules and regulations of the Colorado Oil and Gas Conservation Commission during Assignor's use or occupancy of the Assigned Lands.

As of the Effective Date, the Assignor represents and warrants to the State Land Board that all rents, royalties and shut-in payments under the Lease are paid up to date, and there are no outstanding reclamation issues.

In addition, by checking the boxes below, the Assignee certifies the following to the State Land Board:

- ☐ Assignee has an Oil and Gas Leasing Activity Bond in place with the State Land Board totaling \$ 25,000.00
- ☐ The Assigned Lands contain an oil and gas well capable of production (as specified in the Lease).



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The Assignor and Assignee acknowledge that the State Land Board has the right to deny this Assignment, in its sole discretion, and that the State Land Board must approve this Assignment by execution below before this Assignment becomes effective. Further, the Assignor and Assignee agree that the State Land Board's approval of this Assignment does not modify any terms or conditions of the Lease which may be implied by documents provided to the State Land Board related to this Assignment, other than the "Lessee of Record" for the Assigned Lands.

The Assignor and Assignee, by their signatures below, agree to the terms and conditions of this Assignment.

**ASSIGNOR:**

Assignor Name: Heartland Oil and Gas Company

Signature: [Signature]

Printed Name: David C. Peterson

Title: President

Date Signed: 9/26/17

STATE OF COLORADO )

) ss. ASSIGNOR ACKNOWLEDGMENT

COUNTY OF DENVER )

On this 26<sup>th</sup> day of SEPTEMBER, 2017, before me, personally appeared DAVID C. PETERSON, to me known to be the person(s) described in and who executed the foregoing instrument, and acknowledged to me that he/she executed the same as his/her free act and deed.

My commission expires: SEPTEMBER 18, 2021

STATE OF COLORADO )

) ss. ASSIGNEE ACKNOWLEDGMENT

COUNTY OF DENVER )

On this 26<sup>th</sup> day of SEPTEMBER, 2017, before me, personally appeared PAUL B. MELNYCHENKO, to me known to be the person(s) described in and who executed the foregoing instrument, and acknowledged to me that he/she executed the same as his/her free act and deed.

My commission expires: SEPTEMBER 18, 2021

**ASSIGNEE:**

Assignee Name: St. Croix Operating Inc.

Signature: [Signature]

Printed Name: Paul B. Melnychenko

Title: President

Date Signed: 9/26/17

[Signature]  
Notary Public

DAVID V OLDS  
Notary Public - State of Colorado  
Notary ID 19934013274  
My Commission Expires Sep 18, 2021

[Signature]  
Notary Public

DAVID V OLDS  
Notary Public - State of Colorado  
Notary ID 19934013274  
My Commission Expires Sep 18, 2021

**APPROVAL OF ASSIGNMENT**

In consideration of One Hundred dollars (\$100.00) and other valuable consideration, the State Land Board consents to this Assignment of the Lease from the Assignor to the Assignee effective this \_\_\_\_\_ day of \_\_\_\_\_, 20 17 (the "Effective Date").

State of Colorado, acting by and through the  
State Board of Land Commissioners

By: \_\_\_\_\_

Name & Title: \_\_\_\_\_

(Seal)