JICARILLA APACHE NATION

INSTRUCTIONS TO ALL LESSEES, INTEREST OWNERS AND OPERATORS REGARDING THE TRANSFER OR ASSISGNMENT OF ANY INTEREST IN OIL AND GAS LEASES AND MINERAL DEVELOPMENT AGREEMENTS ON THE JICARILLA APACHE NATION

FORM Land Instructions
APPROVED JOGA Director
October 31, 2017
JICARILLA
OIL & GAS

<u>ADMINISTRATION</u>

The Jicarilla Apache Nation has adopted a set of instruments to be used in any change of ownership under existing BIA Leases issued under the 1938 Inidan Mineral Leasing Action (IMLA) and under existing Mineral Development Agreements (MDAs) Under the 1982 Indian Mineral Development Act (IMDA). These instructions are intended to assist in the proper completion of those forms.

JAN-A-1 Assignment of Oil and Gas Lease Record Title

Use this form to transfer the full Record Title Interest or an undevided interst in Record Title of a BIA Lease. If the assignment includes both Record Title and Operating Rights, both Forms JAN-A-1 and JAN-A-2 should be completed. The form must be complete as to the following:

- Lease Number, date issued, original lessee, and description of lands affected
- Consideration given for the assignment
- Assignor's full name and address
- Assignee's full name and address
- Interest owned by Assignor prior to assignment, the interest being assigned, and any interest being retained
- Acceptance and assumption by Assignee of all terms and conditions
- Evidence of bonding by Assignee
- Acknowledgements for Assignor and Assignee
- Evidence of authority of officer to execute in the case of corporate entities

JAN-A-2 Assignment of Oil and Gas Lease Operating Rights

Use this form to transfer any Operating Rights (working interest) in all or any part of the lands subject to a BIA Lease. If the assignment includes both Record Title and Operating Rights, both forms JAN-A-1 and JAN-A-2 should be completed. The form must be complete as to the following:

- Lease Number, date issued, original lessee, and description of lands affected
- Assignor's full name and address
- Identification of the operating rights held by Assignor
- Consideration given for the assignment
- Identification of the operating rights assigned by Assignee
- Assignee's full name and address
- Identification of the operating rights retained by Assignor
- Acceptance and assumption by assignee of all terms and conditions
- Evidence of bonding by Assignee
- Ratification of assignment by Record Title Owner
- Acknowledgements for Assignor and Assignee
- Evidence of authority of officer to execute in the case of corporate entities

JAN-A-3 Assignment of Interest in an Oil and Gas Lease

To be used to assign, sell, tranfer or convey an overriding royalty, interest in production, production payment, after payout interest, and any other economic interest in a BIA Lease, other than Record Title or Operating Rights, if the assignee is someone other than the Jicarilla Apache Nation. The form must be complete as to the following:

- Lease Number, date issued, original lessee, and description of lands affected
- Assignor's full name and address
- Identification of all interests in the lease held by assignor
- Consideration given for the assignment
- Assignee's full name and address
- Full and complete description of the interest assigned
- Full and complete description of the interest retained by Assignor
- Acceptance and assumption by assignee of all terms and conditions
- Acknowledgements for Assignor and Assignee
- Evidence of authority of officer to execute in the case of corporate entities

JAN-A-3A Transfer of Interest to the Jicarilla Apache Nation

To be used to assign, sell, tranfer or convey an overriding royalty, interest in production, production payment, after payout interest, and any other economic interest in a BIA Lease, if the assignee is the Jicarilla Apache Nation. The form must be complete as to the following:

- Lease Number, date issued, original lessee, and description of lands affected
- Assignor's full name and address
- Identification of all interests in the lease held by Assignor
- Consideration given for the assignment
- Full and complete description of the interest assigned
- Full and complete description of the interest retained by Assignor
- Acknowledgement for Assignor
- Evidence of authority of officer to execute in the case of corporate entities

JAN-A-4 Designation of Operator

To be used to designate an operator for a BIA Lease or an MDA. The form must be complete as to the following:

- Lease Number or Minerals Agreement Number
- Name and address of Designated Operator
- Full and complete description of the lands and formations to which the designation applies
- The bond number for the designated operator
- Execution by the party making the designation
- Evidence of authority of officer to execute in the case of corporate entities

Assignment of Interest in a Mineral Development Agreement: Form JAN-A-5

To be used to assign any interest in an MDA. The form must be complete as to the following:

- MDA Number, date issued, original contracting party, and description of lands affected
- Assignor's full name and address
- Interest owned by Assignor prior to the assignment
- Consideration given for the assignment
- Assignee's full name and address
- Interest to be assigned and any interest being retained
- Acceptance and assumption by Assignee of all terms and conditions
- Evidence of bonding by Assignee
- Acknowledgements for Assignor and Assignee
- Evidence of authority of officer to execute in the case of corporate entities