

ASSIGNMENT OF PARTIAL INTEREST IN WATER WELL AND WATER WELL OPERATING AGREEMENT

THIS AGREEMENT made and entered into this 15th day of January 2010, by Rangeland Exploration Company, hereinafter referred to as "OPERATOR", and Eric and Ellen Jessen, hereinafter referred to as "NON-OPERATOR".

WITNESSETH

THAT WHEREAS OPERATOR is owner of the Eagle Canyon Ranch which encompasses all or part of the following sections of land in Chaves County, New Mexico:

T16S, R19E

Sections 22-27
Sections 35 and 36

T17S, R19E

Sections 1 and 2

T16S, R20E

Sections 19 and 20
Sections 29-32.

T17S, R20E

Section 6

WHEREAS NON-OPERATOR is the owner of the adjacent Singer Lake Ranch which encompasses all or part of the following sections of land located in Chaves County, New Mexico:

T16S, R19E

Sections 17-22
Sections 27-34

T17S, R19E

Section 3

WHEREAS the water well referred to as the WEST EAGLE CREEK WELL, hereinafter referred to as "THE WELL" is located on lands within OPERATOR's Eagle Canyon Ranch in the NW4 of the SE4 of the SE4 of Section 22, T16S, R19E.

WHEREAS it is the intention and purpose of the undersigned parties that THE WELL and its equipment be used and operated to provide an adequate supply of water for the use of watering livestock on the afore described ranches of the respective parties hereto, and

WHEREAS THE WELL is deemed by the parties hereto, to be of adequate capacity, to supply both ranches with a sufficient volume of water to provide to both parties livestock that are now, or will be in the future, grazing in the Eagle Creek Canyon portion of the respective ranches described herein; and

WHEREAS, the parties hereto desire to enter this Agreement for the purpose of reducing to writing, their respective rights and obligations pertaining to said well.

NOW THEREFORE, in consideration of the promises and covenants herein contained, OPERATOR hereby conveys to NON-OPERATOR, subject to all of the following terms and conditions, one half (1/2) of its interest in THE WELL, existing well equipment, and associated water rights appurtenant to the well together with rights of ingress and egress to the well from NON-OPERATOR's Singer Lake Ranch:

1. The owner(s) of the Eagle Canyon Ranch shall be designated OPERATOR of THE WELL, and shall operate and maintain said well as any prudent ranch operator would do in like circumstances.

ERS EG
[Handwritten signature]

2. OPERATOR shall pay all invoices associated with operating and maintaining THE WELL when due. Upon receipt of Invoiced costs from OPERATOR, NON-OPERATOR shall pay promptly, one half (1/2) of all expenses for the operation and maintenance of the well. Expenses include but are not limited to: power costs, well pulling costs, pump cost, wind mill repair costs, storage repair costs, costs to repair and or replace tubing and rods, costs of connections, etc.
3. Until this agreement is terminated, as hereinafter provided, the parties and subsequent heirs, successors and assigns, are hereby granted the right in common to draw water from said well for livestock use.
4. The primary intent of this agreement is to provide stock water for grazing lands located on the Eagle Creek portion of both parties ranches. However, either party may use the well for domestic use under the following conditions: a) demand for said domestic use is limited to 10 gpm, and; b) the party using the well for domestic use agrees to pay all the costs and expenses that may be needed to modify or upgrade the well's pumping and storage facilities to provide for such domestic use.
5. The mutual consent of the parties hereto shall be obtained prior to commencing any operation on the well that may reasonably be thought to exceed \$3500.00. In the event the parties hereto cannot agree regarding said expenditure, an arbitrator shall be mutually agreed upon and such arbitrator's decision regarding the expenditure shall be final.
6. Each party hereto hereby agrees that they will promptly repair, maintain and replace all faulty or defective pipeline, storage and livestock watering systems serving their respective property at their sole risk and expense.
7. Whenever OPERATOR deems it necessary, not to be more than once per 30 day period, OPERATOR shall invoice operating and maintenance cost to NON-OPERATOR. NON-OPERATOR agrees to remit payment of all invoiced costs within 30 days from the Invoice Date. In the event that any such payment remains unpaid for an additional 30 days, OPERATOR, at its sole discretion, may terminate the supply of water to NON-OPERATOR until all arrearages in payments are received by OPERATOR. In the event that any such payment remains unpaid for more than one year, then this agreement shall terminate and the NON-OPERATOR shall no longer own an interest in THE WELL. In such event, the parties hereto herein agree to file a assignment of NON-OPERATOR's interest in THE WELL into OPERATOR together with a written statement of termination of agreement at the office of the Register of Deeds in Chaves County, New Mexico.
8. Each of the parties to this Agreement does hereby grant to the other, their respective heirs, successors and assigns, such easements over, across and through their respective properties as shall be reasonably necessary for the maintenance and operation of the well consistent with the purposes of this Agreement. These easements are described below to wit:

A radius of 100 feet around the well.
9. Each party shall have the right to act to correct an emergency situation and shall have access to each's property in the absence of the other. An emergency situation shall be defined as the failure of the well or storage to deliver either party's portion of livestock water upon demand. In the event, and Non-Operator has to repair and/or maintain well, then for such event and any successive events, the benefits and remedies provided for in paragraph 7 for the Operator shall then apply to the Non-Operator.
10. In the event the well shall become contaminated and shall no longer supply water adequate for the needs of the parties hereto, then the rights and obligations of the parties created by this Agreement shall cease and terminate. The parties shall file a written statement of termination at the Office of the Register of Deeds in Chaves County, New Mexico.

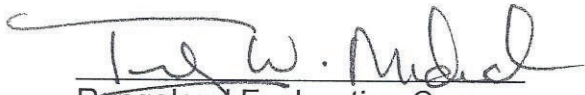
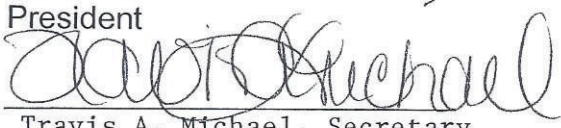
Handwritten signatures and initials:
ECS
ECS
TH
JM
ECS
ECS
TH
JM


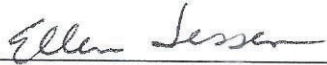
- 11. The term of this Agreement shall be perpetual, except as herein limited.
- 12. The benefits and burdens of this Agreement shall constitute a covenant running with the parties' ranch properties herein described and shall be binding upon, and inure to, the heirs, successors and assigns of the parties hereto.

IN WITNESS HEREOF, the parties have hereto set their hands and seal the day and year first above written.

OPERATOR

NON-OPERATOR


 Rangeland Exploration Company
 By: Terry Michael
 President

 Travis A. Michael, Secretary


 Eric Jessen

 Ellen Jessen

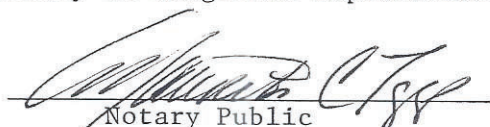
ACKNOWLEDGEMENT FOR CORPORATION

STATE OF NEW MEXICO)
)
 County of Chaves)

This instrument was acknowledged before me on January 15th, 2010, by Terrance W. Michael, President and Travis A. Michael, Secretary of Rangeland Exploration Company, a Texas Corporation.

My Commission expires:
 6/20/2012




 Notary Public

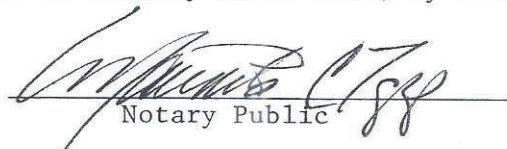
ACKNOWLEDGEMENT FOR INDIVIDUALS

STATE OF NEW MEXICO)
)
 County of Chaves)

This instrument was acknowledged before me on January 15th, 2010, by Eric C. Jessen and Ellen K. Jessen, husband and wife.

My Commission expires:
 6/20/2012

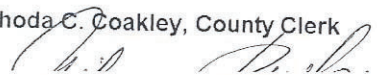



 Notary Public



STATE OF NEW MEXICO, COUNTY OF CHAVES
 FILE FOR RECORD JAN 15, 2010 AT 04:16 O CLOCK PM
 Receipt Number: 324257 Fee: \$13.00
 Book 0654 Page 1331 Pages 3
 To Whom Returned: LANDMARK TITLE
 WILL PICK UP



Rhoda C. Coakley, County Clerk


Subdivision					SEC-TWN-RNG	ACREAGE
SW4SW4	-	-	-	-	17 16S 19E	40.00
LOT3	LOT4	-	-	-	18 16S 19E	78.14
E2SW4	SE4	-	-	-	18 16S 19E	240.00
LOT1	LOT2	LOT3	LOT4	-	19 16S 19E	156.52
NE4	E2W2	SE4	-	-	19 16S 19E	480.00
W2NE4	SE4NE4	W2	SE4	-	20 16S 19E	600.00
N2NE4	-	-	-	-	21 16S 19E	80.00
SW4NE4	S2NW4	-	-	-	21 16S 19E	120.00
SE4NE4	-	-	-	-	21 16S 19E	40.00
S2	-	-	-	-	21 16S 19E	320.00
W2	W2NE	NWSE	-	-	22 16S 19E	440.00
W2	W2E2	-	-	-	27 16S 19E	480.00
N2	N2SW4	SE4SW4	SE4	-	28 16S 19E	600.00
ALL	-	-	-	-	29 16S 19E	640.00
LOT1	LOT2	LOT3	LOT4	-	30 16S 19E	156.74
NE4	E2W2	SE4	-	-	30 16S 19E	480.00
LOT1	LOT2	W2NE	E2NW	-	31 16S 19E	237.32
Part of S2, N. of HW82	-	-	-	-	31 16S 19E	47.27 ESTIMATED
E2NW	NE	-	-	-	32 16S 19E	240.00
Part of S2, N of HW82	-	-	-	-	32 16S 19E	126.00 ESTIMATED
ALL	-	-	-	-	33 16S 19E	640.00
ALL	-	-	-	-	34 16S 19E	640.00
Part of N2, N. OF HW82	-	-	-	-	03 17S 19E	131.90 ESTIMATED
Estimated Total State Lands						7,013.89 Acres