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SMITH OFFSHORE EXPLORATION COMPANY

811 DALLAS, SUITE 800
P. O. BOX 52890
HOUSTON, TEXAS 77052
713/651-9102

RECEIVED

MAY 3 1991

May 1, 1991

**Minerals Management Service
Leasing & Environment**

United States Department of the Interior
Minerals Management Service
Gulf of Mexico OCS Region
1420 South Clearview Parkway
New Orleans, Louisiana 70123-2394

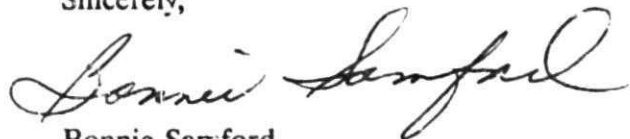
Attention: Adjudication

**Re: West Cameron Block 207 - OCS-G 11770
Eugene Island Block 59 - OCS-G 11936
Main Pass Block 106 - OCS-G 12086
Main Pass Block 107 - OCS-G 12037**

Gentlemen:

Enclosed please find two checks totaling \$100 to cover the filing fee for the Assignment of Overriding Loyalty Interest from Brooklyn Union Exploration Company, Inc., and Smith Offshore Exploration Company to H. Allen Weatherby for the above referenced leases. We also enclose a duplicate copy of this letter for you to indicate that these assignments have been filed and return to us.

Sincerely,



Bonnie Samford

bjsMMS591.sox
Enclosures

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ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

MAY 5 1991

Minerals Management Service
Leasing & Environment

KNOW ALL MEN BY THESE PRESENTS:

THAT, Brooklyn Union Exploration Company, Inc., a Delaware corporation, 1331 Lamar, Suite 1065, Houston, Texas 77010 and Smith Offshore Exploration Company, a Delaware corporation, 811 Dallas, Suite 800, Houston, Texas 77002 (collectively, "Assignors") for and in consideration of the sum of \$10.00 and other good and valuable consideration paid by H. Allen Weatherby, 420 San Felipe, Houston, Texas 77007 ("Assignee"), the receipt and sufficiency of which are hereby acknowledged, hereby transfer, assign and convey unto Assignee, without warranty of title either express or implied, .000940% of 8/8ths overriding royalty interest ("Overriding Royalty Interest) of the oil, gas and other minerals in and under, and that may be produced and saved from the land covered by the following described lease, (the "Lease"):

Oil and Gas Lease of Submerged Lands dated effective May 1, 1990, between the United States of America, Lessor, and Brooklyn Union Exploration Company, Inc., Lessee, covering all of Block 59, Eugene Island Area, OCS Leasing Map, Louisiana Map No. 4, containing 5000.00 acres, more or less, and bearing Serial No. OCS-C 11936.

The Overriding Royalty Interest shall be borne by Assignors as follows:

Brooklyn Union Exploration Company, Inc.	50.000%
Smith Offshore Exploration Company	50.000%

TO HAVE AND TO HOLD the Overriding Royalty Interest, together with all and singular the rights and appurtenances thereto in anywise belonging unto the Assignee, his heirs, personal representatives and assigns, subject to the terms and provisions of this assignment.

This assignment is made expressly subject to the terms and provisions of Overriding Royalty Agreement dated March 31, 1988, effective January 1, 1987, by and between H. Allen Weatherby and

Brooklyn Union Exploration Company, Inc. and Smith Offshore Exploration Company.

The Overriding Royalty Interest shall be free and clear of all costs of development and operation of the Lease both upstream and downstream of the wellhead, other than transportation costs, but shall bear its share of all taxes levied against production from the Lease.

The Assignee, insofar as the Overriding Royalty Interest, shall have the same rights, privileges, elections and entitlements as does the Minerals Management Service insofar as the royalty under the Outer Continental Shelf Lands Act, as amended, 43 U.S.C. 133 et seq. and the regulations issued thereunder.

Nothing herein contained shall be construed as imposing any obligation express or implied upon Assignors to maintain or preserve the Lease, in force and effect, to drill wells or to conduct any other operation whatsoever. Assignors shall have no express or implied obligation to Assignee to drill offset wells, to reasonably develop or to further explore.

No change in ownership, or right to receive the Overriding Royalty Interest, or any part thereof, however accomplished, shall operate to enlarge the obligations or diminish the rights of Assignors, and notwithstanding any other actual or constructive notice thereof, such change shall not be binding upon Assignors for any purpose until thirty (30) days after receipt by Assignors of instruments or other legally authenticated written evidence satisfactory to Assignors constituting the chain of title of such change.

The Overriding Royalty Interest shall be applicable to any renewals or extensions of the Lease or any new lease covering the land covered by the Lease obtained by Assignors, their successors or assigns within one (1) year after termination or release of the Lease.

The terms hereof shall extend to and be binding upon Assignors and their successors and assigns and Assignee and his heirs, personal representatives and assigns.

EXECUTED this 19th day of February, 1991.

BROOKLYN UNION
EXPLORATION COMPANY, INC.

By

James G. Floyd
James G. Floyd
President

SMITH OFFSHORE
EXPLORATION COMPANY

By

Lester H. Smith
Lester H. Smith
President

THE STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me on February 19, 1991, by James G. Floyd, President of Brooklyn Union Exploration Company, Inc., a Delaware corporation, on behalf of said corporation.

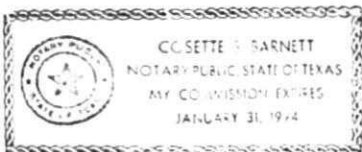
Christina M. Barker
Notary Public in and for the
State of Texas

THE STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me on March 25, 1991, by Lester H. Smith, President of Smith Offshore Exploration Company, a Delaware corporation, on behalf of said corporation.

Cosette S. Barnett
Notary Public in and for the
State of Texas



END

UPDATE