

090916

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

STATE OF TEXAS §
 §
COUNTY OF LASALLE §

KNOW ALL MEN BY THESE PRESENTS:

THAT, this Assignment of Overriding Royalty Interest ("Assignment") is made this 1st day of April, 2011, by and between **ZAZA ENERGY, LLC**, whose address is 1301 McKinney St. Suite 2850, Houston, Texas 77010, hereinafter referred to as "**ASSIGNOR**", and **GASTON KEARBY**, whose address is 15122 Kane Harbor, Corpus Christi, TX 78414, **JUBALEE LTD.**, P.O. Box 35 Chapman Ranch, Texas 78347, and **SANDRA BROOKS 2003 FAMILY TRUST**, whose address is 2727 Allen Parkway, Suite 1700, Houston, Texas 77019, hereinafter referred to individually as "**ASSIGNEE**" or collectively as "**ASSIGNEES**"; and

WHEREAS, as the current owner of certain oil and gas leases, ASSIGNOR desires to transfer and assign to ASSIGNEES an overriding royalty interest in and to those certain Oil and Gas Leases more particularly described on Exhibit "A" attached to and made part hereof (the "Leases"); and

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, ASSIGNOR does hereby BARGAIN, SELL, ASSIGN, TRANSFER, CONVEY, and DELIVER unto ASSIGNEES an overriding royalty interest in and to the Leases and the lands covered thereby and all of the oil, gas, and other minerals produced, saved, and marketed from the lands equal to three percent (3%) of 8/8ths ("Override"). Said Override to be owned by each of the ASSIGNEES in the proportion set out beside their names as follows:

<u>ASSIGNEES:</u>	<u>Percentage</u>	<u>OVERRIDE</u>
Jubalee LTD.	33.33%	1% of 8/8ths
Sandra Brooks 2003 Family Trust	33.33%	1% of 8/8ths
Gaston Kearby	33.33%	1% of 8/8ths

TO HAVE AND TO HOLD said Override with all rights thereunder and incident thereto, unto ASSIGNEES forever, subject to the following terms, conditions, exceptions, obligations, indemnities and reservation:.

1. This Assignment shall be effective as of the effective date of the Leases (the "Effective Date").
2. Said Override shall apply to all oil, gas, casinghead gas, or other gaseous substances and liquid constituents of said gas produced from and sold on or off said Leases or used off the Leases, or for the extraction of gasoline or other products therefrom. Delivery of such Overriding Royalty Interest to be made free of all cost and expenses in developing and operating the Leases and free of all cost of production, transportation and marketing of production. If ASSIGNOR should secure a renewal, extension, or a new lease of any of the Leases, or interest covering all or any part of the lands covered by the Leases, then the Override shall apply to such renewed, extended, or new lease. A "renewal," "extension," or "new lease" of a Lease as these terms are used in this paragraph shall mean any lease or leases covering all or part of the lands covered by the Leases acquired within one (1) year from the expiration or termination of any of the Leases.
3. The Override shall bear and pay its proportionate part of all applicable taxes.


4. Subject to the provisions of Section 2 hereinabove, said Override shall be paid on the same basis and terms as the royalty provided for and payable to the Lessors pursuant to the Leases.
5. The Override shall be proportionately reduced on a lease-by-lease basis, as follows:
 - (i) If ASSIGNOR conveys herein less than the entire oil and gas leasehold estate created by any Lease, the Override shall be paid in the proportion which the fractional part of such leasehold estate conveyed by ASSIGNOR bears to the entire oil and gas leasehold estate created by such Lease; and
 - (ii) If any Lease conveys herein covers less than the entire oil and gas mineral estate, the Override shall be paid in the proportion which the fractional part of the oil and gas mineral estate covered by the Lease bears to the entire oil and gas or mineral estate; and
 - (iii) If ASSIGNOR conveys a Lease to ASSIGNEES, or any part thereof, that is subsequently pooled or unitized in a unit, the Override shall be paid in the proportion that the acreage of the Lease that is included in such unit bears to all the acreage included in such unit.
6. ASSIGNOR expressly reserves and retains unto themselves, their heirs, successors and assigns the right, power and authority to pool, unitize or otherwise combine the lands and any or all of the Leases, in whole or in part, with other lands or leases without the consent or joinder of ASSIGNEES. In that event, the Override shall be proportionately reduced as set forth hereinabove.

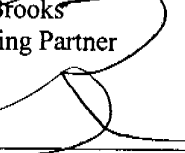
This Assignment is made without warranty, either express or implied. The terms and provisions of this Assignment shall be covenants running with the land, and shall extend to, be binding upon, and inure to the benefit of ASSIGNOR and ASSIGNEES, and their respective successors and assigns.


This Assignment shall be governed, construed and enforced in accordance with the laws of the State of Texas, excluding any conflicts-of-law rule or principle that might apply the law of another jurisdiction. All disputes related to this Agreement shall be submitted to the jurisdiction of the courts of the State of Texas and venue shall be in the state or federal courts in Harris County, Texas.

EXECUTED AND DELIVERED, on April 1st, 2011, but made effective for all purposes as of the Effective Date listed hereinabove.

ASSIGNOR:
ZAZA ENERGY, LLC

By: 
Todd Brooks
Managing Partner

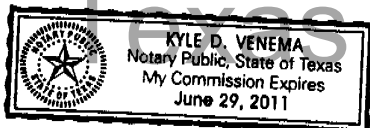
By: 
Gaston Kearby
Managing Partner

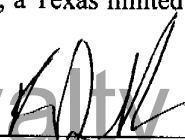
By: 
John Hearn
Managing Partner

STATE OF TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on this 1st day of April, 2011 by Todd Brooks, Managing Member of ZaZa Energy, LLC, a Texas limited liability company, on behalf of said company.

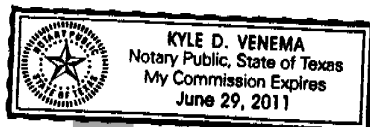




Notary Public in and for the State of Texas
Commission Expires: June 29, 2011

STATE OF TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on this 1st day of April, 2011 by Gaston Kearby, Managing Member of ZaZa Energy, LLC, a Texas limited liability company, on behalf of said company.

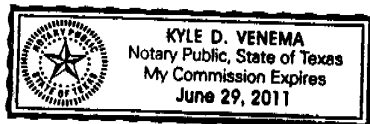




Notary Public in and for the State of Texas
Commission Expires: June 29, 2011

STATE OF TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on this 1st day of April, 2011 by John Hearn, Managing Member of ZaZa Energy, LLC, a Texas limited liability company, on behalf of said company.




Notary Public in and for the State of Texas
Commission Expires: June 29, 2011

Texas Royalty Brokers

EXHIBIT "A"

Attached to and made part of that certain Assignment of Overriding Royalty Interest dated April 1, 2011, by and between ZaZa Energy, LLC, as Assignor, to Gaston Kearby, et al, as Assignee.

1. Oil and Gas Lease dated effective May 26, 2010, covering 733.681 acres of land, more or less, being part of Survey 654, Abstract No. 1351, C.C.S.D. & R.G.N.G. Co., Original Grantee and Survey 658, Abstract No. 1180, from Bridwell Limited, as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, an Amended Memorandum of which is recorded in Volume 525, Page 358, of the Official Records of LaSalle County, Texas.
2. Oil and Gas Lease dated effective May 28, 2010, covering 100.63 acres of land, more or less, being part of Survey 656, Abstract No. 1678, from Hector Arce and Sylvia R. Gonzales, as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, an Amended Memorandum of which is recorded in Volume 525, Page 361, of the Official Records of LaSalle County, Texas.
3. Oil and Gas Lease dated effective May 31, 2010, covering 607.27 acres of land, more or less, being part of Survey 10 1/2, Abstract 569, Survey 653, Abstract No. 713, Survey 654, Abstract 1351, and Survey 936, Abstract 1072, from Lar-Tex Investments, LTD, as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, an Amended Memorandum of which is recorded in Volume 525, Page 355, of the Official Records of LaSalle County, Texas.
4. Oil and Gas Lease dated effective May 26, 2010, covering 1,505.00 acres of land, more or less, from JLH Land Investments, Corp., as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, a Memorandum of which is recorded in Volume 504, Page 283, of the Official Records of LaSalle County, Texas.

Oil and Gas Lease dated effective May 26, 2010, covering 1,505.00 acres of land, more or less, from JLH Land Investments, Corp., as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, a Ratification of Oil, Gas and Mineral Lease of which is recorded in Volume 504, Page 281, of the Official Records of LaSalle County, Texas.
5. Oil and Gas Lease dated effective May 22, 2010, covering 41.86 acres of land, more or less, from Robert C. Franklin and wife, Pamela L. Franklin, as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, a Memorandum of which is recorded in Volume 504, Page 293, of the Official Records of LaSalle County, Texas.
6. Oil and Gas Lease dated effective May 26, 2010, covering 102.20 acres of land, more or less, from Billy I. Gordon, a married man, dealing in his sole and separate property, as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, a Memorandum of which is recorded in Volume 504, Page 294, of the Official Records of LaSalle County, Texas.
7. Oil and Gas Lease dated effective May 28, 2010, covering 450.82 acres of land, more or less, from The Cesar A. Garcia Children's Family Trust, as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, a Memorandum of which is recorded in Volume 504, Page 264, of the Official Records of LaSalle County, Texas.
8. Oil and Gas Lease dated effective May 25, 2010, covering 100.00 acres of land, more or less, from C. A. Barger and wife, Linda B. Barger, as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, a Memorandum of which is recorded in Volume 504, Page 256, of the Official Records of LaSalle County, Texas.
9. Oil and Gas Lease dated effective May 26, 2010, covering 297.27 acres of land, more or less, from Marcy Leigh Wells, as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, a Memorandum of which is recorded in Volume 504, Page 290, of the Official Records of LaSalle County, Texas.

10. Oil and Gas Lease dated effective May 27, 2010, covering 399.929 acres of land, more or less, from Kurt N. Rathjen, as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, a Memorandum of which is recorded in Volume 504, Page 267, of the Official Records of LaSalle County, Texas.
11. Oil and Gas Lease dated effective May 20, 2010, covering 34.01 acres of land, more or less, from Jill P. Martin, a widow, dealing herein in her sole and separate property, as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, a Memorandum of which is recorded in Volume 504, Page 292, of the Official Records of LaSalle County, Texas.
12. Oil and Gas Lease dated effective May 28, 2010, covering 136.16 acres of land, more or less, from Texas Community Bank, N.A., as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, a Memorandum of which is recorded in Volume 504, Page 285, of the Official Records of LaSalle County, Texas.
13. Oil and Gas Lease dated effective May 18, 2010, covering 4034.65 acres of land, more or less, from Elizabeth S. Vester, as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, a Memorandum of which is recorded in Volume 503, Page 17, of the Official Records of LaSalle County, Texas.
14. Oil and Gas Lease dated effective May 18, 2010, covering 4034.65 acres of land, more or less, from Oro Blanco Minerals, LTD, as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, a Memorandum of which is recorded in Volume 503, Page 14, of the Official Records of LaSalle County, Texas.
15. Oil and Gas Lease dated effective May 18, 2010, covering 4034.65 acres of land, more or less, from Snowmass, INC, as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, a Memorandum of which is recorded in Volume 503, Page 23, of the Official Records of LaSalle County, Texas.
16. Oil and Gas Lease dated effective May 18, 2010, covering 893.77 acres of land, more or less, from Samuel Draper Vester 2008 Irrevocable Trust, as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, a Memorandum of which is recorded in Volume 503, Page 11, of the Official Records of LaSalle County, Texas.
17. Oil and Gas Lease dated effective May 18, 2010, covering 1216.71 acres of land, more or less, from Joseph P. Gerlich, as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, a Memorandum of which is recorded in Volume 503, Page 20, of the Official Records of LaSalle County, Texas.
18. Oil and Gas Lease dated effective August 11, 2010, covering 237.82 acres of land, more or less, from Jay H. Smith, et ux, as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, a Memorandum of which is recorded in Volume 512, Page 459, of the Official Records of LaSalle County, Texas.
19. Oil and Gas Lease dated effective July 9, 2010, covering 399.929 acres of land, more or less, from Hill Realty Company, as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, a Memorandum of which is recorded in Volume 508, Page 401, of the Official Records of LaSalle County, Texas.
20. Oil and Gas Lease dated effective June 25, 2010, covering 25.00 acres of land, more or less, from Charles Kevin Coleman, as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, a Memorandum of which is recorded in Volume 508, Page 017, of the Official Records of LaSalle County, Texas.
21. Oil and Gas Lease dated effective June 13, 2010, covering 115.00 acres of land, more or less, from Lino Libertore Living Trust u/a/d February 16, 1996, as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, a Memorandum of which is recorded in Volume 509, Page 40, of the Official Records of LaSalle County, Texas.

22. Oil and Gas Lease dated effective June 21, 2010, covering 25.00 acres of land, more or less, from Jose Rojelio Del Toro, Jr., as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, a Memorandum of which is recorded in Volume 508, Page 020, of the Official Records of LaSalle County, Texas.
23. Oil and Gas Lease dated effective December 21, 2009, covering 1216.71 acres of land, more or less, from Robert Webb Briggs, Jr. Estate, as Lessor, to Initial Energy Eagle Ford, LLC, as Lessee, a Memorandum of which is recorded in Volume 492, Page 342, of the Official Records of LaSalle County, Texas.
24. Oil and Gas Lease dated effective May 1, 2010, covering 1290.90 acres of land, more or less, from William S. Talbutt Trust U/A; William S. Talbutt, Trustee; Bank of America, N.A., Agent, as Lessor, to Venture Oil & Gas, Inc., as Lessee, a Memorandum of which is recorded in Volume 509, Page 4, of the Official Records of LaSalle County, Texas.
25. Oil and Gas Lease dated effective October 12, 2010, covering 1228.00 acres of land, more or less, from Wells Fargo Bank, N.A., Trustee of the Alice Rhea Wright Management Trust, as Lessor, to ZaZa Energy, LLC, as Lessee, a Memorandum of which is recorded in Volume 522, Page 518, of the Official Records of LaSalle County, Texas.
26. Oil and Gas Lease dated effective October 12, 2010, covering 2649.21 acres of land, more or less, from Wells Fargo Bank, N.A., Trustee of the Harvey Rhea Wright Estate Trust and the Alice Rhea Wright Trust, as Lessor, to ZaZa Energy, LLC, as Lessee, a Memorandum of which is recorded in Volume 522, Page 508, of the Official Records of LaSalle County, Texas.

Oil and Gas Lease dated effective October 12, 2010, covering 3089.23 acres of land, more or less, from Wells Fargo Bank, N.A., Trustee of the Harvey Rhea Wright Estate Trust and the Alice Rhea Wright Trust, as Lessor, to ZaZa Energy, LLC, as Lessee, an amended Memorandum of which is recorded in Volume 529, Page 425, of the Official Records of LaSalle County, Texas.

END OF EXHIBIT "A"

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FILED: April 13, 2011 AT 9:15 A.M. MARGARITA A. ESQUEDA COUNTY CLERK
RECORDED: June 1, 2011 AT 10:15 A.M. LA SALLE COUNTY, TEXAS
BY: [Signature] DEPUTY