

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

KNOW ALL MEN BY THESE PRESENTS

THAT, GOODSTEIN INC., a Wyoming corporation with principal offices at 111 West Second Street, Room 320, Casper, Wyoming, 82601, (hereinafter called "ASSIGNOR") for and in consideration of the sum of Ten Dollars (\$10.00) cash and other good and valuable consideration paid by TERRA RESOURCES, INC., a Delaware corporation with principal offices at 5416 South Yale Avenue, Tulsa, Oklahoma 74135, (hereinafter called "ASSIGNEE"), the receipt and sufficiency of which are hereby acknowledged, has and does hereby grant, bargain, transfer, sell, assign and convey unto the said Assignee, its successors and assigns, all of Assignors interest in and to the following:

- A. All of the oil, gas and mineral leases, leasehold estates evidenced thereby, working interests, carried interests, royalty interests, overriding royalty interests, mineral interests, net profits and production payment interests and interests of every other kind and character in oil, gas and mineral leases and other properties described on Exhibit "A" attached hereto and made a part hereof; and
- B. All presently existing and valid oil, gas or mineral unitization, pooling, operating and communitization agreements, declarations and orders, and the properties covered and the units created thereby (including all units formed under orders, regulations, rules or other official acts of any federal, state or other governmental agency having jurisdiction), which relate to any of the leases or properties described or referenced in Subparagraph "A" above; and
- C. All presently existing and valid oil and gas sales, purchase, transportation, exchange and processing contracts, casinghead gas contracts, operating agreements, joint venture agreements, tax partnerships, and other contracts, agreements and instruments which relate to any of these leases or properties described or referenced in Subparagraph "A"; and
- D. All personal property, improvements, lease and well equipment, surface leases, easements, permits, licenses, servitudes and rights-of-way (including, but not by way of limitation, any wells, tanks, boilers, buildings, fixtures, machinery, injection facilities, saltwater disposal facilities, compression facilities and other equipment, gathering systems, power lines, telephone and telegraph lines, roads and other appurtenances and easements) now being used or useful in connection with the exploration, development, operation or maintenance of the leases, lands or properties described or referenced in Subparagraph "A", or any unit or units in which part or parts of such leases, lands or properties may be included, or being used or useful in connection with the production, treating, storing, transportation or marketing of oil, gas and other minerals produced from or allocated to such leases, lands or properties or such unit or units; and
- E. Without limitation of the foregoing, any and all other oil leases, gas leases, oil and gas leases, oil, gas and mineral leases, (excluding sulphur leases), whether producing or non-producing, and all personal property and fixtures used or useful in connection therewith, as well as any and all other interest in minerals and lands of every nature or description (excluding office leases used for maintaining oil, gas or mineral leases or to facilitate operations or activities connected therewith), including all contracts and agreements associated therewith or relevant thereto, held by Assignor as of the effective date hereof which are not otherwise described or referenced in Subparagraph "A", or are not covered by any of Subparagraphs A, B, C or D above; and
- F. Such leases, interests, rights and properties specified in the foregoing Subparagraphs A, B, C, D and E are herein called the "Subject Properties"; and
- G. Assignor and Assignee agree to execute and deliver all other additional conveyances, ratifications, instruments, notices, division orders, transfer orders and other documents and to do all

Assignment, Bill of Sale and Conveyance
Goodstein Inc.
March 29, 1984
Page Two

such other further acts and things as may be necessary to more fully and effectively grant, convey and assign the rights, titles, interests and estates in the Subject Properties intended to be so conveyed.

TO HAVE AND TO HOLD the Subject Properties unto Assignee and its successors and assigns forever, and for the same consideration hereinabove stated, Assignor warrants and represents that the Subject Properties are free and clear of all liens and encumbrances created by Assignor, and that Assignor has full power and authority to sell and assign the same, and agrees to warrant and forever defend title to the Subject Properties unto the said Assignee, its successors and assigns, against every person whosoever lawfully claiming, or to claim, the same or any part thereof, by, through or under Assignor, but not otherwise. Assignor's liability for warranties shall be limited to the consideration paid for the Subject Properties plus costs of defense.

Without limitation of the generality of the immediately preceding paragraph, and as to any personal property conveyed hereunder, Assignor expressly disclaims and negates (a) any implied or express warranty of merchantability, (b) any implied or express warranty of fitness for use for a particular purpose, and (c) any implied or express warranty of conformity to models or samples of materials.

This Assignment is being executed in multiple originals, all of which are identical, except that to facilitate recordation in counterparts hereof, only that portion of Exhibit "A" which contains specific descriptions of Subject Properties located in the recording jurisdiction where that counterpart is to be recorded are included, and other portions of Exhibit "A" are included by reference only. All of such counterparts together constitute but one and the same instrument. Complete copies of this Assignment containing the entire Exhibit "A" have been retained by Assignor and Assignee.

This Assignment, Bill of Sale and Conveyance shall bind and inure to the benefit of Assignor and Assignee and their respective heirs, successors and assigns.

IN WITNESS WHEREOF this Assignment, Bill of Sale and Conveyance has been executed by Assignor on March 29, 1984, but is delivered and effective as of 7:00 a.m. local time, (at the location of the subject properties, respectively) on March 1, 1984, (effective date).

ASSIGNOR

WITNESSES:

GOODSTEIN INC.

BY R. J. Todd
R. J. Todd President

ATTEST:

C. L. Tangney
C. L. Tangney Secretary

ASSIGNEE

WITNESSES:

TERRA RESOURCES, INC.

BY Bill Odum
Bill Odum Senior Vice-President

ATTEST:

William H. Everett
William H. Everett Secretary

BOOK 122 PAGE 64d

Assignment, Bill of Sale and Conveyance
Goodstein Inc.
March 29, 1984
Page Three

STATE OF WYOMING §
 § ss.
COUNTY OF NATRONA §

The foregoing instrument was acknowledged before me this 29th day of March, 1984 by R. J. Todd, President of GOODSTEIN, INC., a Wyoming corporation, on behalf of the corporation. [WY, ND, SD, NV]

The foregoing instrument was acknowledged before me this 29th day of March, 1984 by Bill Odum, Senior Vice-President of TERRA RESOURCES, INC. a Delaware corporation, on behalf of the corporation. [WY, ND, SD, NV]

On this 29th day of March, in the year 1984, before me, the undersigned authority, personally appeared R. J. Todd, known to me to be the President of the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same. [MT]

On this 29th day of March, in the year 1984, before me, the undersigned authority, personally appeared Bill Odum, known to me to be the Senior Vice-President of the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same. [MT]

Before me, the undersigned authority, on this day personally appeared R. J. Todd, President of GOODSTEIN INC., a Wyoming corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, as the act of such corporation, and in the capacity therein stated. [TX]

Before me, the undersigned authority, on this day personally appeared Bill Odum, Senior Vice-President of TERRA RESOURCES, INC., a Delaware corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, as the act of such corporation, and in the capacity therein stated. [TX]

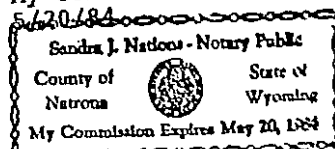
On this 29th day of March, 1984, before me appeared R. J. Todd, to me personally known, who, being by me duly sworn (or affirmed) did say that he is the President of GOODSTEIN INC., and that the seal affixed to said foregoing instrument is the corporate seal of said corporation and that the instrument was signed and sealed on behalf of the corporation by authority of its Board of Directors and that he acknowledged the instrument to be the free act and deed of the corporation. [LA]

On this 29th day of March, 1984, before me appeared Bill Odum, to me personally known, who, being by me duly sworn (or affirmed) did say that he is the Senior Vice-President of TERRA RESOURCES, INC., and that the seal affixed to said foregoing instrument is the corporate seal of said corporation and that the instrument was signed and sealed on behalf of the corporation by authority of its Board of Directors and that he acknowledged the instrument to be the free act and deed of the corporation. [LA]

Witness my hand and official seal.

Sandra J. Nations
NOTARY PUBLIC IN AND FOR
NATRONA COUNTY, WYOMING

My Commission Expires:



SANDRA J. NATIONS
Printed Name of Notary Public

P. O. Box 1700
Casper, Wyoming 82601
Address

BOOK 122 PAGE 62

(UL8012-10000)
STATE - 27 NEVADA
COUNTY- 011 EUREKA
AREA - 1832 GOODSTEIN

EXHIBIT 'A'

PAGE .15
DATE 3/29/84

LEASE

LEASE	LESSOR	LESSEE	DATE	VOLUME	PAGE
55065-00	PIERETTI, DOMINEK ET AL GOODSTEIN #650-9369	CITIES SERVICE COMPANY	5/17/82	104	215
			T-29N	R-52E	
			SEC 4:	LOT 3, SE NW, SW	
			SEC 5:	SE, SW NE	
			SEC 8:	E/2	
			SEC 9:	W/2	
			SEC 16:	NW, W/2 SW	
			SEC 17:	NE	
			SEC 21:	NW	

RECORDED AT REQUEST OF
Terra Resources, Inc
BOOK 122 PAGE 160

84 APR 9 AM 10:50

OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
MIN. REALESTATE RECORDER
FILE NO. 93045
FEE \$8.00

BOOK 122 PAGE 163