

ASSIGNMENT OF OIL AND GAS LEASE(S)

KNOW ALL MEN BY THESE PRESENTS that CITIES SERVICE OIL AND GAS CORPORATION, a Delaware corporation, whose address is P. O. Box 300, Tulsa, Oklahoma 74102, and TERRA RESOURCES, INC., whose address is P. O. Box 2329, Tulsa, Oklahoma 74101, the said parties hereinafter jointly called "Assignor", for and in consideration of Ten Dollars (\$10.00) and other valuable considerations paid, do hereby, subject to the exceptions and reservations hereinafter contained, grant, convey, sell, assign and transfer unto

AMOCO PRODUCTION COMPANY, a Delaware corporation, whose address is Amoco Building, 1670 Broadway, Denver, Colorado 80202, herein called "Assignee",

an undivided sixty percent (60%) of their right, title and interest in and to the following described lease(s), insofar only as said lease(s) cover(s) and grant(s) rights down to and including, but not below, the stratigraphic equivalent of 9,000 feet, as measured by electric logs in the East Bailey Ranch #1 Well, under the hereinafter described lands, to-wit:

LEASE NUMBER:	X6-2700328/2700328
DATE:	May 17, 1982
LESSOR:	Dominek J. Pieretti, et al
LESSEE:	Cities Service Company
RECORDING DATA:	Book 104, Page 215 of the Records of Eureka County, Nevada

DESCRIPTION:	Lot Three (3), the Southeast Quarter of the Northwest Quarter (SE/4 NW/4) and the Southwest Quarter (SW/4) of Section four (4); the Southeast Quarter (SE/4) and the Southwest Quarter of the Northeast Quarter (SW/4 NE/4) of Section Five (5); the East Half (E/2) of Section Eight (8); the West Half (W/2) of Section Nine (9); the Northwest Quarter (NW/4) and the West Half of the Southwest Quarter (W/2 SW/4) of Section Sixteen (16); the Northeast Quarter (NE/4) of Section Seventeen (17); and the Northwest Quarter (NW/4) of Section Twenty-one (21); Township Twenty-nine (29) North, Range Fifty-two (52) East, Eureka County, Nevada
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1. Assignor excepts and reserves from the lease(s) and lands assigned herein all rights granted by said lease(s) below the depth to which this Assignment is made, together with the right to drill wells for and produce and market any and all minerals appearing in said lands below said depth.

2. This Assignment is made subject to the provisos and conditions of that certain Agreement dated October 12, 1983 between the said Assignor and the said Assignee.

TO HAVE AND TO HOLD the same unto the said Assignee, its successors and assigns, according to the terms and conditions of said lease(s), the said Assignee to perform all of such conditions and covenants thereof as to the portion of lands herein assigned, but subject however to the provisions and conditions of said Agreement hereinbefore mentioned. This Assignment is made without warranty of title either express or implied.

The reservations herein made and the provisions and covenants contained herein shall attach to and run with the lease or leases assigned and the land herein described or referred to and shall be binding upon and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

BOOK 129 PAGE 246