96381

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:
DATE:
LESSOR:
LESSEE:
RECORDING DATA:

DESCRIPTION:

X6-2700328/2700328
May 17, 1982
Dominek J. Pieretti, et al
Cities Service Company
Book 104, Page 215 of the Records
of Eureka County, Nevada

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

- 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 provisons 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.

2927-55065-00

ASSIGNMENT OF OIL AND GAS LEASE(S) Page No. 2

IN WITNESS WHEREOF, the said CITIES SERVICE OIL AND GAS CORPORATION

and TERRA RESOURCES, INC., as Assignor, have executed this instrument this 10th day of July, 1984. CITIES SERVICE OIL AND GAS CORPORATION Attorney-in-Fact TERRA RESOURCES, INC. ATTEST: President Senior Viceiam H. Everett III, Secretary FFIXE STATE OF OKLAHOMA)) SS COUNTY OF TULSA day of July, A.D., 1984, personally appeared On this before me, a Notary Public in and for the said Tulsa County, Oklahoma, known to me to be the person whose name is subscribed to the within instrument as an Attorney-in-Fact of CITIES SERVICE OIL AND GAS CORPORATION, and acknowledged to me that he subscribed the name of CITIES SERVICE OIL AND GAS CORPORATION thereto, as principal, and his own name as Attorney-in-Fact, freely and voluntarily and for the uses and purposes therein mentioned. My commission expires: Corence February 22, 1987 Notary Public Plorence I. Moore Affixed OKLAHOMA STATE OF SS TULSA COUNTY OF , A.D., 1984, personally Senior Vice-President On this 6th day of August, A.D., 1984, personally appeared before me, a Notary Public, Bill Odum, Senior Vice-Presider of TERRA RESOURCES, INC., a corporation, who acknowledged that he executed August the above instrument. My commission expires: Verginia L. Bark Notary Public RECORDED AT REQUEST OF Amesa Praduation Co. BSSK_129_145E 245 Affixed 84 OCT 23 AIO: 21 OFFICIAL RECORDS
EUREKA COUNTY, HEVADA
M.R. REBALEATI, RECORDER
FILE IN 96381

FI : 6.00

656975-A-

BOOK 129 PAGE 246