

Recording Requested By and  
When Recorded Return to:  
Vinson & Elkins  
3373 First City Tower  
Houston, Texas 77002-6760  
Attention: Yvonne Onak

98414

Mail Tax Statements to:  
Sonat Exploration Company  
P.O. Box 1513  
Houston, Texas 77251-1513

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

THIS ASSIGNMENT, BILL OF SALE AND CONVEYANCE (this "Assignment"), dated as of this 18th day of January, 1985, is from EASON OIL COMPANY, a Delaware corporation ("Assignor"), whose street address is 2601 NW Expressway, Oil Center East, Oklahoma City, OK 73112, to SONAT EXPLORATION COMPANY, a Delaware corporation ("Assignee"), whose street address is 5599 San Felipe, Houston, TX 77056, and whose address for mailing is P.O. Box 1513, Houston, Texas 77251-1513.

PART I

GRANTING AND HABENDUM CLAUSES

For Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which Assignor hereby acknowledges, Assignor hereby transfers, grants, bargains, sells, conveys and assigns to Assignee, subject to the provisions of this Assignment, all of the following interests (such assigned interests are called the "Interests"):

1.1 All of the right, title, interest and estate of Assignor in and to (i) the oil and gas leases, oil, gas and other mineral leases, geothermal leases, subleases, overriding royalty interests, and other interests described in Exhibit A hereto, (ii) the mineral interests, royalty interests, fee interests and other interests described in Exhibit B hereto, and (iii) the easements, rights-of-way and surface leases and other interests described in Exhibit C hereto;

This assignment was prepared by:

Joseph C. Dilg  
3304 First City Tower  
Houston, TX 77002-6760

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1.2 All of the right, title, interest and estate of Assignor in and to or derived from any presently existing oil, gas, mineral or geothermal unitization, pooling or communitization agreements, declarations and orders relating to the interests described in Section 1.1 immediately above and the units created thereby (including, without limitation, 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 interests described in Section 1.1 immediately above or to geothermal production or the production of oil, gas or other minerals, from or attributable to such interests (all of the interests described in Section 1.1 and 1.2 being herein referred to as the "Subject Interests");

1.3 To the extent Assignor may lawfully assign the same, all of Assignor's rights, titles, interests, tenements, hereditaments, appurtenances, benefits and privileges attributable to or incident to the Subject Interests, including without limitation (i) the oil, gas and other minerals produced from or otherwise attributable to the Subject Interests, (ii) all rights, privileges, benefits and powers of Assignor with respect to the use and occupation of the surface, and the sub-surface depths under, the land covered by the Subject Interests which may be necessary, convenient or incidental to the possession and enjoyment of the Subject Interests, and (iii) all of the real, personal and mixed property of Assignor located upon or used in connection with the operation of the Subject Interests, including without limitation wells, well equipment, casing, tanks, gas separation and field processing units, crude oil, condensate or products in storage or in pipelines, boilers, buildings, tubing, pumps, motors, fixtures, machinery, and other equipment, water rights, pipelines, gathering systems, power lines, telephone and telegraph lines, roads, gas processing plants and all other improvements used in the operation thereof, SAVE AND EXCEPT the assets described in Exhibit D attached hereto and made a part hereof for all purposes.

1.4 To the extent Assignor may lawfully assign the same, all files, records and documentation of Assignor pertaining to or evidencing Assignor's ownership of or rights in the Interests described in Paragraphs 1.1, 1.2 and 1.3 above, including without limitation Assignor's rights in and to lease files, land files, accounting files, production sales agreement files, division order files, title opinions

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and abstracts, legal records, governmental filings, geological, geophysical and geothermal data, seismic records, production reports, maps and all other books, files, maps and records related to any of the Interests described in Paragraphs 1.1, 1.2 or 1.3 above, or the maintenance or operation thereof, or geothermal production from or the producing, treating, processing, storing, gathering or marketing of oil and gas attributable to the Subject Interests and water, brine or other minerals and products produced in association therewith, SAVE AND EXCEPT the assets described in Exhibit D attached hereto and made a part hereof for all purposes.

1.5 Without limitation of the foregoing, all of Assignor's right, title, interest and estate, whether real, personal or mixed, moveable, corporeal or incorporeal, of every nature and description in and to or derived under the Subject Interests, or any of the lands covered by the Subject Interests, whether such right, title, claim or interest be under and by virtue of an oil and gas or oil, gas and mineral lease, a geothermal lease, mineral deed, royalty deed, overriding royalty assignment or reservation, production payment, operating agreement, unitization, pooling, operating or communitization agreement, declaration or order, division order, transfer order or any other type of contract, conveyance or instrument, or under and by virtue of any other type of claim or title, whether present, reversionary, future or contingent, and even though Assignor's interests therein be incorrectly described in or a description of such interest be omitted from an Exhibit hereto, SAVE AND EXCEPT the assets described in Exhibit D attached hereto and made a part hereof for all purposes.

1.6 All rights of Assignor (to the extent attributable to the interests described in Section 1.1 through 1.5 above) in, to and under or derived from all agreements and contractual rights, easements, rights-of-way, servitudes and other estates relating to the Subject Interests, including, without limitation, production sales contracts, operating agreements, area of mutual interest agreements, pooling, unitization or communitization agreements, purchase, exchange or processing agreements, casinghead gas contracts, balancing agreements, heat, steam or energy sales agreements, surface leases, easements or rights-of-way, farmout or farmin agreements, dry hole or bottom hole contribution agreements, seismic agreements, permits, licenses, options, orders and all other contracts,

agreements and instruments relating to the exploration for and the production, storage, treatment, transportation, processing, or sale or disposal of oil, gas, other hydrocarbons, other minerals, water, brine or other substances from the Subject Interests, SAVE AND EXCEPT, the assets described in Exhibit D attached hereto and made a part hereof for all purposes.

TO HAVE AND TO HOLD the Interests unto Assignee and its successors and assigns forever, subject to the provisions of this Assignment.

## PART II

### PERMITTED ENCUMBRANCES

2.1 The Interests are assigned, conveyed and accepted subject to no lien, mortgage, pledge, claim, charge, option, call on production, defect, preferential purchase right, requirement for consent to assignment which would apply to the transactions contemplated hereby or other encumbrance except for Permitted Encumbrances, as defined in Part III of this Assignment, to the extent same are valid and enforceable, and affect the Interests.

## PART III

### WARRANTY

3.1 The following terms have the following meanings in this Assignment:

3.1.1 "Exhibit E Interests" means that portion of the Interests described in Exhibit E attached hereto and made a part hereof for all purposes.

3.1.2 "Marketable Title" means, as to each Exhibit E Interest, good and indefeasible title that (a) entitles the owner thereof as of the date of this Assignment to receive, from its record title ownership in such Exhibit E Interest, not less than the interests shown as the "Net Revenue Interest" or "NRI" set forth on Exhibit E for such Exhibit E Interest of all oil, gas and other minerals produced, saved and marketed from such Exhibit E Interest without reduction, suspension or termination throughout the productive life of such Exhibit E Interest based on facts, interests and conditions in existence as of

the date of this Assignment, whether known or unknown, (b) obligates the owner thereof as of the date of this Assignment to bear a percentage of the costs and expenses relating to operations on and the maintenance and development of such Exhibit E Interest and wells associated therewith not greater than the interest shown as the "Working Interest" or "WI" set forth on Exhibit E for such Exhibit E Interest without increase throughout the productive life of such Exhibit E Interest based on facts, interests and conditions in existence as of the date of this Assignment, whether known or unknown, and (c) is free and clear of liens, mortgages, pledges, claims, charges, options, calls on production, defects, preferential purchase rights, requirements for consents to assignment which would apply to the transactions contemplated hereby and other encumbrances except for Permitted Encumbrances (as defined in Section 3.1.3 below).

3.1.3 As used herein the term "Permitted Encumbrances" shall mean (i) liens, charges, encumbrances, contracts, agreements, instruments, obligations, defects and irregularities of title, if any, set forth on Exhibit E or which do not materially and adversely affect the value or interfere with the present or intended use of any Interest, (ii) lessors' royalties, overriding royalties, reversionary interests, and similar burdens which do not operate to reduce the Net Revenue Interest of any Exhibit E Interest to less than the interests shown as the Net Revenue Interest therefor on Exhibit E, (iii) production sales contracts relating to oil, condensate or natural gas liquids that are terminable without penalty upon no more than 30 days' notice to the purchaser (subject to applicable governmental regulations), (iv) all rights to consent by, required notices to, filings with or other actions by governmental entities in connection with the sale or conveyance of federal, state, Indian or other governmental oil and gas leases or interests therein or related thereto where the same are customarily obtained subsequent to assignment of such oil and gas leases and interests, to the extent and only to the extent that such rights, notices, filings or other actions can be reasonably contemplated to be effected within six months after the date first above written and are in fact effected within one year after the date first above written (unless a failure to obtain such an approval is occasioned by Assignee's failure to make timely filings or applications pertaining thereto), and (v) tax, operators',

mechanics', materialmen's, employees', contractors' and similar liens securing obligations not yet due.

3.2 Assignor agrees to warrant and defend Marketable Title of Assignee and its successors and assigns to each of the Exhibit E Interests against any and all persons claiming or attempting to claim the whole or any part thereof, provided that Assignor shall have no liability to Assignee or its successors or assigns for any breach of such warranty of title unless written notice of such breach (or alleged breach) has been delivered by Assignee or its successors or assigns to Assignor on or prior to the third anniversary of the date of this Assignment.

3.3 Assignor agrees to warrant and defend the title of Assignee and its successors and assigns to the Subject Interests against any and all persons claiming or attempting to claim the whole or any part thereof, by, through or under Assignor but not otherwise, provided that Assignor shall have no liability to Assignee or its successors or assigns for any breach of such warranty of title unless written notice of such breach (or alleged breach) has been delivered by Assignee or its successors or assigns to Assignor on or prior to the third anniversary of the date of this Assignment.

3.4 Assignor also hereby grants, assigns and transfers to Assignee, its successors and assigns, to the extent so transferable, (a) the benefit of and the right to enforce the covenants and warranties, if any, which Assignor is entitled to enforce with respect to the Interests against Assignor's predecessors in title to the Interests, and (b) full substitution and subrogation of all rights accruing under the statutes of limitations or prescription under the laws of the various states in which the Interests are located.

3.5 There may exist certain prohibitions against the assignment of certain of the Interests without the prior written consent of third parties (other than consents of a ministerial nature which are normally granted in the ordinary course of business), which, if not satisfied, would result in a breach thereof by Assignor. Any provision contained in this Assignment to the contrary notwithstanding, the assignment granted pursuant to the foregoing provisions hereof shall not become effective with respect to those of the Interests, if any, affected by such a

restriction until the earlier to occur of (i) the date six months from the date hereof or (ii) such time as such restriction is satisfied, whereupon the assignment granted pursuant to the foregoing provisions hereof shall become automatically effective as to such Interests without further action on the part of Assignor.

3.6 Reference in this Assignment and the attached Exhibits A, B, C, D and E to liens, charges, encumbrances, contracts, agreements, instruments, obligations, defects and irregularities is for the sole purpose of protecting the interest of Assignor pursuant to the warranty of title and shall not be deemed to ratify or to create any rights in favor of any third party.

#### PART IV

#### MISCELLANEOUS

4.1 To facilitate recording of this Assignment numerous counterparts hereof have been or may be executed on even date herewith provided that there may be omitted from each such counterpart which is to be recorded in the official real property records of a county or parish those portions of Exhibit A, B or C relating to portions of the Interests located outside such county or parish and provided further that there may be minor variations in the form of the various counterparts in order to comply with the requirements of the various States in which such counterparts are recorded. Each counterpart hereof shall be deemed to be an original instrument, but all such counterparts shall constitute but one assignment.

4.2 Assignor and Assignee have each retained a counterpart of this Assignment with complete exhibits. Another counterpart of this Assignment with complete exhibits is to be filed in the official real property records of Montgomery County, Texas.

4.3 Reference is made to Exhibits A, B, C, D and E attached hereto and made a part hereof for all purposes. References in the exhibits to instruments on file in the public records are made for all purposes.

4.4 The parties agree to take all such further actions and execute, acknowledge and deliver all such

further documents as are necessary or useful in carrying out the purposes of this Assignment.

4.5 Assignor, or Assignor and Assignee, have executed, or will execute, certain separate assignments of individual oil and gas leases, oil, gas and mineral leases, geothermal leases, or interests therein, which are included in the Interests for filing with and approval by the United States of America and other governmental entities and agencies or compliance with other legal, statutory or regulatory requirements. Said separate assignments (i) may be on forms prescribed or suggested by said governmental entities and agencies, (ii) evidence the conveyance and assignment of the applicable Interests herein made and do not constitute any additional conveyance or assignment of the Interests, (iii) are not intended to modify, and shall not modify, any of the terms, covenants and warranties herein set forth and are not intended to create and shall not create any additional covenants and warranties of or by Assignor to Assignee, and (iv) shall be deemed to contain all of the terms and provisions hereof, as fully and to all intents and purposes as though the same were set forth at length in said separate assignment. Said separate assignments and this Assignment shall, when taken together, be deemed to constitute the one conveyance and assignment by Assignor of the applicable portion of the Interests, as hereinabove set forth. This Assignment, insofar as it pertains to those of the Interests as to which said separate assignments have been, or will be, executed for filing with and approval by the United States of America or any other governmental entity or agency, is made and accepted subject to the approval of appropriate governmental entities and agencies and to the terms of such approval, if and to the extent required by law. The Interests to be conveyed by such separate assignments and counterparts are the same and not in addition to the Interests conveyed hereby. Assignor may be the owner of, and intends to assign to Assignee, certain interests in oil, gas and mineral or geothermal leases falling under the jurisdiction of the United States of America and other governmental entities and agencies and for which no separate assignment form is prescribed or suggested. To the extent that a single assignment document is permitted by law to transfer rights to such interests, the parties intend that this Assignment constitute such assignment document.



4.6 This Assignment shall bind and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

EXECUTED as of the date first written above.

ASSIGNOR

EASON OIL COMPANY

WITNESSES:

Mary A. Gore  
Ann Parish

By: J. Richard Lisenby  
Name: J. Richard Lisenby  
Title: Vice President

ATTEST:

Ronald A. Manetti  
Ronald A. Manetti,  
Assistant Secretary

ASSIGNEE

SONAT EXPLORATION COMPANY

WITNESSES:

Mary A. Gore  
Ann Parish

By: V. W. Welch, Jr.  
Name: V. W. Welch, Jr.  
Title: Vice President

ATTEST:

Philip C. Wrangle  
Philip C. Wrangle,  
Secretary

EXHIBITS

EXHIBIT A - Description of Oil and Gas Leases, Oil, Gas

and Other Mineral Leases, Subleases and Other  
Interests

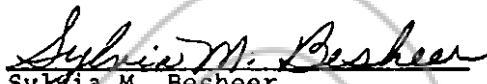
- B - Description of Overriding Royalty Interests,  
Net Profits Interests, Production Payments,  
Mineral Interests, Royalty Interests and Fee  
Interests
- C - Description of Easements, Rights-of-Way and  
Surface Leases and Other Interests
- D - Description of Assets Excluded from Assign-  
ment
- E - Description of Exhibit E Interests

STATE OF TEXAS §

COUNTY OF HARRIS §

On this the 16th day of January, 1985, before me, the undersigned officer, personally appeared J. RICHARD LIENBY, who acknowledged himself to be the Vice President of EASON OIL COMPANY, a corporation, and that he, as such Vice President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Vice President.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

  
Sylvia M. Besheer  
Notary Public in and for  
State of Texas

Residing at: 20043 Fort Stanton Dr.  
Katy, TX 77449

My Commission expires: 10/13/85

STATE OF TEXAS §

COUNTY OF HARRIS §

On this the 16th day of January, 1985, before me, the undersigned officer, personally appeared V. W. WELCH, JR., who acknowledged himself to be the Vice President of SONAT EXPLORATION COMPANY, a corporation, and that he, as such Vice President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Vice President.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

*Sylvia M. Besheer*

Sylvia M. Besheer  
Notary Public in and for  
State of Texas

Residing at: 20043 Fort Stanton Dr.  
Katy, TX 77449

My Commission expires: 10/13/85

PREAMBLE TO EXHIBITS A, B, C, D AND E TO  
ASSIGNMENT, BILL OF SALE AND CONVEYANCE

1. Definitions. For all purposes of this Preamble, unless the context otherwise requires, all terms employed herein that are defined in the Assignment, Bill of Sale and Conveyance to which this Preamble is attached (the "Assignment") shall have the meanings stated in the Assignment.

2. The Preamble. This Preamble relates to the following Exhibits ("Exhibit" or "Exhibits") to the Assignment:

Exhibit A - Description of oil and gas leases, oil, gas and mineral leases, geothermal leases, subleases, overriding royalty interests and other interests;

Exhibit B - Description of mineral interests, fee interests, royalty interests and other interests;

Exhibit C - Description of easements, rights-of-way, surface leases and other interests;

Exhibit D - Description of reserved property; and

Exhibit E - Specification of the Working Interest and Net Revenue Interest as to the Exhibit E Interests.

If no Interests of the classification covered by an Exhibit are located in a given county or parish, such Exhibit will be omitted from the counterpart of the Assignment to be filed in such county or parish.

Assignor and Assignee have each retained a counterpart of the Assignment with complete exhibits. Another counterpart of the Assignment with complete exhibits is to be filed in the official real property records of Montgomery County, Texas.

If a lease or other instrument covers land in two or more counties or parishes, a description of the lease or other instrument is included in the Exhibit for each of the applicable counties or parishes. Such multiple descriptions

of a lease or other instrument are not to be construed as increasing the interest assigned to Assignee hereunder as to such lease or instrument.

If the recorded instrument is a short form or memorandum of an Interest, the term "Interest" shall be deemed to include all of the interest of the Assignor in and to the instrument referred to in such short form or memorandum.

3. Exhibit A. Exhibit A is a description of oil and gas leases, oil, gas and other mineral leases, geothermal leases, subleases, overriding royalty interests (which are described by reference to the lease or sublease which is burdened by the overriding royalty interest) and other interests included in the Interests and located within the state and county or parish described in the heading. Exhibit A includes the following:

Heading: State and county or parish. Certain other internal codes or data of Assignor may also appear in the headings; these are extraneous and should be disregarded.

Prospect: Assignor's internal prospect name.

Lease No.: Assignor's internal identification number.

Lessor: The name of the lessor of the oil and gas lease, the oil, gas and other mineral lease or the geothermal lease, the sublessor of the sublease, the lessor or sublessor of the lease or sublease which is subject to the overriding royalty interest or other interest or the assignor or grantor of the instrument creating the overriding royalty interest or other interest. In the case of a federal or state lease, the serial number, if any, may be included.

Lessee: The name of the lessee of the oil and gas lease, the oil, gas and other mineral lease or the geothermal lease, the sublessee of the sublease, the lessee or sublessee of the lease or sublease which is subject to the overriding royalty interest or other interest or the assignee or grantee of the instrument creating the overriding royalty interest or other interest.

Lse Date: The date or effective date of the oil and gas lease, the oil, gas and other mineral lease, the geothermal lease, the sublease, the lease or sublease which is subject to the overriding royalty interest or other interest or the instrument creating the overriding royalty interest or other interest.

Book Page: The recordation reference of the oil and gas lease, the oil, gas and other mineral lease, the geothermal lease, the sublease, the lease or sublease which is subject to the overriding royalty interest or other interest or the instrument creating the overriding royalty interest or other interest. The recordation reference is to the volume or book and page or file number, instrument number, original act number, entry number or other identification number of the deed records, oil and gas records, official public records of real property, conveyance records, oil and gas books or other applicable public records of the applicable county or parish. If no recordation reference is shown, the oil and gas lease, the oil, gas and other mineral lease, the geothermal lease, the sublease, the lease or sublease which is subject to the overriding royalty interest or other interest or the instrument creating the overriding royalty interest or other interest may not be recorded in such county or parish.

Land Desc: If included, a description of the lands covered by the oil and gas lease, the oil, gas and other mineral lease, the geothermal lease, the sublease, the lease or sublease which is subject to the overriding royalty interest or other interest or the instrument creating the overriding royalty interest or other interest, or the portion thereof in which Assignor owns an interest. If no land description appears, the land description contained in the instrument for which recordation information is given shall be deemed to be incorporated by such recordation reference.

Exhibit A may include a list of certain farmin agreements or other similar agreements pursuant to which Assignor has earned assignments as to certain oil and gas leases or oil, gas and other mineral leases not particularly described in Exhibit A and certain farmout agreements or other similar agreements pursuant to which Assignor is entitled to

overriding royalty interests or other interests in oil and gas leases or oil, gas and other mineral leases.

4. Exhibit B. Exhibit B consists of two parts. Part I is a description of mineral interests, fee interests, royalty interests and other interests included in the Interests and located within the state and county or parish described in the heading. Part II is a description of surface fee interests included in the Interests and located within the state and county or parish described in the heading. Part I and Part II of Exhibit B each include the following:

Heading: State and county or parish. The page numbers at the top of each page refer to the number of pages with respect to each county or parish.

Roy #: Assignor's internal property identification number.

Grantor: The name of the assignor or grantor of the instrument by or through which Assignor acquired its interest or which created the interest.

Grantee: The name of the assignee or grantee of the instrument by or through which Assignor acquired its interest or which created the interest.

Deed Date: The date or effective date of the instrument by or through which Assignor acquired its interest or which created the interest.

Description: If included, a description of the land covered or affected by the mineral interest, fee interest, royalty interest or other interest or the portion thereof in which Assignor owns an interest. If no land description appears, the land description contained in the instrument for which recordation information is given shall be deemed to be incorporated by such recordation reference.

Book Page: The recordation reference of the instrument by or through which Assignor acquired its interest or which created the interest in the applicable public records of the state and county or parish shown in the heading. The recordation reference is to the volume or book and page or file number, instrument number,



original act number, entry number or other identification number of the deed records, oil and gas records, official public records of real property, conveyance records, oil and gas books or other applicable public records of the applicable filing agency. If no recordation reference is shown, the instrument by or through which Assignor acquired its interest or which created the interest may not be recorded in such county or parish.

If a description of the land covered or affected by an interest is given, but no recordation reference is shown and no grantor name or date is shown with respect to such interest, the interest described is all of Assignor's interest in the described land.

5. Exhibit C. Exhibit C consists of a description of easements, rights-of-way, surface and other leases and other interests included in the Properties and located within the state and county or parish described in the heading of the Exhibit. Exhibit C includes the following:

Heading: State and county or parish. Certain other internal codes or data of Assignor may also appear in the headings; these are extraneous and should be disregarded.

Instrument Number: Assignor's internal identification number.

Grantor: The name of the assignor or grantor of the easement, right-of-way, surface lease or other instrument or the lessor of the surface lease.

Grantee: The name of the assignee or grantee of the easement, right-of-way, surface lease or other interest or the lessee of the sublease.

Instrument Date: The date or effective date of the easement, right-of-way, surface lease or other instrument creating the interest.

Description: If included, a description of the land covered or affected by the easement, right-of-way, surface lease or other interest or the portion thereof in which Assignor owns an interest.

Book Page: The recordation reference of the easement, right-of-way, surface lease or other instrument creating the other interest in the applicable public records of the state and county or parish shown in the heading. The recordation reference is to the volume or book and page or file number, instrument number, original act number, entry number or other identification number of the deed records, oil and gas records, official public records of real property, conveyance records, oil and gas books or other applicable public records of the applicable filing agency. If no recordation reference is shown, the easement, right-of-way, surface lease or other instrument creating the other interest may not be recorded in such county or parish.

6. Exhibit D. Exhibit D is a description of excluded property located in certain counties. If no Exhibit D is attached to the counterpart of the Assignment to be filed in a particular county, or if Exhibit D is attached to a counterpart and reflects the word "none" or otherwise indicates that there is no excluded property for such county, then there is no excluded property located in such county.

7. Exhibit E. Exhibit E identifies the Exhibit E Interests and specifies Working Interests and Net Revenue Interests as to each of the Exhibit E Interests. Exhibit E includes the following:

Heading: State and county or parish.

Identity: The five digit number appearing in position (2) of the Identity line is Assignor's internal identification number for the Exhibit E Interest. The other positions are extraneous and should be disregarded.

Name: The name by which the Exhibit E Interest is generally known or Assignor's internal name for the Exhibit E Interest.

Field: The name generally given to the field in which the Exhibit E Interest is located or Assignor's name for the field in which the Exhibit E Interest is located.

Ownership and Reversion: The first ownership line, as to any Exhibit E Interest, lists six decimal numbers representing Assignor's share of the proceeds and obligations with respect to the Exhibit E Interest, in the following sequence, beginning at the left:

- (1) Working Interest.
- (2) Net Revenue Interest in oil or condensate production.
- (3) Net Revenue Interest in gas production.
- (4) Net Revenue Interest in plant products.

Items nos. (5) and (6) in the ownership line are extraneous and should be disregarded. The fact that an interest in plant products is shown in item (4) does not constitute a representation that any plant products are sold in which Assignee shall be entitled to share, nor does the fact that an interest in oil production is shown constitute a representation that oil is being sold, or that gas is being sold where an interest in gas production is shown. The second ownership line, if any, as to any Exhibit E Interest, lists six decimal numbers containing the same information described in the first ownership line. Upon the occurrence of payout or other reversion event as set forth in the applicable agreements or other instruments pertaining to the Exhibit E Interest, the Working Interest and Net Revenue Interest in the Exhibit E Interest shall be as set forth in the second ownership line. The reversion line is extraneous and may be disregarded.

The Net Revenue Interest entries do not include or reflect any overriding royalty interests owned by Assignor, except as to the Perry Burr property no. 03012, the Claudia #1 property no. 00767 and the Liva Foy #1 property no. 03038.

For certain of the Exhibit E Interests which reflect two ownership lines, the first ownership line contains Working Interest and Net Revenue Interest entries of .0000000, .0000001 or .0000010. This indicates that Assignor's share of the proceeds and obligations with respect to that Exhibit E Interest is zero prior to payout (except for a share of proceeds attributable to royalties or

overriding royalty interests owned by Assignor, which interests are not included or reflected on Exhibit E).

The area attributed to each Exhibit E Interest shall be, in the case of a designated unit or well located on a designated unit (whether such unit was created voluntarily or pursuant to order of the applicable conservation commission or other regulatory agency), the area contained within such unit, and, in the case of a non-unitized oil and gas lease or well located on a non-unitized lease, the area covered by such oil and gas lease.

In the event of a conflict between the preamble and the body of Exhibit E attached, the terms of this preamble shall control.

8. Description. A land description, if included in Exhibits A, B or C, is intended to describe (i) the land covered by the specific instrument; (ii) the portion of the land covered by the instrument in which Assignor owns an interest; or (iii) both. Such descriptions are not intended to limit the interest conveyed by the Assignment or to purport to convey any interest in excess of the Assignor's actual interest in the Interests described on Exhibits A, B or C. Such descriptions may not be complete, accurate or correct but are intended to reflect which lands are subject to or constitute the Interests described on Exhibits A, B or C, or Assignor's interest therein, or both, as reflected by Assignor's computer records and are included for informational, administrative or recording purposes. The land description, if included on Exhibits A, B or C, does not necessarily signify that Assignor owns the entire interest in each of the Interests described on Exhibits A, B or C as to all of the land described on Exhibits A, B or C, or to all depth intervals, even though such land and depth intervals are covered by the lease or instrument. Depth limitations or horizontal severances, if any, are not shown.

Certain land descriptions are in an abbreviated form as to sections, townships and ranges. In such descriptions the following terms may be abbreviated as follows: Northwest Quarter - NW/4 or NW1/4 or NW4 or NW; Southwest Quarter - SW/4 or SW1/4 or SW4 or SW; Southeast Quarter - SE/4 or SE1/4 or SE4 or SE; Northeast Quarter - NE/4 or NE1/4 or NE4 or NE; North Half - N/2 or N1/2 or N2; South Half - S/2 or S1/2 or S2; East Half - E/2 or E1/2 or E2; West Half - W/2 or W1/2 or W2; and Southeast quarter of the Northeast

Quarter - SENE or SE4NE4, or SE4NE or SE/4NE. The applicable township and range are identified by the abbreviations T and R, and the township and range numbers may be followed by an N, S, E or W to indicate whether the township or range is North, South, East or West, respectively. The applicable section is identified by the abbreviation SEC.

A description may contain the abbreviations 'Lt', 'L' or 'Lts' for 'Lot' or 'Lots'. 'Part' or 'Parts' may be abbreviated 'Pt' or 'Pts'.

In the case of certain Federal, Indian and State oil and gas leases and oil, gas and other mineral leases, the Interests may be in the nature of either record title or operating rights.

STATE: 27 NEVADA  
COUNTY: 011 EUREKA

EXHIBIT 'A'

LEASE NO.	LESSOR	LESSEE	LEASE DATE	BOOK PAGE
PROSPIC: 01297 PINE VALLEY(03-27)				
014631-0001 BLN NO.:	BUREAU OF LAND MANAGEMENT N-35048 LAND DESC: (127N-R50E, MDM) SEC. 9: SE/4 SEC. 16: E/2 SEC. 21: ALL SEC. 28: W/2 SEC. 29: SE/4 SEC. 32: LOTS 1,2,3,4, N/2, N/2 S/2 (ALL)	JAS. O. BREENE, JR.	6/01/82	
014642-0001 BLN NO.:	BUREAU OF LAND MANAGEMENT N-35267 LAND DESC: (125N-R48.5E, MDM) SEC. 1: LOTS 1 THRU 7, SE/4 NE/4, 1/2 SE/4 SEC. 12: LOTS 1,2,3,4, 1/2 W/2, E/2 (ALL) SEC. 13: LOTS 1,2,3,4, 1/2 W/2, E/2 (ALL) (125N-R49E, MDM) SEC. 16: N/2 SEC. 17: ALL SEC. 18: LOTS 1,2,3,4, E/2 W/2, E/2 (ALL)	JAS. O. BREENE, JR.	6/01/82	

OFFICIAL RECORDS  
EUREKA COUNTY, NEVADA  
H.M. REDALEANT, RECORDER  
FILE NO. 98414  
FEE \$ 26.00

85 JAN 31 P 1: 07

RECORDED AT REQUEST OF  
171 - County Title of Nevada  
BOOK 134 PAGE 135

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