

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

This Assignment, Bill of Sale and Conveyance ("Assignment"), effective as of 7:00 a.m. on October, 1, 1988 (such time to be determined with respect to each Asset, as defined below, by the local time applicable thereto) (the "Effective Time"), is from READING & BATES PETROLEUM CO., a Texas corporation, (formerly Reading & Bates Oil and Gas Co. and formerly Reading and Bates, Inc.) whose address is 3100 Mid-Continent Tower, Tulsa, Oklahoma 74103 ("Assignor"), to RB Operating Company, an Oklahoma corporation, whose mailing address is 3100 Mid-Continent Tower, Tulsa, Oklahoma 74103.

I.

For Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor has GRANTED, BARGAINED, SOLD, CONVEYED, ASSIGNED, TRANSFERRED, SET OVER AND DELIVERED and hereby GRANTS, BARGAINS, SELLS, CONVEYS, ASSIGNS, TRANSFERS, SETS OVER AND DELIVERS unto Assignee, effective as of 7:00 A.M. on October 1, 1988, all of Assignor's right, title and interest in and to the following (collectively, the "Assets" and individually, an "Asset"):

(a) All of the oil, gas, and other mineral leases, properties, rights and undivided interests owned by Assignor and listed on Exhibit A attached hereto and incorporated in this Assignment including, but not limited to, all leasehold, mineral, royalty, non-participating royalty and overriding royalty interests, net profits interests, production payments, other payments out of or pursuant to production of hydrocarbons and other rights, including contractual rights to production, and contractual rights providing for the acquisition or earning of any such interests related thereto (each such interest being hereinafter referred to as a "Property" and all such interests being collectively referred to as the "Properties"); and

(b) All of the permits, licenses, servitudes, easements, rights-of-way, orders, gas purchase and sale contracts, crude purchase and sale agreements, surface leases, farmin and farmout agreements, bottom hole agreements, acreage contribution agreements, operating agreements, unit agreements, processing agreements, options, leases of equipment or facilities and other contracts, agreements and rights, which are owned by Assignor, in whole or in part and are (i) appurtenant to or affect the Properties, or (ii) used or held for use in connection with the ownership or operation of the Properties or with the production, treatment, sale or disposal of water, hydrocarbons or associated substances; and

(c) All of the real, personal and mixed property located on the Properties or used in the operation thereof (whether located on or off such Properties), that is owned by Assignor or by third Persons on behalf of Assignor, in whole or in part, including, without limitation, wells, well equipment, casing, tanks, boilers, building, tubing, pumps, motors, fixtures, machinery and other equipment, pipelines, gathering systems, power lines, telephone and telegraph lines, roads, field

RB

Return to:
RB OPERATING COMPANY
100 N.W. 63rd Street
Oklahoma City, OK 73116
Attn: Liz Dennis

Eureka County, NV

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processing plants and all other improvements used in the operation thereof; and

(d) All of the files, records, information and data relating to the items described in subsections (a), (b), and (c) above (the "Records"), including, without limitation, title records (including abstracts of title, title opinions, certificates of title and title curative documents), computer records, contracts, correspondence, microfiche lists, geological, geophysical and seismic records, data and information, and production records, electric logs, core data, pressure data and decline curves and graphical production curves and all related matters.

TO HAVE AND TO HOLD the Assets unto Assignee, its successors and assigns forever; provided, however, this Assignment is made subject to the following terms and provisions.

II.

For the same consideration above expressed, Assignor does hereby warrant and shall forever defend the title of Assignee, its successors and assigns in and to the assets against any and all persons claiming or attempting to claim the same or any interest therein by, through or under Assignor. No other warranties are made by Assignor under this Assignment.

III.

ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AS TO PERSONAL PROPERTY AND FIXTURES (i) ANY IMPLIED OR EXPRESS WARRANTY OR MERCHANTABILITY, AND (ii) ANY IMPLIED OR EXPRESS WARRANTY OR CONFORMITY TO MODELS OR SAMPLES OF MATERIALS. By acceptance hereof, Assignee agrees that to the extent required to be operative, the disclaimers of warranties contained herein are "conspicuous" disclaimers for purposes of any applicable law, rule or order.

IV.

This Assignment is being executed in multiple original counterparts, all of which are identical and each of which shall for all purposes be deemed to be an original, but all such counterparts shall together constitute but one Assignment. To facilitate filing and recording, counterparts to be filed in the appropriate records of each county in each state will include only that portion of Exhibit A that contain specific descriptions of the Properties located in that jurisdiction. An executed counterpart of this Assignment containing the full text of the entire Exhibit A is available from Assignor or Assignee at the addresses set forth above. In addition to this Assignment, Assignor and/or Assignee shall execute any documents or instruments required by any state or federal authority to further evidence the assignment of interests in and to the Asset by Assignor to Assignee.

V.

Assignor hereby grants and transfers to Assignee, its successors and assigns, to the extent so transferable, the benefit of and the right to enforce the covenants and warranties, if any, which Assignor is entitled to

enforce with respect to the Assets against Assignor's predecessors in title to the Assets.

VI.

References herein to encumbrances, agreements and other matters shall not be deemed to ratify or acknowledge any such encumbrance, agreement or other matter, or to create any rights in any third party.

VII.

The provisions hereof shall be covenants running with the land and shall be binding upon and inure to the benefit of the parties hereto, their respective successors and assigns.

VIII.

This Assignment is being executed and delivered by Assignor to Assignee subsequent to the execution and delivery by Assignor to RAMCO-NYL 1987 Limited Partnership of that certain Assignment, Bill of Sale and Conveyance of even date herewith whereby Assignor assigned to RAMCO-NYL 1987 Limited Partnership an undivided ninety-nine percent (99%) of Assignor's right, title and interest in and to the Assets.

EXECUTED this 15th day of May, 1989, but effective as of the Effective Time.

ATTEST:

ASSIGNOR:

READING & BATES PETROLEUM CO.
(formerly Reading & Bates Oil
and Gas Co. and formerly
Reading and Bates, Inc.)

By Bill M. Bush
BUS President

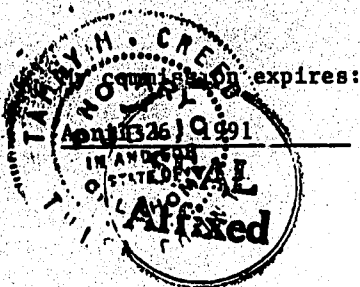


STATE OF OKLAHOMA)
) ss.
COUNTY OF TULSA)

On this 15th day of May, 1989:

- [AL] I, Tammy M. Creed, a Notary Public in and for said county and said state, hereby certify that Bill M. Burks, whose name as President of Reading & Bates Petroleum Co., a corporation, is signed to the foregoing conveyance, and who is known to me, acknowledged before me that, being informed of the contents of the conveyance, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.
- [CA] Before me, Tammy M. Creed, a Notary Public of said state, duly commissioned and sworn, personally appeared Bill M. Burks, personally known to me to be the person who executed the within instrument as President on behalf of the corporation therein and acknowledged to me that such corporation executed the same.
- [CO, IL, NM, OK,] This instrument was acknowledged before me by Bill M. Burks, as President of Reading & Bates Petroleum Co, a Texas corporation, on behalf of the corporation.
- [LA] Before me, the undersigned Notary Public, on this day personally appeared Bill M. Burks, known to me to be the person whose name is subscribed to the foregoing instrument, and known to me to be the President of Reading & Bates Petroleum Co., a Texas corporation, and acknowledged to me that he executed said instrument for the purposes and consideration therein expressed, and as the act of said corporation.
- [MS] Before me, the undersigned authority in and for the said county and state, within my jurisdiction personally appeared the within named Bill M. Burks, who acknowledged that he is the President of Reading & Bates Petroleum Co., a Texas corporation, and that for and on behalf of the said corporation, and as its act and deed he executed the above and foregoing instrument, after first having been duly authorized by said corporation so to do.
- [MT] Before me, Tammy M. Creed, a Notary Public, personally appeared Bill M. Burks, 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.
- [ND] Before me personally appeared Bill M. Burks, known to me to be the President of the corporation described in and who executed the within instrument, and acknowledged to me that such corporation executed the same.
- [TX] This instrument was acknowledged before me by Bill M. Burks, as President of Reading & Bates Petroleum Co., a Texas corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal
this 15th day of May, 1989.



Tammie M. Creed
Notary Public

EXHIBIT "A"

WELL NAME: Foreland #1-27
WELL NUMBER: 843101
DESCRIPTION: Sec. 27-29N-52E
COUNTY/STATE: Elko/Eureka Counties, Nevada

Option Farmout Acreage - Block II Lands

T-29N R-52E
SEC. 19 NE
SEC. 21 NE
SEC. 23 W/2
SEC. 27 ALL
SEC. 29 NE
SEC. 31 NE
SEC. 33 NE
SEC. 35 ALL

T-28N R-52E
SEC. 1 N/2
SEC. 3 NE
SEC. 5 NE
SEC. 7 NE
SEC. 9 NE
SEC. 11 NE

The foregoing reflects those lands subject to that certain agreement dated July 20, 1987. By the terms of this agreement, Reading & Bates Petroleum Co. is entitled to an assignment of interests from Southern Pacific Land Company by Santa Fe Energy Company as Managing Agent.

EXHIBIT "A"

WELL NAME: Southern Pacific Land Co. #1-5
WELL NUMBER: 842401
DESCRIPTION: Sec. 5-30N-52E
COUNTY/STATE: Elko/Eureka Counties, Nevada

Farmout Acreage - Block I Lands

T-29N R-52E
SEC. 3 ALL
SEC. 9 NE
SEC. 11 W/2
SEC. 15 LOTS 1-4, W/2 E/2, W/2

T-30N R-52E
SEC. 33 NE
SEC. 35 ALL
SEC. 3 LOTS 1, 2, S/2 NE
SEC. 5 NE
SEC. 9 NE
SEC. 11 ALL
SEC. 15 NE
SEC. 21 NE
SEC. 23 ALL
SEC. 25 ALL
SEC. 27 NE

The foregoing reflects those lands subject to that certain agreement dated July 20, 1987. By the terms of this agreement, Reading & Bates Petroleum Co. is entitled to an assignment of interests from Southern Pacific Land Company by Santa Fe Energy Company as Managing Agent.

RECORDED AT THE REQUEST OF
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Ramco
'89 MAY 25 AM 1:01

OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
M.N. PERCUTAL RECORDER
FILE NO. 115 11 00

127277

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