

**ASSIGNMENT,
CONVEYANCE AND BILL OF SALE**

FOR A GOOD AND VALUABLE CONSIDERATION, the receipt and adequacy of which are hereby acknowledged, CNG Producing Company, a Delaware corporation ("Assignor"), whose mailing address is CNG Tower, 1450 Poydras Street, New Orleans, Louisiana 70112-6000, does hereby grant, convey, bargain, sell, transfer and assign unto Apache Corporation, a Delaware corporation, whose mailing address is Suite 1900, One United Bank Center, 1700 Lincoln Street, Denver, Colorado 80203-4519, ("Assignee") and its successors and assigns, all of Assignor's right, title and interest in and to the following described properties:

- (a) The oil, gas and/or other mineral properties and other real property which is described on Exhibit "A" attached hereto and made a part hereof (hereinafter referred to as the "Subject Leases");
- (b) All of the following which are on or appurtenant to the Subject Leases: wells, tubular goods, tanks, production equipment, material, lines, and other facilities both surface and down hole, installed and used in the operation of said wells;
- (c) All of the following relating to the Subject Leases: advance payment agreements, operating agreements, Operating Rights, exploration agreements, pooling and unitization agreements, farmout agreements, overriding royalty interests, handling agreements, gathering and transportation agreements, equipment leases, product purchase and sale contracts, including all amendments and letter agreements relating

TO HAVE AND TO HOLD unto Assignee, its successors and assigns, forever.

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thereto, leases, permits, surface leases, rights of way, easements, licenses, options, contracts and other agreements, except to the extent such right, title and interest are attributable to the period prior to the Effective Date, provided nothing herein shall constitute a conveyance of any of the foregoing to the extent the conveyance thereof is prohibited by the terms thereof or by law;

(d) All rights (i) pursuant to any balancing agreement relating to the Subject Leases or otherwise arising by virtue of the fact that Assignor may not have taken or marketed its share of oil, gas or other minerals produced and saved from the Subject Leases; or (ii) relating to any obligation of purchasers of gas produced and saved from the Subject Leases and owed under take or pay provisions of any gas contracts or any settlement or buydown of such obligations;

(e) All rights under any permits and licenses relating to the Subject Leases, provided nothing herein shall constitute a conveyance of any of the foregoing to the extent the conveyance thereof is prohibited by the terms thereof or by law;

(f) All oil, gas and other minerals produced and saved from the Subject Leases but upstream of the point of initial sale as of the Effective Date and all oil, gas and other minerals produced and saved from the Subject Leases located in storage facilities not sold under existing sale contracts prior to the Effective Date,

The term "Working Interest" or "WI" (or words of similar import), when used in this Assignment or the exhibits hereto, shall mean the ownership of an interest, expressed as a percentage or a decimal, in a Subject Lease and correspondingly expresses a share of the costs of operations, development or production to be borne by the owner of such interest. The term "Net Revenue Interest" or "NRI" (or words of similar import), when used in this Assignment or in the exhibits hereto, shall mean a share of the proceeds of production, expressed as a percentage or a decimal, from or attributable to a Working Interest, net of all royalties, overriding royalties, production payments, or other burdens on production payable to third persons, or other non-operating interests attributable thereto.

The term "Operating Rights" or "OPR" (or words of similar import), when used in this Assignment or the exhibits hereto, shall mean the ownership of an interest, expressed as a percentage or a decimal in the Operating Rights in a Subject Lease and, correspondingly, expresses a share of the costs of operations, development or production to be borne by the owners of such interest.

This Assignment shall be binding on and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

This Assignment is made subject to the terms and provisions of the Purchase and Sale Agreement dated as of August 23, 1990, executed by Assignor and Assignee, which Agreement is incorporated herein by reference for all purposes, including, but not limited to, warranties and proration of taxes.

Assignor binds itself and its successors and assigns to warrant and defend title to the Subject Leases to Assignee, its successors and assigns against every person lawfully

claiming any of the Subject Leases, by, through or under Assignor, but not otherwise. The Working Interests, Net Revenue Interests, and Operating Rights are forth on Exhibit "A" are for title warranty purposes only and do not reflect any limitations on the extent of the interests assigned. This Assignment is intended to convey and does convey all Assignor's interest in and to the Subject Leases. Assignor agrees to execute such further instruments as Assignee shall deem necessary or advisable to effect the assignments contemplated herein.

This Assignment is executed in multiple originals effective as of July 1, 1990 at 7:00 a.m. M.S.T. in the presence of the undersigned competent witnesses.

CNG PRODUCING COMPANY

By: D. Malcolm Johns Jr.
 D. Malcolm Johns Jr.
 Its: Agent & Attorney-in-Fact

APACHE CORPORATION

By: James R. Bauman
 James R. Bauman
 Its: Vice President

WITNESSES

James S. Blumenthal
 James S. Blumenthal
 ATTEST:
James S. Blumenthal

WITNESSES

James S. Blumenthal
 James S. Blumenthal
 ATTEST:
James S. Blumenthal



JEANNE H. McDONALD
Notary Public, Commissioned in Orleans Parish, State of Louisiana
My Commission is Issued for Life.
Jeannette H. McDonald
NOTARY PUBLIC

the undersigned authority, personally came and appeared **JAMES R. BAUMAN**, to me appearing herein in his capacity as Vice President of **APACHE CORPORATION**, to me subscribed to the foregoing instrument as the identical person whose name is subscribed to the foregoing instrument as the said officer of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

STATE OF Louisiana
COUNTY OF Orleans



JEANNE H. McDONALD
Notary Public, Commissioned in Orleans Parish, State of Louisiana
My Commission is Issued for Life.
Jeannette H. McDonald
NOTARY PUBLIC

the undersigned authority, personally came and appeared **D. MALCOLM JOHNS JR.**, to me appearing herein in his capacity as Agent and Attorney-in-Fact of **CNG PRODUCING COMPANY**, to me subscribed to the foregoing instrument as the identical person whose name is declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

STATE OF LOUISIANA
PARISH OF ORLEANS

ACKNOWLEDGEMENTS

LEASE NUMBER
LESSOR

LESSEE

RECORDED
LSE DATE

ST COUNTY
DESCRIPTION

L403678/000
TRACT 01
BLM N-47196

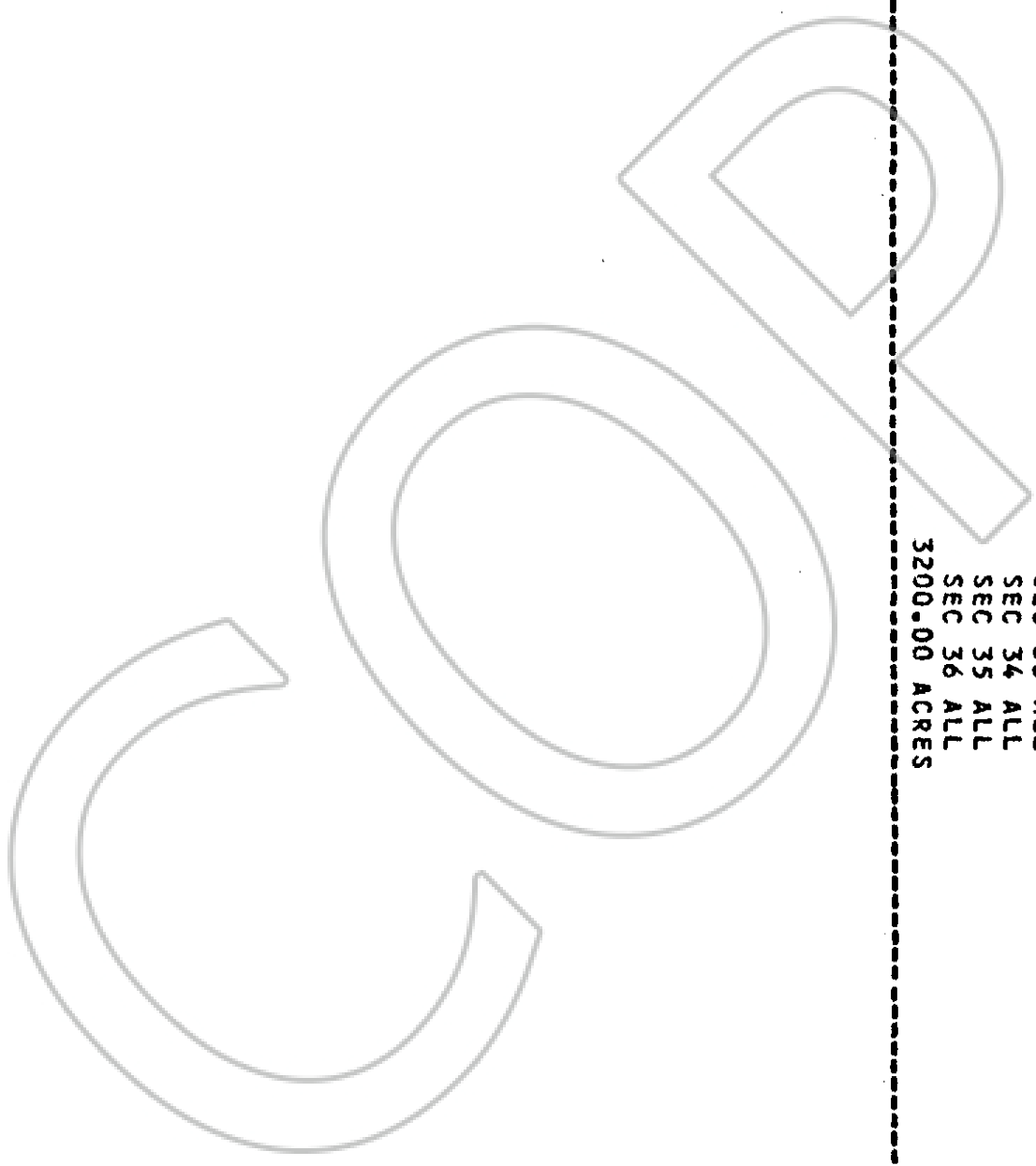
CNG PRODUCING COMPANY

12/01/87

NV EUREKA
T 23 N R 53 E
SEC 32 ALL
SEC 33 ALL
SEC 34 ALL
SEC 35 ALL
SEC 36 ALL
3200.00 ACRES

Int Owned	Int Conv	Int Res	ORI Res	ORI Prev Res
100%	100%	0%	0%	0%

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COMPANY 011

CNG PRODUCING CO - NEW ORLEANS

EXHIBIT A
SCHEDULE OF

LEASE NUMBER
LESSOR

LESSEE
RECORDED
LSE DATE

ST COUNTY
DESCRIPTION

L400301/000
TRACT 01
BLM N-43106

CNG PRODUCING COMPANY-TULSA DI
05/01/86

NY EUREKA
T 28 N R 50 E

SEC 24 N/2, N/2SW/4, SW/4SW/4, SE/4

Int	Int	Int	ORI	ORI
Owned	Conv	Ret	Res	Prev Res
100%	100%	0%	0%	0%

600.0 ACRES

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EUREKA COUNTY, NEVADA
M.N. REBALVAL, RECORDER
FILE NO. 134017
FEE \$ 11.00

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RECORDED AT THE REQUEST OF
Apache Corp.
90 OCT 11 P4:44

