

ASSIGNMENT
AND
BILL OF SALE

This Assignment and Bill of Sale is dated this 31st day of July, 1995, and is entered into between APACHE CORPORATION, a Delaware corporation, whose address is 2000 Post Oak Blvd., Suite 100, Houston, Texas 77056, hereinafter referred to as "Assignor," and MAKOIL, Inc., a Nevada corporation, whose address is 333 City Boulevard West, Suite 1640, Orange California 92668, hereinafter referred to as "Assignee."

For \$10.00 and other good and valuable considerations and mutual benefits to be derived hereunder, the receipt and full sufficiency of which are hereby acknowledged and full acquittance granted therefor, Assignor does hereby grant, sell, convey, and assign, except as set forth herein without warranty of title, express or implied, but with full substitution and subrogation in and to all rights and actions of warranty which the said Assignor has or may have against all preceding owners and vendors, all of Assignor's right, title and interest in, on, under and to the following described leases, properties, interests and assets:

1. All of Assignor's right, title and interest in and to the oil, gas and mineral leases and other interests more fully and particularly described on and set forth in Exhibit "A" attached hereto and incorporated herein by reference, hereinafter individually and collectively called "Leases."

2. All of Assignor's right, title and interest in and to all fixtures, wells, equipment and personal property of any kind located on the Leases and Easements, or used solely in connection with the production, storage, treatment, or transportation of hydrocarbons therefrom, including, but not limited to, tubing, casing, wellheads, pumping units, production units, valves, meters, flowlines, tanks, heaters, dehydrators, pumps, injection units, gates and fences, pulling machines, warehouse stocks, hereinafter individually and collectively called "Other Property." The Other Property includes, but is not limited to, all of the wells set forth on Exhibit "B" attached hereto and incorporated herein by reference.

3. All of Assignor's non-exclusive rights to the use and occupancy of the surface, including, without limitation, tenements, appurtenances, surface leases, easements, permits, licenses, servitudes and rights-of-way in any way appertaining, belonging, affixed or incidental to or used in connection

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with the ownership or operation of the Leases, hereinafter individually and collectively called "Easements."

4. All of Assignor's right, title and interest, to the extent transferable, (i) in and to all existing and effective unitization, pooling and communitization agreements, declarations and orders, and the properties covered and the units created thereby to the extent that they relate to or affect any of the Leases, Easements or Other Property, or the production of hydrocarbons attributable to said Leases, and (ii) existing and effective oil, purchase, contracts, operating agreements, balancing agreements, joint venture agreements, farmout agreements and other contracts, agreements and all other instruments insofar as they relate to any of the Leases, Easements or Other Property, or any unit(s) in which any part of such Leases may be included, or to the exploration, development, production or marketing of hydrocarbons from or attributable to the Leases, hereinafter individually and collectively referred to as "Contracts."

5. Notwithstanding Assignor's express intention to convey the Leases, it is the intent of Assignor to convey to Assignee, and Assignor hereby assigns to Assignee, all of Assignor's right, title and interest in and to any oil and gas leases, wells, surface interests, mineral interests, rights to production of hydrocarbons and any other rights and properties of any kind or nature owned by Assignor or for the benefit of Assignor, within the boundaries of the State of Nevada, whether or not correctly described on the Exhibits hereto, excluding such rights as may be held by Assignor as described in Section 4.3(q) of, or other incidental rights reserved by Assignor in, the Purchase and Sale Agreement dated July 6, 1995, between Assignor and Assignee.

The Leases, Other Property, Easements, Contracts and properties referred to in 1 through 5 above are hereinafter sometimes referred to individually and collectively as "Assets."

To have and to hold the above-described Assets unto Assignee, its successors and assigns, forever, pursuant to and subject to all of the terms and conditions set forth in this Assignment and Bill of Sale.

This Assignment and Bill of Sale is made, executed and delivered without warranty of any kind, except that Assignor shall warrant and defend Assignee's title to

the Assets from and against any and all persons claiming by, through or under Assignor, but not otherwise.

To the extent required to be operative, the disclaimers of certain warranties contained in this paragraph are "conspicuous" disclaimers for the purposes of any applicable law, rule or order. EXCEPT AS INDICATED IN THE PARAGRAPH IMMEDIATELY ABOVE, THE ASSETS ARE ASSIGNED TO ASSIGNEE WITHOUT RECOURSE, COVENANT OR WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY. WITHOUT LIMITATION OF THE GENERALITY OF THE IMMEDIATELY PRECEDING SENTENCE, ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS.

This Assignment and Bill of Sale is made subject to the terms of the Purchase and Sale Agreement dated July 6, 1995 between Assignor and Assignee.

Separate assignments of the Assets from Assignor to Assignee may be executed on officially approved forms and in sufficient counterparts to satisfy applicable statutory and regulatory requirements of any governmental body having jurisdiction over the Leases. Those assignments shall be deemed to contain all of the exceptions, reservations, warranties, rights, titles, power and privileges set forth in this assignment as fully as though they were set forth in each such officially approved assignment form. The interest conveyed by such separate assignments are the same, and not in addition to, the Assets conveyed herein.

This Assignment and Bill of Sale may be executed in any number of counterparts, and each counterpart shall be deemed to be an original instrument, but all such counterparts shall constitute but one assignment. To facilitate recording, the counterpart to be recorded in a given county may contain only those portions of the exhibits hereto that describe property located in that county. Assignor and Assignee have each retained a counterpart of this Assignment with complete Exhibits.

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This Assignment shall be effective August 1, 1995, 7:00 A.M., local time ("Effective Date").

ASSIGNOR:

APACHE CORPORATION

By: George H. Solich

George H. Solich
Attorney-in-Fact

STATE OF COLORADO)
CITY AND)
COUNTY OF DENVER)
) SS:)
)

The foregoing instrument was acknowledged before me this 31st day of July, 1995, by George H. Solich as attorney-in-fact of Apache Corporation, a Delaware corporation, on behalf of the corporation.

WITNESS MY HAND AND OFFICIAL SEAL.

My commission expires: 12-16-95

Will B. Johnson
Notary Public



STATE OF COLORADO)
CITY AND)
COUNTY OF DENVER)
) SS:)
)

The foregoing instrument was acknowledged before me this 31st day of July, 1995, by E.C. Kozlowski as President of MAKOIL, Inc., a Nevada corporation, on behalf of the corporation.

WITNESS MY HAND AND OFFICIAL SEAL.

My commission expires: 12-16-95

Will B. Johnson
Notary Public



EXHIBIT "A"

to Assignment and Bill of Sale dated July 31,
1995 by and between Apache Corporation and
MAKOIL, Inc.

LEASE #	LESSOR	LESSEE	DATE	RIGHTS	RECORDING BOOK/PAGE
TRACT #	STATE	COUNTY			
24096	USA N-43106	CNG PRODUCING COMPANY	5/1/86	O/G	N/A
01	Twp: 028N N/2, N/2SW/4, SW/4SW/4, SE/4	Rng: 050E Sec: 0024			

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to Assignment and Bill of Sale dated July 31, 1995 by and between Apache Corp. and Makoil, Inc.

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COPY

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OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Maile T. Lange
95 AUG -4 PM 2:56
EUREKA COUNTY NEVADA
M.N. REBAL EATL. RECORDER
FILE NO. FEES \$6.00