

THIS ASSIGNMENT, BILL OF SALE AND CONVEYANCE (this "Assignment"), effective as of 7:00 a.m., local time at the location of the affected real property, on January 1, 1996 (the "Effective Time") is made by Southwest Gas Supply, Inc., a Michigan Corporation, whose address is 150 West Jefferson, Suite 1900, Detroit, MI 48226 to ColEnergy Rockies, Inc., a Michigan Corporation, whose address is 150 West Jefferson, Suite 1900, Detroit, MI 48226, Assignee.

For good and valuable consideration, the receipt, adequacy and sufficiency of which is hereby acknowledged by Assignor, Assignor does hereby grant, bargain, transfer, convey, set over, assign and deliver unto Assignee, its respective successors and assigns, the following properties, assets, rights, and obligations (the "Interests"):

All of Assignor's right, title and interest in, to and under the oil, gas and mineral leases, lands, and units described on Exhibit A, attached hereto and made a part hereof for all purposes, insofar and only insofar as such rights and interests cover or affect the lands described on Exhibit A, and including any and all interests of Assignor therein, including, without limitation, working interests, executory interests, reversionary interests, net profits interests, net revenue interests, royalty interests, overriding royalty interests, fee mineral interests, mineral servitudes, payments out of production and other rights, including contractual rights to production, and contractual rights providing for the acquisition or earning of any such interests, owned by Assignor, in whole or in part, whether directly or indirectly, and any other interests of a similar nature (hereinafter the "Leases");

All of Assignor's right, title and interest in and to all petroleum, hydrocarbons and gases produced from or attributable to the Leases after the Effective Time;

All of Assignor's right, title and interest in and to all petroleum, hydrocarbons and gases produced from or attributable to the Leases which at the Effective Time have not been sold by Assignor and are in storage, within processing plants, or in pipelines;

Insofar and only insofar as they relate to the Leases: all of Assignor's interests, rights and obligations in and to all permits, licenses, servitudes, contracts and agreements and all leases and reversionary interests; operating agreements; oil, gas and condensate purchase and sale agreements; processing, treating, fractionating, compression and transportation agreements; partnership, joint venture, farmout, dry hole, bottom hole, acreage contribution, purchase and acquisition agreements; salt water disposal agreements; easements, surface use, and/or right-of-way agreements; unitization or pooling agreements, declarations, and orders and the properties covered and the units created thereby; and all other executory contracts and agreements; and

All of Assignor's interests in and to all producing, shut-in, temporarily abandoned, abandoned, plugged, injection, and disposal wells, tank batteries, structures, pipelines, fixtures, equipment, spare parts, tools, pipelines, buildings, personal property, appurtenances, and improvements now or as of the Effective Time located on or appurtenant to the Leases or used at any time in connection with the operation of the Leases, or the gathering, treating, compression, transportation, and processing of production from the Leases, whether or not operating or abandoned.

Assignment, Bill of Sale and Conveyance

TONYA L. JACKSON  
Notary Public, Wayne County, Michigan  
My Commission Expires August 28, 2008

Notary Public

*Tonya L. Jackson*

My Commission Expires:

WITNESS my hand and official seal.

The foregoing instrument was acknowledged before me this 6th day of June, 1996, by Dominic Monterosso, Attorney-in-Fact for Southwest Gas Supply, Inc.

STATE OF MICHIGAN  
COUNTY OF WAYNE

)  
) ss.  
)

By: *Dominic Monterosso*  
Dominic Monterosso  
Attorney-in-Fact  
Southwest Gas Supply, Inc.

Executed on this 6th day of June, 1996, but effective for all purposes as of the Effective Time.

This Assignment may be executed in any number of counterparts, and each counterpart hereof shall be deemed to be an original instrument, but all such counterparts shall constitute but one assignment. To facilitate recording, a 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 a complete copy of Exhibit A.

Separate assignments of the interests may be executed on officially approved forms by Assignor to Assignee, in sufficient counterparts to satisfy applicable statutory and regulatory requirements. The interests conveyed by such separate assignments are the same, and not in addition to, the interests conveyed herein.

Reference is made to the land descriptions contained in the documents of title recorded as described in Exhibit A. To the extent that any land descriptions on Exhibit A are incorrect or not legally sufficient, the land descriptions contained in the documents so recorded are incorporated by this reference. Unless provided otherwise, all recording references in Exhibit A hereto are to the official real property, oil and gas lease records or conveyance records of the county and state in which the lease is situated.

By acceptance and recordation of this Assignment, Assignee agrees to assume and perform Assignor's obligations under all agreements relating to the interests.

WITH RESPECT TO THOSE PORTIONS OF THE INTERESTS WHICH CONSTITUTE PERSONAL PROPERTY AND FIXTURES, ASSIGNORS EXPRESSLY DISCLAIM AND NEGATE (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 is made without warranty of any kind, whether express or implied; however, Assignor gives and grants to Assignee, its respective successors and assigns, to the extent so transferable, full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made in respect to the interests or any part thereof.

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

PROSPECT: DIAMOND VALLEY 28-2-510  
 LEASE NUMBER: 285111  
 LESSOR: USA N-57710  
 LESSEE: ENERGY PARTNERS NOMINEE CO  
 LEASE DATE: 10/01/1993  
 EFFECTIVE DATE: 10/01/1993  
 RECORDING DATA: Tract 001 BK 254, PG 558  
 State NEVADA  
 County EUREKA

SEC. 13: ALL (PRO DIA 196)

PROSPECT: DIAMOND VALLEY 28-2-510  
 LEASE NUMBER: 285110  
 LESSOR: USA N-57711  
 LESSEE: ENERGY PARTNERS NOMINEE CO  
 LEASE DATE: 10/01/1993  
 EFFECTIVE DATE: 10/01/1993  
 RECORDING DATA: Tract 001 BK 254, PG 555  
 State NEVADA  
 County EUREKA

SEC. 3: LOTS 1-4, S/2N/2, S/2  
 SEC. 4: LOTS 1-4, S/2N/2, S/2  
 SEC. 5: LOTS 1-4, S/2N/2, S/2  
 SEC. 6: LOTS 1-6, S/2NE/4, SE/4

PROSPECT: DIAMOND VALLEY 28-2-510  
 LEASE NUMBER: 285109  
 LESSOR: USA N-57712  
 LESSEE: ENERGY PARTNERS NOMINEE CO  
 LEASE DATE: 10/01/1993  
 EFFECTIVE DATE: 10/01/1993  
 RECORDING DATA: Tract 001 BK 254, PG 552  
 State NEVADA  
 County EUREKA

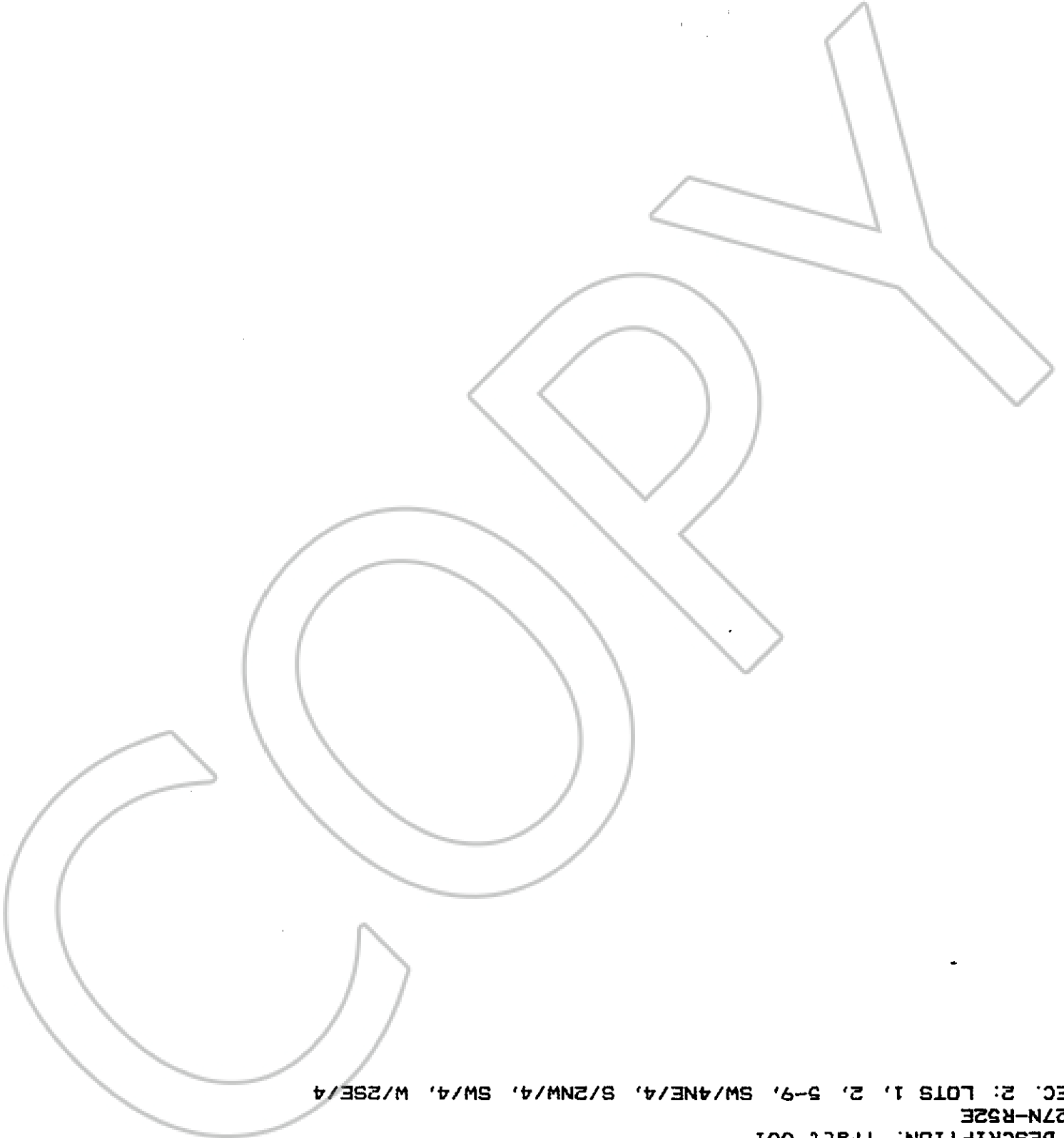
SEC. 9: ALL  
 SEC. 10: ALL  
 SEC. 15: ALL

PROSPECT: DIAMOND VALLEY 28-2-510  
 LEASE NUMBER: 285108  
 LESSOR: USA N-57713  
 LESSEE: ENERGY PARTNERS NOMINEE CO  
 LEASE DATE: 10/01/1993  
 EFFECTIVE DATE: 10/01/1993  
 RECORDING DATA: Tract 001 BK 254, PG 549  
 State NEVADA  
 County EUREKA

SEC. 22: ALL  
 SEC. 27: ALL  
 SEC. 28: S/2  
 SEC. 34: ALL

PROSPECT: EUREKA COUNTY SPREAD  
 LEASE NUMBER: 285105  
 LESSOR: USA N-55208  
 LESSEE: ENERGY PARTNERS NOMINEE CO  
 LEASE DATE: 01/01/1992  
 EFFECTIVE DATE: 01/01/1992  
 RECORDING DATA: Tract 001 BK 233, Pg 079  
 State NEVADA  
 County EUREKA

DESCRIPTION: Tract 001  
 127N-R52E  
 SEC. 2: LOTS 1, 2, 5-9, SW/4NE/4, S/2NW/4, SW/4, W/2SE/4



BOOK 299 PAGE 297  
 OFFICIAL RECORDS  
 RECORDED AT THE REQUEST OF  
*Duncan Energy Co.*  
 96 JUL 31 AM 11:23  
 EUREKA COUNTY NEVADA  
 M.N. REBAL. RECORDER  
 FEES \$10.00  
 FILE NO.

164234

BOOK 299 PAGE 297

DUNCAN ENERGY COMPANY  
 Suite 1200  
 1777 So. Harrison Street  
 Denver, Colorado 80210