

ASSIGNMENT, BILL OF SALE, AND CONVEYANCE

KNOW ALL MEN BY THESE PRESENTS:

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COUNTY OF EUREKA

STATE OF NEVADA

For One Hundred Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and subject to the terms and provisions contained herein, ENSERCH EXPLORATION, INC. ("EXX"), a Texas corporation having as its address 2500 CityWest Boulevard, Suite 1400, Houston, Texas 77042, does hereby transfer, assign and convey, effective as of the "Effective Time" (defined hereafter), to EXX OPERATING L.P. (the "Partnership"), a Texas limited partnership acting by and through EXX as its General Partner, an undivided one percent (1%) interest, and to EXX OPERATING LLC ("Operating LLC"), a Delaware limited liability company (both the Partnership and Operating LLC having as their address 4849 Greenville Avenue, Suite 1200, Dallas, Texas 75206), an undivided ninety-nine percent (99%) interest, in each case in and to the following properties, rights, interests, and assets:

(a) those onshore oil and gas properties (which include lands located in state waters (if any) but not in federal waters on the Outer Continental Shelf) that are owned, in whole or in part, by EXX as of the Effective Time or in which EXX thereafter may become entitled to an interest and that are described more particularly on Exhibit "A" attached hereto, including all fee, surface and mineral interests; oil and gas leases and the leasehold interests created thereby; net revenue interests; royalty interests; overriding royalty interests; production payments; net profits interests; carried interests; possibilities of reverter; reversionary and other future interests; conversion rights and options; easements; rights-of-way; servitudes; interests in, to, and under pooling, communitization, and unitization agreements; and orders, the units created thereby, and the lands included therein; and all other rights, titles, interests, privileges, benefits, and powers of any kind and character conferred upon the owner of or appurtenant to any of such interests, regardless of whether specifically described on Exhibit "A" (collectively, the "Interests");

(b) all oil and gas wells and related pipelines, compressor stations, and other facilities located on and relating to the oil and gas properties described in subsection (a) above that are owned, in whole or in part, by EXX as of the Effective Time, or in which EXX thereafter may become entitled to an interest, and all oil, gas, and other minerals produced therefrom or allocated thereto after the Effective Time (collectively, the "Wells"); and

(c) all equipment, machinery, fixtures, and other real, personal, and mixed property, movable or immovable, owned, in whole or in part, by EXX that is appurtenant to, affects, or is used or held for use in connection with the ownership, exploration,

operation, maintenance, and development of the Interests and the Wells and the treatment, processing, storage, gathering, transportation, and marketing of oil, gas, and other minerals therefrom or allocated thereto, including, without limitation, water wells; salt water disposal wells; injection wells; well equipment; casing; rods; tanks and tank batteries; boilers; tubing; pumps; pumping units and engines; Christmas trees; derricks; compressors and compression equipment; dehydration units; heater-treaters; processing and separation plants and facilities; valves; gauges; meters; generators; motors; gun barrels; low lines; water lines; gas lines; gathering lines; laterals and trunk lines, and other pipelines; gas systems (for gathering, treatment, and compression); chemicals; solutions; water systems (for treatment, disposal, and injection); power plants; poles; lines; transformers; starters and controllers; machine shops; tools; storage yards and equipment; materials, and supplies stored therein; vehicles; buildings and camps; office furnishings and equipment; telegraph, telephone and other communication systems; loading docks, loading racks, and shipping facilities; caissons, platforms, and other offshore facilities; and any and all additions or accretions to, substitutions for, and replacements of any of the foregoing, wherever located, together with all attachments, components, parts, equipment, and accessories installed thereon or affixed thereto (collectively, the "*Equipment*").

The Interests, the Wells, and the Equipment shall collectively be referred to hereinafter as the "*Properties*". The undivided one percent (1%) interest in the Properties conveyed by EXX to the Partnership shall be referred to as the "*1% GP Interest*", and the undivided ninety-nine percent (99%) interest in the Properties conveyed by EXX to Operating LLC shall be referred to hereinafter as the "*LLC Interest*".

TO HAVE AND TO HOLD the 1% GP Interest and the LLC Interest, together with all and singular the rights and appurtenances thereto in any wise belonging, unto, respectively, the Partnership and Operating LLC and their respective successors and assigns forever.

For One Hundred Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and subject to the terms and provisions contained herein, Operating LLC does hereby transfer, assign, and convey to the Partnership, effective as of the Effective Time, the LLC Interest.

TO HAVE AND TO HOLD the LLC Interest, together with all and singular the rights and appurtenances thereto in any wise belonging, unto the Partnership and the Partnership's successors and assigns forever.

This Assignment is made without warranty of title, either express, implied, or statutory.

EXX, the Partnership, and Operating LLC agree that, to the extent required by applicable law to be operative, the disclaimers of the following warranties are "conspicuous" disclaimers for purposes of any applicable law, rule, or order. EXCEPT AS OTHERWISE PROVIDED FOR HEREIN OR IN THE "CONVEYANCE AGREEMENT" REFERRED TO HEREINAFTER, THE PARTNERSHIP AND OPERATING LLC SPECIFICALLY AGREE THAT THE

PERSONAL PROPERTY AND EQUIPMENT INCLUDED IN THE "PROPERTIES" IS CONVEYED WITHOUT REPRESENTATION OR WARRANTY, EITHER EXPRESSED, IMPLIED AT COMMON LAW, BY STATUTE, OR OTHERWISE (ALL OF WHICH ARE HEREBY DISCLAIMED), RELATING TO (A) MERCHANTABILITY, DESIGN, OR QUALITY, (B) FITNESS FOR ANY PARTICULAR PURPOSE, (C) COMPLIANCE WITH SPECIFICATIONS OR CONDITIONS REGARDING OPERATION, (D) ABSENCE OF LATENT DEFECTS, (E) REHIBITORY VICES, OR (F) ANY OTHER MATTER WHATSOEVER.

This Assignment is expressly made subject to the terms and provisions of (a) the oil and gas leases, deeds, assignments, and other documents of record pursuant to which the interests were created, and (b) the Conveyance Agreement dated as of November 30, 1997, between EBX, the Partnership, and Operating LLC (the "Conveyance Agreement"). In the event of a conflict between the provisions of this Assignment and those of the Conveyance Agreement, the provisions of the Conveyance Agreement shall govern and control.
Executed to be effective as of November 30, 1997, at 7:00 a.m., Central Time (the "Effective Time").

WITNESSES FOR ALL SIGNATURES:

EBX CORPORATION

By: [Signature]
Name: C. L. Elsey
Title: Attorney-In-Fact

Name: _____
Name: _____

EBX OPERATING L.P.
By: EBX Corporation, General Partner

By: [Signature]
Name: Leslie J. Wylie
Title: Attorney-In-Fact

EBX OPERATING LLC

By: [Signature]
Name: R. E. Schmitz
Title: Vice President



ACKNOWLEDGMENTS

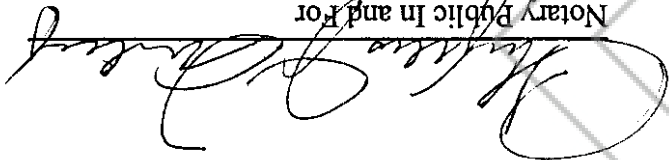
STATE OF TEXAS
COUNTY OF DALLAS

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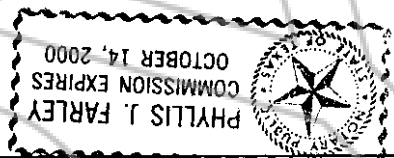
On this 7th day of April, 1998, personally appeared before me, a notary public in and for Dallas County, C. L. Elsey, known to me to be the person whose name is subscribed to the within instrument as the Attorney-In-Fact of EEX CORPORATION, a Texas corporation, and acknowledged to me that he subscribed the name of said ENSERCH EXPLORATION, INC. thereto, as principal, and his own name as Attorney-In-Fact, freely and voluntarily and for the uses and purposes therein mentioned.

On this 7th day of April, 1998, personally appeared before me, a notary public in and for Dallas County, Leslie J. Wylie, known to me to be the person whose name is subscribed to the within instrument as the Attorney-In-Fact of EEX CORPORATION, General Partner for EEX OPERATING L.P., a Texas limited liability partnership, and acknowledged to me that he subscribed the name of said ENSERCH EXPLORATION, INC., General Partner for EEX OPERATING L.P. thereto, as principal, and his own name as Attorney-In-Fact, freely and voluntarily and for the uses and purposes therein mentioned.

On this 7th day of April, 1998, personally appeared before me, a notary public in and for County of Dallas, State of Texas, R. E. Schmitz, known to me to be the person whose name is subscribed to the within instrument as the Vice President of EEX OPERATING, LLC, a Delaware limited liability company, and acknowledged to me that he executed the above instrument on behalf of EEX OPERATING, LLC, a Delaware limited liability company, freely and voluntarily and for the uses and purposes therein mentioned.


Notary Public In and For
the State of Texas

My Commission Expires:



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EXHIBIT "A"

LEASE NO:	NEVADA - EUREKA	LESSOR	RUSSELL, DANIEL H., ET UX	LESSEE	FORELAND CORPORATION	DATE	5/3/93	PROSPECT	NEVADA PROSPECT	COUNTY	EUREKA, NV	BK	247	PG	144-147	ENTRY	145314
NVE000030																	

6.525:45 ACRES, BEING SE/4 NE/4 OF SECT. 7, E/2, NW/4 NW/4, S/2 NW/4, N/2 SW/4, SE/4 SW/4 OF SECT. 8; NE/4 NE/4, S/2 NE/4, NW/4 NW/4, S/2 NW/4 AND S/2 OF SECT. 9; N/2, N/2 S/2, SW/4 SE/4, AND S/2 SW/4 OF SECT. 10; S/2 NE/4, NW/4, AND N/2 SW/4 OF SECT. 11; N/2 OF SECT. 12, ALL IN T-16-N, R-53-E, MDM.

170025

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BOOK 318 PAGE 578
 OFFICIAL RECORDS
 RECORDED AT THE REQUEST OF
Foreland Corporation
 98 APR 27 AM 8:30
 EUREKA COUNTY NEVADA
 REALTY RECORDER
 FILE NO.
 FEES 11.00