

180927

ASSIGNMENT, CONVEYANCE AND BILL OF SALE

STATE OF NEVADA §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF EURLA §

THAT, subject to the terms, reservations and conditions hereinafter set forth, between FLYING J OIL & GAS INC., a Utah corporation ("Flying J") and BIG WEST OIL & GAS INC., a Utah corporation, whose address is 333 West Center Street, North Salt Lake, Utah 84054-2805 (hereinafter collectively referred to as "Assignor"), for and in consideration of Ten and No/100 Dols (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby GRANT, BARGAIN, SELL, CONVEY and ASSIGN unto NPC Inc., a Colorado corporation, whose address is 550 N. 31st Street, Suite 500 Billings, Montana 59101, (hereinafter referred to as "Assignee"), all of Assignor's right, title and interest in and to the following, other than the Excluded Assets defined in subparagraph (g) below (hereinafter referred to as the "Interests"):

(a) All of Assignor's interests, in and to the entire estates created by the leases, licenses, permits and other agreements described in Exhibit "A" (the "Leases") and the lands described in Exhibit "A" (the "Lands"), and including any overriding royalty interests, mineral interests, reversionary interests, production payments, net profits interests, and any other interests Assignor may own in or affecting the oil and gas minerals underlying the Lands and including all of Assignor's interests in and to its oil and gas assets whether correctly described herein unless specifically included within the Excluded Assets, together with (i) all rights, privileges, benefits and powers conferred upon Assignor as the holder of the Leases with respect to the use and occupation of the surface of the Lands that may be necessary, convenient or incidental to the possession and enjoyment of the Leases, (ii) all rights in respect of any pooled, communitized, or unitized acreage located in whole or in part within the Lands by virtue of the Leases, including rights to production from the pool, communitized area, unit allocated to any Lease being a part thereof, regardless of whether such production is in the Lands, (iii) all rights, options, titles and interests of Assignor granting Assignor the right to obtain, or otherwise earn interests within the Lands no matter how earned, and (iv) tenements, hereditaments and appurtenances belonging to any of the foregoing;

(b) The undivided interests in and to all of the oil and gas wells, saltwater disposal wells and injection wells (the "Wells") as set forth in Exhibit "A-1" together with all hydrocarbons produced from the Wells and Leases together with any tight sands tax credits associated therewith as balancing positions, and all of the personal property, fixtures and improvements now as of the Effective Time (as set forth herein below) on the Lands.

appurtenant thereto used in connection therewith or with the production, gathering, storing, measuring, treating, operating, maintaining, marketing, or transportation of production from the Wells, Lands or Leases or lands pooled, communitized or unitized therewith, including surface or downhole equipment and personal property associated with the Wells or sited upon the Leases, together with all such surface and downhole equipment, fixtures and inventory and personal property and equipment, if any, not physically located upon the Leases, but used, or intended for use, in connection with the Leases (the "Equipment") and specifically including the Sidney, Montana, field office and with any other field office or yard associated with the Leases together with all real and personal property comprising associated with all such field offices and yards;

(c) the contracts and contractual rights, obligations and interests, including all farmout agreements, farm-in agreements, drilling contracts, operating agreements, sales contracts, saltwater disposal agreements, division orders and transfer orders, hedges, swaps and collars relating production by Assignor and other contracts or agreements covering or affecting any or all the Wells, Leases and/or Lands (the "Contracts");

(d) the easements, licenses, authorizations, permits, rights of way, servitudes, surface uses, the building lease for any field office and similar rights and interests applicable to the ownership or operation of the Wells;

(e) all of Assignor's right, title and interest in and to those gathering pipeline systems commencing at or near each Well connected to each subsystem and lying upstream of the interconnects with other pipeline systems, all as designated and depicted on Exhibit "A-2" heretofore ("Gas Gathering Systems") together with all of Assignor's right, title and interest in and to (1) all easements, rights-of-way, licenses, permits and other agreements necessary or incident to the ownership, maintenance and operation of the Gas Gathering Systems; (2) all other agreements, permits, licenses, contracts, property and rights incident or appurtenant to Gas Gathering Systems; and (3) all pipelines, gathering lines, meters, meter runs, drips, taps, valves, compressors, generators, dehydrators, building, facilities, telecommunication equipment and other personal property (including, without limitation, any inventory) used to receive gas into a Gas Gathering System and to transport and redeliver the same out of such system at the interconnection points depicted on Exhibit "A-2".

(f) insofar as such pertain to the Leases, Lands, Wells and the other equipment, personal property, Contracts, Gas Gathering Systems and other matters described herein, all books, records, reports, manuals, files, title documents, including correspondence, records of production, maintenance, revenue, sales, expenses, warranties, lease files, land files, well files, division order files, abstracts, title opinions, assignments, reports, and other written material relating to the Interests and in Assignor's possession, including without limitation, property records, contract files, operations files, copies of tax and accounting records (but excluding Federal income tax returns and records) and files, maps, core data, hydrocarbon analysis, well logs, mud logs, field studies, together with other files, contracts,

and other records and data, including all geologic and geophysical data and seismic data of Assignor relating to the Interests, whether maintained in paper or electronic form (the "Records"); however, Assignor shall have no obligation to furnish Assignee any data or information which Assignor cannot provide to Assignee because of third party restrictions.

(g) As used herein, "Excluded Assets" means, (a) all trade credits and all accounts, instruments and general intangibles (as such terms are defined in the Utah Uniform Commercial Code) attributable to the Interests with respect to any period of time prior to the Effective Time; (b) claims and causes of action of Assignor (i) except as set forth in Section 5.08 of that same Purchase and Sale Agreement dated December 13, 2002 by and between Assignor and Assignee (the "Purchase and Sale Agreement"), arising from acts, omissions or events, damage to or destruction of property, occurring prior to the Effective Time, (ii) arising with or with respect to any Contracts that are attributable to periods of time prior to the Effective Time (including claims for adjustments or refunds), or (iii) with respect to any of the Excluded Assets; (c) all rights and interests of Assignor (i) under any policy or agreement insurance or indemnity, (ii) under any bond, or (iii) to any insurance or condemnation proceeds or awards arising, in each case, from acts, omissions or events, or damage to or destruction of property, occurring prior to the Effective Time; (d) all substances produced or sold from the Lands and Leases with respect to all periods prior to the Effective Time, together with proceeds from or of such substances; (e) claims of Assignor for refunds of or loss carry forwards with respect to (i) production or any other taxes attributable to any period prior to the Effective Time, (ii) income or franchise taxes, or (iii) any taxes attributable to the Excluded Assets; (f) all amounts due or payable to Assignor as adjustments to insurance premiums related to the Interests with respect to any periods prior to the Effective Time; (g) proceeds, income or revenues (and any security or other deposits made) attributable to the Interests for any period prior to the Effective Time, or (ii) any Excluded Assets; (h) personal computers and associated peripherals and all radio and telephone equipment except that which is located on the Wells; (i) all of Assignor's proprietary computer software, patents, trade secrets, copyrights, names, trademarks, logos and other intellectual property; (j) all documents and instruments of Assignor that may be protected by an attorney-client privilege; (k) data that cannot be disclosed or assigned to Assignee as a result of confidentiality arrangements under agreements with persons unaffiliated with Assignor; (l) all audit rights arising under any Contracts or otherwise with respect to any period prior to the Effective Time or to any of the Excluded Assets; and, (m) Assignor's interests and to the Uinta Basin, White River Dome and Powder River Basin Coalbed Methane properties and the Rife's Rim Field all as described on Exhibit A-3; and (n) that certain field office of Assignor located in Ballard, Utah.

To have and to hold forever subject to the terms hereof.

Assignee shall assume all of Assignor's plugging, replugging, abandonment, removal, disposal and restoration obligations associated with the Wells acquired hereunder. Such

obligations being assumed shall include, but not be limited to, all necessary and proper plugging and abandonment and/or removal and disposal of all of the wells, whether pre-existing or drilled by signor, and all structures, personal property, and equipment located on or associated with the Leases, the necessary and proper capping and burying of all associated flowlines and any necessary disposal of naturally occurring radioactive material (NORM) or asbestos except those matters which are asserted as Environmental Defects and which remain uncured. All plugging, replugging, abandonment, removal, disposal and restoration operations shall be in compliance with applicable laws, rules and regulations and conducted in a good and workmanlike manner.

• Assignor and assignee shall indemnify each other as follows:

(1) Including any "Environmental Claim" as defined in (3) hereinbelow, Assignee shall defend, indemnify and save and hold harmless Assignor against any and all costs, expenses, claims, demands and causes of action of whatsoever kind or character, including court costs and attorneys' fees, arising out of any operations conducted, commitment made or any action taken or omitted with respect to the Interests, which accrue or relate to times on and after the Effective Time.

(2) Including (i) any "Environmental Claim" as defined in (3) hereinbelow, Assignor shall defend, indemnify and save and hold harmless Assignee against any and all costs, expenses, claims, demands and causes of action of whatsoever kind or character, including court costs and attorneys' fees, arising out of any operations conducted, commitment made or any action taken or omitted with respect to the Interests, which accrue or relate to times prior to the Effective Time and of which Seller has been timely notified pursuant to the Purchase and Sale Agreement as hereinafter defined.

(3) Notwithstanding any terms contained in (1) and (2) above, but in furtherance of same Assignee expressly agrees to fully and promptly pay, perform and discharge, defend, indemnify and hold Assignor harmless from and against any and all costs, expenses, claims, demands and causes of action of whatsoever kind or character, including court costs and attorneys' fees, resulting from any "Environmental Claim" as hereinafter defined arising out of any operations conducted, commitment made or any action taken or omitted at any time, whether accruing or relating to times prior to or after the Effective Time, with respect to the Interests. For purposes of this paragraph "Environmental Claim" shall mean any claim, demand or cause of action asserted by any governmental agency or any person, corporation or other entity for personal injury (including sickness, disease or death), property damage or damage to the environment resulting from the discharge or release of any chemical, material emission into one or more of the environmental media at or in the vicinity of the Interests.

(4) Notwithstanding the provisions of paragraph 3 above, if after the Closing, but in no event later than one (1) year after the Closing Date, any third party other

than Buyer asserts Environmental Claim arising from an act, omission or other event which occurred prior to the Effective Time and the out-of-pocket cost of resolving such Environmental Claim, including the cost to remediate in accordance with applicable environmental laws, damages incurred with respect thereto exceeds \$35,000.00 net to Seller's interest (individually a "Retained Environmental Liability" and collectively the "Retained Environmental Liabilities"), Buyer may notify Seller in writing to assume such Environmental Claim relating to such Retained Environmental Liabilities in accordance with the terms of this paragraph 4. Such written notice shall describe the details known to Buyer of the Environmental Claim relating to such Retained Environmental Liability and Buyer shall concurrently furnish to Seller all information available to Buyer relating to such Environmental Claim. If Buyer timely notifies Seller of such Environmental Claim relating to a Retained Environmental Liability on or before one (1) year after the Closing Date, Seller shall retain the risk, cost, expense and liability related to such Retained Environmental Liability. If Buyer fails to notify Seller in writing of any Environmental Claim within the 1 year period following the Closing Date, Buyer shall have waived and forfeited Buyer's right to require Seller to retain the risk, cost, expense and/ or liability relating to such Retained Environmental Liability. It is agreed that Seller and Buyer will cooperate with each other in connection with the disposition of the Retained Environmental Liability which may require either (i) remediation, (ii) reacquisition of the affected Interests by Seller (taking into consideration the Adjusted Value therefor less net profits owed or received by Buyer and the value added by subsequent development or operations), or (iii) such other disposition as Seller and Buyer shall mutually agree. Notwithstanding the foregoing, if the parties cannot agree on the disposition of or the cost to remediate or otherwise resolve a Retained Environmental Liability, the affected Interest shall be reacquired by Seller. Notwithstanding the provisions of this paragraph 4, Seller shall have no obligation under this section unless the aggregate value of all Retained Environmental Liabilities exceeds \$500,000.00, which amount is a threshold, not a deductible, and if such threshold is exceeded, the indemnity obligation provided in this Section 4 shall be from the first dollar.

(5) THE INDEMNIFICATION, RELEASE AND ASSUMPTION PROVISIONS PROVIDED FOR IN THIS AGREEMENT SHALL BE APPLICABLE WHETHER OR NOT THE LOSSES, COSTS, EXPENSES AND DAMAGES IN QUESTION AROSE SOLELY OR IN PART FROM THE GROSS, ACTIVE, PASSIVE OR CONCURRENT NEGLIGENCE, OR OTHER FAULT OF ANY INDEMNIFIED PARTY. ASSIGNEE AND ASSIGNOR ACKNOWLEDGE THAT THIS STATEMENT COMPLIES WITH THE EXPRESS NEGLIGENCE RULE AND IS CONSPICUOUS.

THE EXPRESS REPRESENTATIONS AND WARRANTIES OF ASSIGNOR CONTAINED IN THIS ASSIGNMENT ARE EXCLUSIVE AND ARE IN LIEU OF ALL OTHER REPRESENTATIONS AND WARRANTIES, EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE AND ASSIGNOR EXPRESSLY DISCLAIMS ANY AND ALL SUCH OTHER REPRESENTATIONS AND

WARRANTIES EXCEPT FOR TITLE AS HEREIN PROVIDED. WITHOUT LIMITATION OF THE FOREGOING, THE INTERESTS SHALL BE CONVEYED PURSUANT HERETO WITHOUT ANY WARRANTY OR REPRESENTATION, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE RELATING TO THE CONDITION, QUANTITY, QUALITY, FITNESS FOR A PARTICULAR PURPOSE, CONFORMITY WITH THE MODELS OR SAMPLES OF MATERIALS, OR MERCHANTABILITY OF ANY EQUIPMENT OR ITS FITNESS FOR ANY PURPOSE, AND WITHOUT ANY OTHER EXPRESS, IMPLIED, STATUTORY, OR OTHER WARRANTY OR REPRESENTATION WHATSOEVER. ASSIGNEE SHALL HAVE INSPECTED, OR WAIVED (AND UPON CLOSING SHALL BE DEEMED TO HAVE WAIVED) ITS RIGHT TO INSPECT THE INTERESTS FOR ALL PURPOSES AND SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE, INCLUDING, BUT NOT LIMITED TO, CONDITIONS SPECIFICALLY RELATED TO THE PRESENCE, RELEASE, OR DISPOSAL OF HAZARDOUS SUBSTANCES, SOLID WASTES, ASBESTOS OR OTHER MAN-MADE FIBERS OR NATURALLY OCCURRING RADIOACTIVE MATERIALS ("NORM") IN, ON, OR UNDER THE INTERESTS. ASSIGNEE IS RELYING SOLELY UPON ITS OWN INSPECTION OF THE INTERESTS, AND ASSIGNEE SHALL EXCEPT AS PROVIDED OTHERWISE HEREIN, ACCEPT ALL OF THE SAME "AS IS WHERE IS". WITHOUT LIMITATION OF THE FOREGOING, ASSIGNOR MAKES NO WARRANTY OR REPRESENTATION, EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, AS TO THE ACCURACY OR COMPLETENESS OF ANY DATA, REPORTS, RECORDS, PROJECTIONS, INFORMATION, OR MATERIALS NOW HERETOFORE, OR HEREAFTER FURNISHED OR MADE AVAILABLE TO ASSIGNEE IN CONNECTION WITH THIS ASSIGNMENT, INCLUDING, WITHOUT LIMITATION, PRICING ASSUMPTIONS OR QUALITY OR QUANTITY OF HYDROCARBON RESERVES (IF ANY) ATTRIBUTABLE TO THE INTERESTS OR THE ABILITY OR POTENTIAL OF THE INTERESTS TO PRODUCE HYDROCARBON OR THE ENVIRONMENTAL CONDITION OF THE INTERESTS OR ANY OTHER MATERIALS FURNISHED OR MADE AVAILABLE TO ASSIGNEE BY ASSIGNOR, OR BY ASSIGNOR'S AGENTS OR REPRESENTATIVES. ANY AND ALL SUCH DATA, RECORDS, REPORTS, PROJECTIONS, INFORMATION, AND OTHER MATERIALS (WRITTEN OR ORAL) FURNISHED BY ASSIGNOR OR OTHERWISE MADE AVAILABLE OR DISCLOSED TO ASSIGNEE ARE PROVIDED TO ASSIGNEE AS CONVENIENCE AND SHALL NOT CREATE OR GIVE RISE TO ANY LIABILITY FOR OR AGAINST ASSIGNOR, AND ANY RELIANCE ON OR USE OF THE SAME SHALL BE AT ASSIGNEE'S SOLE RISK TO THE MAXIMUM EXTENT PERMITTED BY LAW.

This instrument is with special warranty of title, by, through and under Assignor, but not otherwise.

This instrument is made expressly subject to the Purchase and Sale Agreement.

Assignor and assignee agree that they shall execute and deliver to each other any other instrument necessary to accomplish the transaction contemplated by this Assignment.

This instrument shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, and all terms, provisions and reservations contained in this Assignment shall be deemed as covenants running with the land.

This Assignment is being executed in several counterparts all of which are identical, except that to facilitate recordation, only that portion of Exhibits A and A-1 which contain specific descriptions of the Interests located in the recording jurisdiction in which the particular counterparts to be recorded are included, and other portions of Exhibit A and A-1 are included by reference only. All of such counterparts together shall constitute one and the same instrument. Complete copies of this Assignment containing all Exhibits have been retained by Assignor and Assignee.

EXECUTED is 29 day of January, 2003, but EFFECTIVE as of November 1, 2002 (the "Effective Date").

ASSIGNOR:

FLYING J C & GAS INC.

By: John R. Scales
John R. Scales
President

BIG WEST OIL & GAS INC.

By: John R. Scales
John R. Scales
President

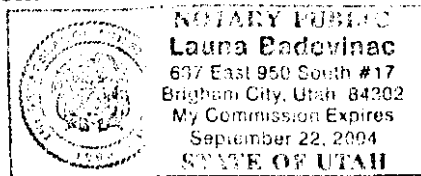
ASSIGNEE:

NPC INC.

By: Ronald Santi
Ronald Santi
Vice President – Land, Assistant Secretary

STATE OF UTAH §
 §
COUNTY OF Davi §

This instrument was acknowledged before me on the 29th day of January, 2003, by John R. Scales, Present of Flying J Oil & Gas Inc., a Utah corporation, on behalf of said corporation.

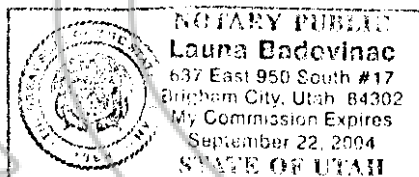


Laura Badovinac
Notary Public in and for
the State of Utah

My Commission Expires: _____

STATE OF UTAH §
 §
COUNTY OF Davi §

This instrument was acknowledged before me on the 29th day of January, 2003, by John R. Scales, Present of Big West Oil & Gas Inc., a Utah corporation, on behalf of said corporation.

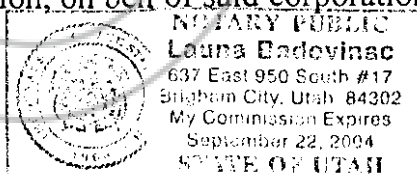


Laura Badovinac
Notary Public in and for
the State of Utah

My Commission Expires: _____

STATE OF Utah §
 §
COUNTY OF Davi §

This instrument was acknowledged before me on the 29th day of January, 2003, by Ronald B. Santi, ve President – Land, Assistant Secretary, of NPC Inc., a Colorado corporation, on beh of said corporation.



Laura Badovinac
Notary Public in and for
the State of _____

My Commission Expires: _____

EXHIBIT A

BIG WEST OIL & GAS INC								
EUREKA COUNTY, NV								
LEASE NO.	LEASE NAME	LEASE DATE	EXP DATE	LAND DESCRIPTION	LEASE GROSS ACRES	BOOK	PAGE	RECORDED ENTRY
NV606001	USA N 61340	2/10/96	12/31/06	T27N R52E, MD *RT* SEC 7: E2W2	160			
NV606001	USA N 61340	2/10/96	12/31/06	T27N R52E, MD *OP* SEC 7: E2W2 SURF TO S.E. DEPTH DRILLED IN THE STREAM 1-7 WELL(8871')	160			
NV606001	USA N 61340	2/10/96	12/31/06	T27N R52E, MD *OP* SEC 7: E2W2 BELOW 8871' (THE DEPTH DRILLED IN THE STREAM 1-7 WELL)	160			
NV606002	USA N 61970	9/9/97	9/30/07	T27N R52E, MD *RT* SEC 7: LOTS 1(36.63), 2(36.82), 3(37.01), 4(37.20) [AKA W2W2]	147.66			
NV606002	USA N 61970	9/9/97	9/30/07	T27N R52E, MD *OP* SEC 7: LOTS 1(36.63), 2(36.82), 3(37.01), 4(37.20) [AKA W2W2](147.66 ACRES) SURF TO THE S.E. DEPTH DRILLED IN THE STREAM 1-7 WELL(8871')	147.66			
NV606002	USA N 61970	9/9/97	9/30/07	T27N R52E, MD *OP* SEC 7: LOTS 1(36.63), 2(36.82), 3(37.01), 4(37.20) [AKA W2W2](147.77 ACRES) BELOW 8871'(DEPTH DRILLED IN THE STREAM 1-7 WELL)	147.66			

EXHIBIT A-1

THERES NO EXHIBIT A-1 ATTACHED TO THIS
ASSIGNMENT, CONVEYANCE AND BILL OF SALE.

COPY

EXHIBIT A-2
GAS GATHERING SYSTEMS & PLANTS

<u>PIPELINE</u>	<u>FIELD</u>	<u>COUNTY</u>	<u>STATE</u>
Murphy Dome Gathering (a/k/a/ Murphy Dome Pipeline)	Murphy Dome	Washakie & Hot Springs	WY
Murphy Dome Pipeline (a/k/a Kirby Creek Pipeline)	Murphy Dome	Hot Springs	WY
Elkhorn Ranch Pipeline	Elkhorn Ranch	McKenzie	ND
Elkhorn Ranch SWD System	Elkhorn Ranch	McKenzie	ND
Monument Lake Pipeline	Monument Lake	Sweetwater	WY
SE Bell Creek	SE Bell Creek	Powder River	MT
Blue Gravel	Fortification Creek	Moffat	CO
Sage Spring Creek North	Sage Spring Creek North	Natrona	WY
Buck Peak Gathering & Gas Plant	Buck Peak	Moffat	CO
North Grieve Gas Plant	Grieve, North	Natrona	WY
Bower Gathering System	Bower	Converse	WY
Kirby Creek Pipeline	Kirby	Washakie	WY

**EXHIBIT A-3
EXCLUDED ASSETS**

1. Uinta Basin Properties

All assets owned by Assignor within the Uinta Basin, including without limitation those located in Duchesne and Uintah Counties, Utah

2. White River Dome Prospect

All assets owned by Assignor within the following townships in Rio Blanco County, Colorado:

Township North, Range 96 West
Township North, Range 97 West
Township North, Range 98 West
Township North, Range 96 West
Township North, Range 97 West
Township North, Range 98 West
Township South, Range 100 West

3. Rife's River Prospect

All assets owned by Assignor within the following townships in Sweetwater County, Wyoming:

Township North, Range 101 West
Township North, Range 101 West

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OFFICIAL RECORDS

Energy Consultants LLC
03 FEB 10 PM 1:57

CLAYTON, NEVADA
J. H. REBALLOTT, RECORDER
FILE NO. FEES 25⁰⁰

180927

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