



13. Disclaimer The Lease and Equipment described herein is sold and transferred by Assignor to Assignee "AS IS" and "WHERE IS" WITH ALL FAULTS AND DEFECTS, WITHOUT RECOURSE BY ASSIGNEE, ITS SUCCESSORS AND/OR ASSIGNS AGAINST ASSIGNOR, AND WITHOUT COVENANT, REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS IMPLIED OR STATUTORY, AND WITHOUT LIMITATION OF THE GENERALITY OF THE IMMEDIATELY PRECEDING CLAUSE. 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, (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS AND, (D) ANY IMPLIED OR EXPRESS WARRANTY OR REPRESENTATION TO THE QUALITY OR QUANTITY OF HYDROCARBON RESERVES (IF ANY) ATTRIBUTABLE TO THE ASSIGNED PROPERTIES OR THE ABILITY OF THE ASSIGNED PROPERTY TO PRODUCE HYDROCARBONS.

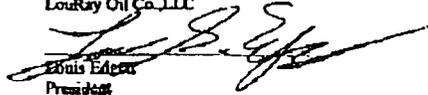
14. Investment Representation Assignee represents and certifies that it is acquiring the Assigned Property for its own account, for use in its trade or business or for investment, and with no present intention of making a distribution thereof.

Assignor has, to the best of his knowledge, furnished accurate information; however, Assignor does not in any way represent or guarantee that such information is accurate or correct, any reliance on information furnished herewith shall be at Assignee's sole risk and expense.

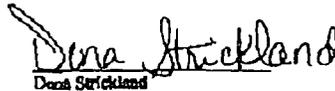
15. Execution This Assignment and Bill of Sale may be executed by Assignor and Assignee in any number of counterparts, each of which shall be deemed an original instrument, but all of which together shall constitute one and the same instrument.

EXECUTED THIS \_\_\_\_\_ day of \_\_\_\_\_, 2005, but effective as of June 20, 2005, hereinabove stated.

ASSIGNOR  
LouRay Oil Co., LLC

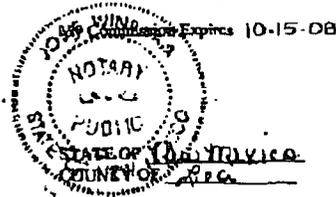
  
Louis Edgett  
President

ASSIGNEE

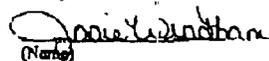
  
Dana Strickland

STATE OF NEW MEXICO  
COUNTY OF LEA

BEFORE ME, the undersigned authority, on this 20<sup>th</sup> day of June, 2005, personally appeared Louis Edgett, known to me to be the person whose name is subscribed to the foregoing instrument, and known to me to be the President of LouRay Oil Co., LLC, and acknowledged to me that this instrument was executed for the purpose and consideration therein expressed, and as the act of said company.



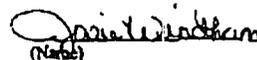
Notary Public

  
(Name)

BEFORE ME, the undersigned authority, on this 20<sup>th</sup> day of June, 2005, personally appeared Dana Strickland, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that this instrument was executed for the purpose and consideration therein expressed, and for said company.

My Commission Expires 10-15-08

Notary Public

  
(Name)



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EXHIBIT "A"

Attached to and made a part of the certain "Assignment" date effective as of June 20, 2005, by and between "Assignor" (LouRay Oil Co. LLC) and "Assignee" (Dena Strickland)

Assignors assigns the leasehold rights, title, and interests, here and under the following Lease, insofar as the Lease covers and includes the lands and depths described below, and subject to the provisions and reservations of royalties with which said Lease may be burdened.

Lease Name: Government "E"  
Description: Section 25, Township 19 South, Range 34 East, N.M.P.M., Lea county, New Mexico.

STATE OF NEW MEXICO  
COUNTY OF LEA  
FILED

07674

JUN 20 2005 P.M.  
at 4:08 o'clock  
and recorded in Book \_\_\_\_\_  
Page \_\_\_\_\_  
M. [Signature] Lea County Clerk  
By [Signature] Deputy

