

THAT, DALE DOUGLAS and wife RENEE R. DOUGLAS, whose mailing address is PO Box 10187, Midland, Texas, 79702 (hereinafter referred to as "ASSIGNOR"), for and in consideration of the sum of Ten Dollars (\$10.00), cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, has transferred and assigned and by these presents does hereby grant, transfer, assign and convey unto DAVID H. ARRINGTON OIL & GAS, INC., whose mailing address is PO Box 2071, Midland, Texas 79702, its successors and assigns (hereinafter collectively referred to as "ASSIGNEE" whether one or more), without warranty either express or implied, all of ASSIGNOR'S right, title, and interest in and to Oil, Gas and Mineral Leases (hereinafter referred to as "Subject Leases" whether one or more) covering the lands described thereon (hereinafter referred to as "Subject Lands") set forth on Exhibit "A" attached hereto and made a part hereof for all purposes.

TO HAVE AND TO HOLD the same unto the ASSIGNEE, its heirs, administrators, executors, devisees, trustees, successors, and assigns, according to the terms, covenants, and conditions of the Subject Leases, the ASSIGNEE to perform all such terms, covenants, and conditions thereof as to the Subject Lands, as well as all of the terms, covenants, and conditions hereof.

IN WITNESS WHEREOF, this instrument is executed as of the date set forth in the acknowledgment below, but EFFECTIVE for all purposes as of the date set forth in the acknowledgement below.

ASSIGNOR:

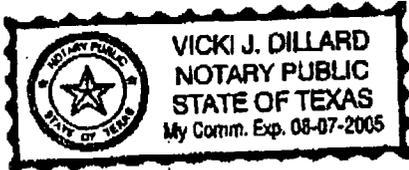
[Signature]
Dale Douglas
[Signature]
Renee R. Douglas

ACKNOWLEDGMENTS

STATE OF TEXAS §
COUNTY OF MIDLAND §

This instrument was acknowledged before me this 9th day of December, 2002, by Dale Douglas and wife Renee R. Douglas.

[Signature]
Notary Public in and for the State of Texas
My Commission Expires: _____



| LEASE ALPHA | LEASE DATE | LEASE NAME | LESSOR NAME | LESSEE NAME | TEXT DESCRIPTION | REC. BOOK/PAGE |
|-----------------|------------|------------------------------|--------------|--------------|--|----------------|
| CALDWELL, MARK | 01/28/2002 | MARK AND BONNIE CALDWELL, JT | DALE DOUGLAS | DALE DOUGLAS | -----LEGAL DESCRIPTION (0) T168-R35E SECTION 25: E/2 NE/4, LEA COUNTY, NEW MEXICO | 1128-457 |
| WILLIAMS, R M | 01/28/2002 | R. M. WILLIAMS ET UK | DALE DOUGLAS | DALE DOUGLAS | -----LEGAL DESCRIPTION (0) T168-R35E SECTION 25: E/2 NE/4, LEA COUNTY, NEW MEXICO | 1128-453 |
| O'BRIEN, GEORGE | 01/28/2002 | GEORGE M. O'BRIEN ET UK | DALE DOUGLAS | DALE DOUGLAS | -----LEGAL DESCRIPTION (0) T168-R35E SECTION 25: E/2 NE/4, LEA COUNTY, NEW MEXICO | 1128-455 |
| ANTWELL, MARY F | 01/28/2002 | MARY FRANCES ANTWELL | DALE DOUGLAS | DALE DOUGLAS | -----LEGAL DESCRIPTION (0) T168-R35E SECTION 25: E/2 NE/4, LEA COUNTY, NEW MEXICO | 1137-234 |
| KELLEY, KENDRA | 02/15/2002 | KENDRA IRBINE KELLEY | DALE DOUGLAS | DALE DOUGLAS | -----LEGAL DESCRIPTION (0) T168-R35E SECTION 25: E/2 NE/4, LEA COUNTY, NEW MEXICO | 1130-355 |
| CRAMFORD, STACY | 02/20/2002 | STACY KENNEDER CRAMFORD | DALE DOUGLAS | DALE DOUGLAS | -----LEGAL DESCRIPTION (0) T168-R35E SECTION 25: E/2 NE/4, LEA COUNTY, NEW MEXICO | 1132-457 |
| LEAVELL, CHRIST | 02/25/2002 | CHRISTIA L. LEAVELL, ET AL | DALE DOUGLAS | DALE DOUGLAS | -----LEGAL DESCRIPTION (0) T168-R35E SECTION 25: E/2 NE/4, LEA COUNTY, NEW MEXICO | 1134-343 |
| DOOSON, AMY MAC | 03/06/2002 | AMY MACBELL DOOSON | DALE DOUGLAS | DALE DOUGLAS | -----LEGAL DESCRIPTION (0) T168-R35E SECTION 25: E/2 NE/4, LEA COUNTY, NEW MEXICO | 1134-770 |
| STRICKLAND, JOD | 03/06/2002 | JODY PAYNE STRICKLAND | DALE DOUGLAS | DALE DOUGLAS | -----LEGAL DESCRIPTION (0) T168-R35E SECTION 25: E/2 NE/4, LEA COUNTY, NEW MEXICO | 1141-13 |
| STRICKLAND, JUS | 03/06/2002 | JUSTIN RYAN STRICKLAND | DALE DOUGLAS | DALE DOUGLAS | -----LEGAL DESCRIPTION (0) T168-R35E SECTION 25: E/2 NE/4, LEA COUNTY, NEW MEXICO | 1141-11 |
| STRICKLAND, MAR | 03/06/2002 | MARTY LYNN STRICKLAND | DALE DOUGLAS | DALE DOUGLAS | -----LEGAL DESCRIPTION (0) T168-R35E SECTION 25: E/2 NE/4, LEA COUNTY, NEW MEXICO | 1141-15 |
| BULLOCK, ROBERT | 04/11/2002 | ROBERT J. BULLOCK, SR. | DALE DOUGLAS | DALE DOUGLAS | -----LEGAL DESCRIPTION (0) T168-R35E SECTION 25: E/2 NE/4, LEA COUNTY, NEW MEXICO | 1142-234 |
| PALMORE, BRANKA | 04/11/2002 | BRANKA PALMORE ET VTR | DALE DOUGLAS | DALE DOUGLAS | -----LEGAL DESCRIPTION (0) T168-R35E SECTION 25: E/2 NE/4, LEA COUNTY, NEW MEXICO | 1142-236 |

W OIL & GAS

EXHIBIT "A" TO ASSIGNMENT OF OIL

LEASE ALPHA

LEASE DATE LEASE NAME

LESSOR NAME

TEXT DESCRIPTION

REC BOOK/PAGE

T165-R358 SECTION 25: E/2 NE/4, LBA COUNTY, NEW MEXICO

DEC-19-2002 14:19

THAT, James D. Huff and wife Loretta Huff, whose mailing address is P. O. Box 705, Mineola, Texas 75773 (hereinafter referred to as "ASSIGNOR" whether one or more), for and in consideration of the sum of Ten Dollars (\$10.00), cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, has transferred and assigned and by these presents does hereby grant, transfer, assign and convey unto DAVID H. ARRINGTON OIL & GAS, INC., whose mailing address is PO Box 2071, Midland, Texas 79702, their successors and assigns (hereinafter collectively referred to as "ASSIGNEE" whether one or more), with warranty of title by, through and under ASSIGNOR only and not otherwise, all of ASSIGNOR'S right, title, and interest in and to the oil and gas leases set forth on Exhibit "A" attached hereto and made a part hereof for all purposes (hereinafter referred to as "Subject Leases" whether one or more) covering the lands described thereon (hereinafter referred to as "Subject Lands"), located in Lea County, New Mexico

TO HAVE AND TO HOLD the same unto the ASSIGNEE, its heirs, administrators, executors, devisees, trustees, successors, and assigns, according to the terms, covenants, and conditions of the Subject Leases, the ASSIGNEE to perform all such terms, covenants, and conditions thereof as to the Subject Lands, as well as all of the terms, covenants, and conditions hereof.

IN WITNESS WHEREOF, this instrument is executed as of the date set forth in the acknowledgment below, but EFFECTIVE for all purposes as of the date set forth in the acknowledgment below.

ASSIGNOR:

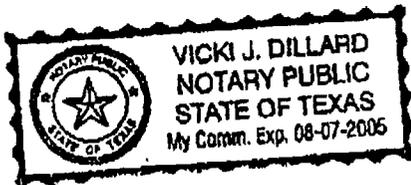
James D. Huff
James D. Huff

Loretta Huff
Loretta Huff

ACKNOWLEDGMENTS

STATE OF TEXAS §
 MIDLAND §
COUNTY OF ~~WOODS~~

This instrument was acknowledged before me, a Notary Public, this 9th day of December 2002, by James D. Huff, and wife Loretta Huff.



Vicki J. Dillard
Notary Public in and for the State of Texas
My Commission Expires: _____

EXHIBIT 'A' TO ASSIGNMENT OF OGL

LEASE DATE LEASE NAME
09/01/2002 ROBERT HESSEL

LESSEE NAME
JAMES D. HOFF

TEXT DESCRIPTION

REC.BOOK/PAGE

-----LEGAL DESCRIPTION (0)----- 1164-777

7165-8358 SECTION 25: NW/4 NE/4, LEA COUNTY, NEW MEXICO