

STATE OF NEW MEXICO
COUNTY OF LEA

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39154

Misc
BOOK 437 PAGE 59

ASSIGNMENT AND BILL OF SALE

*Owen A Lease
F.W. Grizzell - A Lease
F.W. Grizzell - Deep Lease*

THIS ASSIGNMENT AND BILL OF SALE (hereinafter "Assignment") is made and entered into by and between Amoco Production Company, whose mailing address is 501 WestLake Park Boulevard, P. O. Box 3092, Houston, Texas, 77253, hereinafter referred to as "Assignor", and Bliss Petroleum, Inc., P. O. Box 1817, Hobbs, New Mexico 88241, hereinafter referred to as "Assignee".

Assignor, for valuable cash consideration received, the sufficiency of which is hereby acknowledged, does hereby grant, bargain, transfer, sell, assign, and convey unto Assignee, its successors and assigns, subject to the terms and provisions hereinafter made, all of Assignor's rights, title and interests in and to the following:

The real property (consisting of oil and gas, oil, gas and mineral leases, or undivided interests therein, all personal property, improvements, installations, lease and well equipment, wellbores, tanks, treaters, buildings, fixtures, machinery, and other equipment, gathering systems, power lines, telephone and telegraph lines, now being used or useful in connection with the exploration, development, operation or maintenance of the leases, lands or properties described or referenced in Exhibit "A" attached hereto and made a part hereof, or any unit or units in which part or parts of such leases, lands or properties may be included, are being used or useful in connection with the production, treating, storing, transportation or marketing of oil, gas and other minerals produced from or allocated to such leases, lands or properties or such unit or units, including but not limited to the equipment, properties and rights described in Exhibits "A", "B" and "C" attached hereto and incorporated herein by this reference (hereinafter referred to as the "Property").

TO HAVE AND TO HOLD said Property forever; subject, however, to the following terms and provisions:

Except for warranties with respect to title to the equipment, the sale of the equipment to Buyer is without warranties of any kind

BLISS PETROLEUM, INC.
Case No. 8773
4/2/86 Examiner Hearing
Exhibit No. 11

whatsoever, whether express or implied. Such of the Equipment as are tangible assets are sold "AS IS AND WITH ALL FAULTS AND DEFECTS" and "WITH NO WARRANTY AS TO MERCHANTABILITY, FITNESS OR SUITABILITY FOR ANY PARTICULAR PURPOSE."

Assignee covenants, for itself and for and in behalf of any successors or assignee of Assignee, that, should the Texas Deceptive Trade Practices-Consumer Protection Act, Subchapter E of Chapter 17, Sections 17.41, et seq., of the Texas Business and Commerce Code, as amended (the "DTPA") be applicable, (i) Assignee is a "business consumer" under the DTPA, (ii) Assignee hereby waives and releases all of its rights and remedies under the DTPA (other than Section 17.55A, Texas Business and Commerce Code) arising out of or in connection with the Exchange Contract, the negotiation thereof, information furnished to Assignee by Amoco, if any, transactions contemplated to be performed thereunder, and the transaction set forth in this Assignment, and (iii) Assignee hereby agrees to defend and indemnify Amoco from and against any and all claims, demands or causes of action of or by Assignee or any successor or any of its affiliates based in whole or in part on the DTPA arising out of or in connection with the Exchange Contract, the negotiation thereof, information furnished to Assignee by Amoco, if any, transactions contemplated to be performed thereunder and the transaction set forth in this Assignment.

Assignee represents and certifies that it is acquiring the 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 within the meaning of the Securities Act of 1933.

The acquisition by Assignee of the Property hereunder is pursuant and subject to the terms and conditions of the Purchase Agreement and the Purchase Agreement is not extinguished by this Assignment but continues in all respects as a valid and legally enforceable contract.

Amoco, at all times and from time to time during the period commencing on the effective date hereof and ending twenty-one (21) years from said date, shall have the continuing option and exclusive right to purchase all production of oil, condensate and other liquid hydrocarbons

from the Property, at Amoco's posted price or at the highest major posting for hydrocarbon production of similar kind and quality prevailing in the field where produced on the date of delivery; and said right and option may be assigned by Amoco at any time, at all times, and from time to time, without limitation.

Assignee shall furnish to Amoco monthly written statements which shall include and itemized statement of all production from said well (and from or allocable to the Property), the disposition of same, and all cost and expense incurred in operating said well during such period, including that portion which is properly allocable to the Property.

The terms, covenants and conditions of this Assignment shall be binding upon and shall inure to the benefit of Amoco and Assignee and their respective successors and assigns.

The effective date of this Assignment shall be 7:00 a.m., local time, on August 1, 1984, and this Assignment shall be effective as of said time and date. Assignee assumes full responsibility for the Property as of said effective date, and specifically agrees to defend and indemnify Amoco against any and all losses, claims, suits, liabilities and expenses thereafter arising with respect to the Properties.

IN WITNESS WHEREOF, this Assignment is executed ~~and shall be effective~~ this 1st day of Nov., 1984 at 8:00 o'clock a.m.

AMOCO PRODUCTION COMPANY

By E. D. Newman
Its Attorney-in-Fact

Approved
By: jc

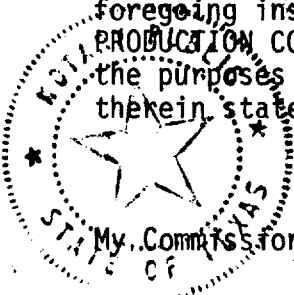
BLISS PETROLEUM, INC.

By: Paul Bliss

Title: President

THE STATE OF TEXAS §
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared E.D. Newman, known to me to be the person who executed the foregoing instrument, and known to me to be the Attorney-in-Fact of AMOCO PRODUCTION COMPANY, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.



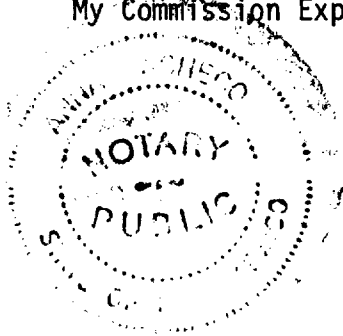
My Commission Expires: 11-17-86

Cindy J. Jolley
Notary Public

THE STATE OF NEW MEXICO §
COUNTY OF Lea §

BEFORE ME, the undersigned authority, on this day personally appeared Paul Bliss, known to me to be the person who executed the foregoing instrument, and known to me to be the President of BLISS PETROLEUM, INC., and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

My Commission Expires: Feb. 3, 1987



Anna Pacheco
Notary Public

EXHIBIT "A"

J. W. GRIZZELL /UPPER/

Lease No.: 040977 A
 Lessor: James W. Grizzell
 Lessee: Llano Oil Company
 Dated: April 12, 1926
 Recorded: Volume 3, Page 403, of the Oil and Gas Lease Records of Lea County, New Mexico
 Covering: INSOFAR AND ONLY INSOFAR as the above said lease covers all rights from the surface down to 4,000 feet below the surface under the SW/4 of Section 5, T-22-S, R-37-E, Lea County, New Mexico, LESS AND EXCEPT Amoco's 3/32 Mineral Interest and .0117188 Royalty Interest in the above acreage.

GRIZZELL /DEEP/

Lease No.: 040977 B
 Lessor: James W. Grizzell
 Lessee: Llano Oil Company
 Dated: April 12, 1926
 Recorded: Volume 3, Page 403, of the Oil and Gas Lease Records of Lea County, New Mexico.
 Covering: INSOFAR AND ONLY INSOFAR as the above said lease covers all rights from 4,000 feet below the surface down to the base of the Drinkard Formation, under the SW/4 of Section 5, T-22-S, R-37-E, Lea County, New Mexico, LESS AND EXCEPT Amoco's .002734375 Net Profits Interest, 3/32 Mineral Interest and .0117188 Royalty Interest under the above acreage.

OWEN "A"

Lease No.: 13338
 Lessor: Eva Owen, et vir
 Lessee: M. W. Coll
 Dated: March 19, 1927
 Recorded: Volume 4, Page 633, of the Records of Lea County, New Mexico.
 Covering: All right, title and interest under the S/2 NW/4 of Section 3, T-22-S, R-37-E, Lea County, New Mexico.

EXHIBIT "B"

Contract 109,507

Cashinghead Gas Contract dated November 3, 1983, by and between Amoco Production Company, "Seller", and Getty Oil Company, "Buyer". (J. W. Grizzel "A" and "B")

Contract 109,509

Cashinghead Gas Contract dated November 3, 1983, by and between Amoco Production Company, "Seller", and Getty Oil Company, "Buyer". (Owen "A")

Contract 84,901

Gas Purchase Contract dated August 1, 1974, as amended, by and between Amoco Production Company, "Seller", and Northern Natural Gas Company, "Northern". (Owen "A")

EXHIBIT "C"

J. W. GRIZZEL

Lease

<u>Item</u>	<u>Quantity</u>
Pipe - 4", 3", 3½", 2", 2-7/8"	3,207 ft.
Tanks - 500 bbl. National Flat Bottom w/stairway and walkway, tall 1/4" sides 3/16" shell and deck bolted, enardo thief batch, bolted moved erected	2 ea.
Separator - 2 1/2' x 13' National	1 ea.
<u>WELL NO. 1</u>	
Casing - 13", 7", 8-5/8", 5"	8,192 ft.
Tubing - 2-3/8", 2"	7,409 ft.
<u>WELL NO. 2</u>	
Casing - 8-5/8", 5½"	7,941 ft.
Tubing - 2-3/8"	4,878 ft.
Pumping Unit - Lufkin 228	1 ea.

OWEN A

Lease

Tank - 250 bbl., 400 bbl., 210 bbl.	5 ea.
Pipe - 2", 3½", 3", 4"	6,060 ft.
Treater - 4' x 21' BS&B	1 ea.
Separator - 2' x 12-1/2' National, 1000# WP	1 ea.
Separator - 30" x 13' National, 125# WP	1 ea.
<u>WELL NO. 1</u>	
Casing - 13", 9-5/8", 7", 5"	8,162 ft.
Tubing - 2-3/8"	6,645 ft.
Pumping Unit - Lufkin 160	1 ea.
<u>WELL NO. 2</u>	
Casing - 13-3/8", 9-5/8", 7"	9,779 ft.
Tubing - 2½", 2-3/8", 2"	9,687 ft.
Pumping Unit - API 160	1 ea.

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

NOV 9 1984

at 1:19 o'clock PM
and recorded in Book 437
Page 59
Pat Snipes, County Clerk
By [Signature] Deputy



39154