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ASSIGNMENT AND BILL OF SALE

THE STATE OF NEW MEXICO X

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF LEA

This ASSIGNMENT, (hereinather "Assignment") from: Loukey Oil Co_LLC P.O. Box 2081, Lovington, NM 88260 (hereinafter referred to as "Assignor"), to Dana Strickland, 909 W. Ave. N, Lovington, NM 88260 (bereinsiler referred to as "Assignes").

FOR AND IN CONSIDERATION of Ten and No/100 Dollars and other good and valuable considerations, the receipt and pufficiency of which are hereby acknowledged, Assigner does hereby GRANT, BARGAIN, SELL, TRANSFER, ASSIGN AND CONVEY unto Assignee, without covenant, representation or warranty of any kind whatsoover, express, statutory, or implied, subject to the terms, provisions and reservations herein, all of Assignor's rights, title, and interest into and under. (1) the oil and gas lease and isnd described in Exhibit "A" stracked hereto and made a part bereof, (hereinafter referred to as "Leose"), insofar however, as the Lease covers and includes the lands described in Exhibit "A", and subject to the provisions of said Lease and to any and all cuisting royaltiza, excess royalties, and overriding royalty interests specifically affecting the interest with which said Lease may be burdened (said lands as to such depths being hereinafter called the "Assigned Property") and (ii) all lease and well equipment, if any, located upon the surface of and below the surface of the Assigned Property, covered by the Lease. is desc in exis

TO HAVE AND TO HOLD the Assigned Property, together with all and singular rights, privilegas, hereditements and appurtenances thereto in anywise belonging, unto Assignee, it's representatives, successors, and assigns, subject, however, to the following terms and provisions:

- The Effective Time of this Assignment shall be the 20th day of June, 2005 at 7:00 a.m. Effective Time 1. local time.
- All toxes, including, but not limited to, income taxes, Windfall Profits Taxes, Prorection of Texes, Etc. state severance taxes, advalorem taxes, equipment taxes and any local state and federal taxes or eases streems attributable to the Assigned Property, or any part thereof, on and after the Effective Time, shall be Assignee's responsibility, and all deductions, credits and refunds pertanting to the aforementioned taxes, suributable to the Assigned Property, or any hereof, on and other the Effective Time, no matter when received, shall belong to Assignee.
- Oil Gra & Liquida All oil or other liquid hydrocarbons produced from the litterest conveyed and the amount of craining bead gas produced from the interests conveyed, on and after the Effective Thire bereef, shall be the property of Assignee, excluding production remaining on Assigned Property as of the Effective Time.
- Assignce shall be responsible for all losses, claims, damages, demands, suits, Risk of loss: Indermity causes of action, and liabilities (including anomeys' fees associated therewith) arising out of or connected with operation of the Assigned Property, or my part thereof, on and after the Effective Time between 80 practice when asserted; and Assignee shall defend. indemnify and hold Assignor, his successors and assigns, harmless against the same.
- Assumption of Obligations: Indepentities Assignee hereby see amos and agrees to timely perform and discharge all duries and obligations as the owner of the Assigned Property on and after the Efficuree Time hereof, including but not limited to, phagging and abandonment of all existing and my future wells; and, Assignor shall been no liability for Assignee's believe to perform and discharge such duries and obligations in a timely manner. Assignee agrees to hold Assignor hamilest against any and all loses, claims, demands, suits, causes of action, and liabilities (including attorneys fees associated therewith) relating to all such duties and obligations. Any future assignment of the Assigned Property by Assigner shall contain provisions and covenants similar to the provisions herein, and shall provide that any assignee shall have a tirdy to plug and abandon existing and fimms wells as they cease to produce in paying quantities.
- Assigned shall meet all New Mexico State and Federal requirements for plugging Plugging and Surface Remds and surface use bonds for walls and operators on the Assigned Property.
- The Assignment is made by Assigner and accopted by Assigner subject to all the terms, covenants and conditions of the Leases described in exhibit "A" statched hereto; and Assignme, on and after the Effective Time hereof, expressly assumes and agrees to perform all coverants and obligations of Assigner under all Leases and under any previous assignments thereof.
- The Assignment is expressly made subject to the terms, coverents and Contracts and agreements conditions of agreements affecting the Assigned Property, same shall be binding on Assigned, its successors and assigned on after the Effective Time hereof.
- This Assignment is made by Assignor and accepted by Assigner subject to all applicable Observance of Laws federal and state laws, ordinances, rules and regulations; and Assignce agrees to comply with all federal and state laws, ordinances rules and regulation affecting the Assigned Property and shall promptly obtain and shall maintain all permits required by governmental authorities in connection with the Assigned Property.
- The term, covenants and conditions bereof shall be binding upon and shall brure to Successors and Assigns the benefit of Assignor and Assignee and their respective successors and assigns; and such terms, covenants and conditions, shall be covenants running with the Assigned Property bereix assigned and with each subsequent transfer or assignment of the Assigned Property.
- Assignment Costs Assignee shall be solely responsible for all filing and recording cost of documents related to the Assigned Property and for all fees connected therewith.
- The titles and headings that appear in this Assignment have been included solely for east of eference and shall not be considered in the interpretation or construction of the Assignment.

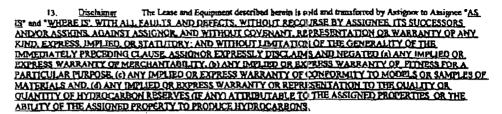
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BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. 11 Case No. 14411 Submitted by: ARMSTRONG ENERGY CORPORATION Hearing Date: March 18, 2010

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14. <u>Investment Representation</u> Assignce represents and certifies that it is coquiring 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 Assignor's solo risk and expense.

15. <u>Execution</u> This Assignment and Bill of Sale may be executed by Assignment and Assignment 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, bereinshows stated.

ASSIONOR
LOURSY Oil Co.LLC ______

President

ASSIGNEE

STATE OF NEW MEXICO

COUNTY OF LEA

BEFORE ME. The undersigned authority, on this contact they of the 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 Louis by Oil Co., LLC, and acknowledged to me that this instrument was executed for the purpose and consideration therein expressed, and as the net of said company.

De Complessor Expires 10-15-08

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COUNTY OF SECOND

Notary Public

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*** BEFORE ME, the undersigned authority, on this **20** day of *** 11.1.e** , 2005, personally appeared Dema Strickland, known to me to be the person whose name is subscribed to the forgoing instrument, and seknowledged to me that this instrument was suscetted for the purpose and consideration therein expressed, and for said company.

My Commission Expires 10-15-08

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EXHIBIT "A"

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

Assignors assigns the leasehold rights, title, and interests, less and under the following Lease, besofte as the Lease powers and includes the lands and depths described below, and subject to the provisions and reservations of toyalties with which said Lesse may be burdened.

Lease Name:

Government "E"

Description:

Section 25, Township 19 South, Range 34 Ease, N.M.P.M., Lea county, New Mexico.

STATE OF NEW MEXICO COUNTY OF LEA FILED

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