

ASSIGNMENT OF OIL AND GAS LEASES

STATE OF NEW MEXICO §
 § KNOW ALL MEN BY THESE PRESENTS:
 COUNTY OF LEA §

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 acquired by ASSIGNOR by virtue of that certain term assignment dated March 1, 2001 from Hunt Oil Company to Dale Douglas (hereinafter referred to as "Subject Leases" whether one or more) covering the lands described thereon (hereinafter referred to as "Subject Lands"), all of which is 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 March 1, 2002.

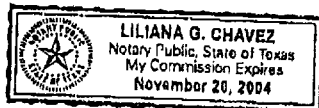
ASSIGNOR:

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

ACKNOWLEDGMENTS

STATE OF TEXAS §
 COUNTY OF MIDLAND §

This instrument was acknowledged before me this 4th day of October, 2002, by Dale Douglas and wife Renee R. Douglas.



[Signature]
 Notary Public in and for the State of Texas
 My Commission Expires 11/20/04

BEFORE THE OIL CONSERVATION
DIVISION

Santa Fe, New Mexico
 Case No. 12956 Exhibit No. 89
 Submitted by: Great Western Drilling Company
 Hearing Date: November 14, 2002

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Leases from Dale Douglas et ux to David H. Arrington Oil & Gas, Inc.

Oil and Gas Lease:

Grantor: United States of America
Grantee: A. D. Weatherly
Date: February 1, 1973
Lands: INSOFAR and ONLY INSOFAR as it pertains to the following lands limited in depth from the surface to the base of the Morrow formation:
T15S, R34E, Section 33: NW/4, Section 34: S/2NE/4, N/2SE/4
T16S, R34E, Section 1: Lots 1,2,7,8,9,10,15,16 (328.34 acres)
Lea County, New Mexico
Serial No.: NMNM-17444

The above oil and gas lease is made subject to the terms and conditions of that certain Term Assignment described immediately below:

Grantor: Hunt Oil Company
Grantee: Dale Douglas
Date: March 1, 2001
Lands: INSOFAR and ONLY INSOFAR as it pertains to the following lands limited in depth from the surface to the base of the Morrow formation:
T15S, R34E, Section 33: NW/4, Section 34: S/2NE/4, N/2SE/4
T16S, R34E, Section 1: Lots 1,2,7,8,9,10,15,16 (328.34 acres)
Lea County, New Mexico
Recording: Volume 1111, Page 198 of the Official Public Record of Lea County, New Mexico

End of Exhibit

**STATE OF NEW MEXICO
COUNTY OF LEA
FILED**

29838

NOV 13 2002
At 3:44 o'clock P M
and recorded in Book _____
Page _____
Melinda Hughes, Lea County Clerk
By _____ Deputy

