

96336

EXHIBIT "B"

To Purchase and Sale Agreement
by and between
Amoco Production Company, Seller
and
Doyle Hartman, Buyer

ASSIGNMENT AND BILL OF SALE

STATE OF NEW MEXICO

§

§ KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF LEA §

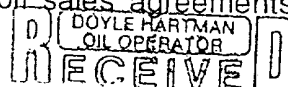
This ASSIGNMENT AND BILL OF SALE (hereinafter referred to as "Assignment") dated the 13th day of August, 1996, but effective as of the 31st day of July, 1996 ("Effective Time"), is from Amoco Production Company, a Delaware corporation, with an office at 501 WestLake Park Boulevard, Houston, Texas 77210 (hereinafter referred to as "Assignor") to Doyle Hartman, with an office at 500 North Main, PO BOX 10426, Midland, Texas 79702 (hereinafter referred to as "Assignee").

WITNESSETH:

FOR Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby GRANTS, CONVEYS, and ASSIGNS to Assignee the following properties (real, personal or mixed) and rights (contractual or otherwise):

- (a) All of Seller's undivided oil and gas leasehold interest, oil, gas and mineral leasehold interest, working interest, net revenue interest, oil and gas, fee, mineral, royalty, overriding royalty, producing and associated non-producing leasehold interest described in Exhibit "A" attached hereto and made a part hereof by reference;
- (b) All of Seller's right, title and interest in, to and under, or derived from, all of the presently existing and valid unitization and pooling agreements and the units created thereby (including all units formed by voluntary agreements and those formed under orders, regulations, rules or other official acts of any federal, state or other governmental agency having jurisdiction) to the extent they relate to any of the interests described in Exhibit "A";
- (c) All of Seller's right, title and interest in, to and under, or derived from, all of the presently existing and valid oil sales agreements,

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casinghead gas sales agreements, gas sales agreements, processing agreements, gathering agreements, transportation agreements, easements, rights-of-way, servitudes, surface leases, and all other agreements and instruments to the extent they relate to any of the interests described in Exhibits "A";

- (d) All of Seller's right, title and interest in and to all personal property and improvements, including but not limited to, wells (whether producing, plugged and abandoned, shut-in, injection, or water supply wells), tanks, boilers, buildings, fixtures, machinery, equipment, pipelines, utility lines, power lines, telephone lines, telegraph lines, roads and other appurtenances, to the extent the same are situated upon and used in connection with the ownership, operation, maintenance and repair the interests described in Exhibits "A" and
- (e) All of Seller's books, records, and files related to the Properties, excluding previous offers and economic analysis associated with the purchase and/or sale of the Properties, proprietary information, interpretive information, subjective information, personnel information, tax information, information covered by non-disclosure obligations and/or information covered by legal privilege.

All of the properties (real, personal and mixed) and rights (contractual or otherwise) described hereinabove are referred to as "Properties".

TO HAVE AND TO HOLD the Properties subject to the following terms and conditions:

1. Special Warranty Of Title. ASSIGNOR SHALL WARRANT TITLE TO AND FOREVER DEFEND ALL AND SINGULAR THE PROPERTIES CONVEYED TO ASSIGNEE AGAINST EVERY PERSON WHOMSOEVER LAWFULLY CLAIMING THE PROPERTIES OR ANY PART THEREOF BY, THROUGH AND UNDER ASSIGNOR, BUT NOT OTHERWISE. THE CONVEYANCE OF THE PROPERTIES SHALL BE MADE WITH FULL SUBSTITUTION AND SUBROGATION GIVEN IN AND TO ALL OF THE RIGHTS AND ACTIONS OF WARRANTY THAT ASSIGNOR HAS OR MAY HAVE AGAINST ASSIGNOR'S PREDECESSORS IN TITLE.

2. Agreements. This Assignment is made subject to and shall be burdened by all of the terms, covenants and conditions contained in any instrument and/or agreement encumbering the Properties, or any portion thereof, and at and after the Effective Time, Assignee shall be bound by and perform all of the terms, covenants and conditions contained therein.

3. Compliance With Laws: This Assignment is made subject to all applicable laws, statutes, ordinances, decrees, orders, judgments, rules,



regulations, licenses and/or permits which are promulgated, issued or enacted by a governmental entity having appropriate jurisdiction, and Assignee shall comply with the same at and after the Effective Time.

4. Successors and Assigns. The terms, covenants and conditions contained in this Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, and such terms, covenants and conditions shall be covenants running with the land and with each subsequent transfer or assignment of the Properties, or any portion thereof.

5. Purchase and Sale Agreement. This Assignment is expressly made in accordance with and subject to the provisions contained in that certain PURCHASE AND SALE AGREEMENT dated the 31st day of July, 1996, by and between Amoco Production Company and Doyle Hartman ("PSA"), and the provisions of the PSA are incorporated herein by reference as though said provisions were fully set forth verbatim herein. If there is a conflict between the provisions of PSA and this Assignment, the terms of the PSA shall control the rights and obligations of the parties.

EXECUTED on the day and your first referenced above, but effective as of the Effective Time.

Assignor
AMOCO PRODUCTION COMPANY

By: W. R. Dukes
Name: W. R. DUKES
Title: Attorney-in-Fact

Assignee
DOYLE HARTMAN

By: Doyle Hartman
Name: Doyle Hartman
Title: Owner

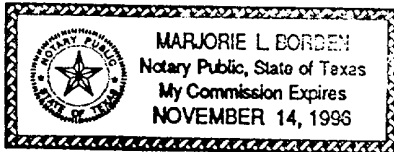
STATE OF TEXAS §

COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me this 13th day of August, 1996, by W. R. Dukes, Attorney-in-Fact on behalf of AMOCO PRODUCTION COMPANY, a Delaware corporation.

My commission expires:

Marjorie L. Borden
Signature



Marjorie L. Borden
Name (Printed, Typed or Stamped)
Notary Public in and for the
State of Texas

STATE OF TEXAS §

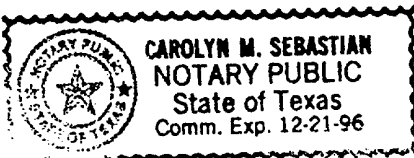
DALLAS

COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me this 9th day of August, 1996, by Doyle Hartman, Part owner operator on behalf of DOYLE HARTMAN.

My commission expires:

Carolyn M. Sebastian
Signature



Carolyn M. Sebastian
Name (Printed, Typed or Stamped)
Notary Public in and for the
State of Texas



Exhibit "A"
To Purchase and Sale Agreement
by and between
Amoco Production Company, Seller
and
Doyle Hartman, Buyer

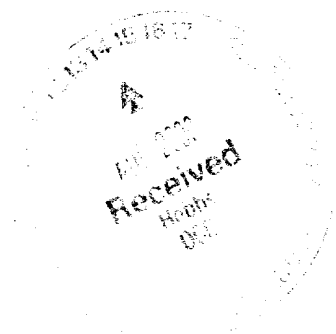
LEASES

LPN: 255449--- U.S.A.: NM-7488
Lessor: United States of America
✓ Lessee: Anne Hughes Myers, et al
Date: July 1, 1957
Description: Tract 1: Lots 1 and 2 (W/2 NW/4) and the East Half of the Northwest Quarter (E/2 NW/4) and the Northeast Quarter (NE/4) of Section 7, T-24-S, R-37-E, Lea County, New Mexico from the surface of the earth to 100 feet above the base of the Seven Rivers formation only.
Tract 2: Lots 1 and 2 (N/2 NE/4) and the South Half of the Northeast Quarter (S/2 NE/4) of Section 6, T-24-S, R-37-E, Lea County, New Mexico from the surface of the earth to 100 feet above the base of the Seven Rivers formation only.
Tract 3: Lots 3 and 4 (N/2 NW/4) and South Half of the Northwest Quarter (S/2 NW/4) of Section 5, T-24-S, R-37-E, Lea County, New Mexico from the surface of the earth to 100 feet above the base of the Seven Rivers formation only.
Tract 4: North Half of the South Half (N/2 S/2) and South Half of the Southwest Quarter (S/2 SW/4) of Section 9, T-24-S, R-37-E, Lea County, New Mexico from the surface of the earth to 100 feet above the base of the Seven Rivers formation only.
Tract 5: South Half of the Southeast Quarter (S/2 SE/4) of Section 9, T-24-S, R-37-E, Lea County, New Mexico from the surface of the earth to the base of the Queen formation only.

LPN: 022528--- U.S.A.: LC-032450-B
Lessor: United States of America
✓ Lessee: Cortland Myers, et al
Date: July 9, 1957
Description: Northwest Quarter (NW/4) and the Northeast Quarter of the Southwest Quarter (NE/4 SW/4) of Section 15, T-24-S, R-37-E, Lea County, New Mexico from the surface of the earth to the base of the Queen formation only.

CONTRACTS

Properties are subject to that certain Gas Purchase Agreement dated February 1, 1991, as amended January 25, 1996, between Amoco Production Company and Sid Richardson Gasoline Co. (Amoco Contract No. 141566)



96336

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

AUG 19 1996
at 11:48 o'clock A M
and recorded in Book 744
Page 126
Pat Chappelle, Lea County Clerk
by [Signature] Deputy



