

**ASSIGNMENT, BILL OF SALE, AND CONVEYANCE**

KNOW ALL MEN BY THESE PRESENTS:

THIS ASSIGNMENT, BILL OF SALE AND CONVEYANCE (the "Assignment") effective as of and from 7:00 a.m. on April 1, 1996, (the "Effective Date") is from GIANT EXPLORATION AND PRODUCTION COMPANY, a Texas Corporation, GIANT MID-CONTINENT, INC., an Arizona Corporation and CINIZA PRODUCTION COMPANY, a New Mexico Corporation (hereinafter collectively referred to as "Assignors" or individually as "Assignor"), to CENTRAL RESOURCES, INC. (hereinafter referred to as "Assignee").

I.

For and in consideration of the sum of One Hundred Dollars (\$100.00), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignors have granted, bargained, sold, conveyed, assigned, transferred, set over and delivered and hereby grants, bargains, sells, conveys, assigns, transfers, set over and delivers unto Assignee, effective as of the Effective Date, one hundred percent (100%) of Assignors' interests in and to the following properties, as set forth on the attached Exhibit "A" (collectively referred to herein as the "Properties") including, but not limited to:

(a) the oil and gas leases and leasehold interests, working interest, net revenue interests, record title, operating rights, overriding royalty interest, net profit interests or similar interest in the Properties, and any other rights that may arise from the operation of the Properties and lands pooled, unitized, communitized or consolidated with such Properties; and

(b) the oil, condensate or natural gas wells, water wells, salt water disposal wells and other types of injection wells either located on the Properties or held for use in connection with the Properties, and whether producing, operating, shut-in, temporarily abandoned, abandoned, or otherwise; and

(c) the crude oil, natural gas, casinghead gas, drip gasoline, natural gasoline, natural gas liquids, condensate, other liquids and hydrocarbons and other minerals or material of every kind and description produced from the Properties and sold on and after the Effective Date; and

(d) all physical facilities, materials, supplies, machinery, equipment, improvements and other personal property and fixtures (including, but not by way of limitation, all wells, wellhead equipment, pumping units, flowlines, tanks, buildings, injection facilities, saltwater disposal facilities, compression facilities, gathering systems, and other equipment) located on or appurtenant to the Properties; and that are used or held for use in connection with the ownership, exploration, development or operation of the Properties, whether located on or off such Properties or any properties pooled or unitized therewith; and

(e) all contracts and agreements that in any way relate to the Properties, including operating agreements, agreements relating to the production, storage, treatment, transportation, processing, purchase, sale or other disposal of hydrocarbons, including without limitation, all easements, servitudes, pooling and unitization agreements, surface leases, and any and all other amendments, ratification or extension of the foregoing; and

(f) all of the original files, records and data directly related to the Properties herein described owned by Sellers (who shall be entitled to retain copies thereof), including, without limitation, title records, computer records, contracts, correspondence, geological data, seismic records and any data interpreting such seismic records, production records, and other related records, data and information (the "Records"); but expressly excluded from the Records, and expressly not part of the Assignment are (i) any files, records, information or data whose disclosure or transfer is restricted by third-party agreement or applicable law, (ii) work product of Sellers' legal counsel (other than title opinions) and any attorney-client communications, and (iii) financial files, records, information or data and Tax Returns that do not relate solely to the Property described herein.

TO HAVE AND TO HOLD the Properties unto Assignee and its heirs, successors and assigns, Assignors do by these presents bind themselves and their successors and assigns for a period of two (2) years after the date hereof to WARRANT and FOREVER DEFEND all and singular, the Properties unto the Assignee and Assignee's successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, BY, THROUGH OR UNDER ASSIGNORS ONLY, BUT NOT OTHERWISE, provided, however, this Assignment is made subject to the following terms and provisions:

II.

This Assignment is made by Assignors and accepted by Assignee subject to the terms and provisions of that certain Purchase and Sale Agreement dated effective April 1, 1996, by and between Assignors and Assignee (the "Agreement"). The warranties, representations, and covenants contained in the Agreement shall survive the delivery of this Assignment to the extent provided therein. Any third parties transacting with Assignee with respect to any of the Properties may rely on this Assignment, as vesting Assignee with the rights, titles and interests in the Properties as set forth herein. To the extent that any of the provisions of this document conflict with the terms and provisions of the Agreement, the terms and provisions of the Agreement will control.

III.

This Assignment may be executed in multiple original counterparts, all of which are identical and each of which shall for all purposes be deemed to be an original, but all such counterparts shall together constitute but one Assignment. In addition to this Assignment, Assignors and Assignee agree that each shall execute, acknowledge, and deliver to Assignee, without further consideration, any documents or instruments, including without limitation, such further assignments, corrections, and conveyances required by any state or federal authority to further evidence the assignment of the Properties from Assignor to Assignee.

IV.

Assignors also hereby grant and transfer and transfer to Assignee, its successors and assigns, to the extent so transferrable, the benefit of and the right to enforce the covenants and warranties, if any, which Assignee is entitled to enforce with respect to the Properties against Assignors' predecessors in title to the Properties.

The provisions of this Assignment shall be covenants running with the land and shall be binding upon and shall inure to the benefit of the parties hereto, their respective heirs, successors and assigns.

EXECUTED this 18th day of September, 1996, but effective as of the April 1, 1996 at 7:00 a.m.

Assignor:

**GIANT EXPLORATION & PRODUCTION COMPANY**

Monte N. Swetnam  
Monte N. Swetnam  
Executive Vice President and Chief Operating Officer

Assignor:

**CINIZA PRODUCTION COMPANY**

Monte N. Swetnam  
Monte N. Swetnam  
Agent

Assignor:

**GIANT MID-CONTINENT, INC.**

Monte N. Swetnam  
Monte N. Swetnam  
Agent

Assignee:

**CENTRAL RESOURCES, INC.**

Gary D. Davis  
Gary D. Davis  
Vice President, Business Development

STATE OF New Mexico )  
 ) ss.  
COUNTY OF San Juan )

This instrument was acknowledged before me on the 18th day of September, 1996, by Monte N. Sweeney, Executive Vice President and Chief Operating Officer of GIANT EXPLORATION & PRODUCTION COMPANY, a Texas Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and that he executed said instrument for the purposes and consideration therein expressed, and as the act of said corporation.

My commission expires  
August 11, 1997

*Rebecca A. Endsley*  
Rebecca A. Endsley, Notary Public

STATE OF New Mexico )  
 ) ss.  
COUNTY OF San Juan )

This instrument was acknowledged before me on the 18th day of September, by Monte N. Sweeney, Agent of PINIZA PRODUCTION COMPANY, a New Mexico Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and that he executed said instrument for the purposes and consideration therein expressed, and as the act of said corporation.

My commission expires  
August 11, 1997

*Rebecca A. Endsley*  
Rebecca A. Endsley, Notary Public

STATE OF New Mexico )  
 ) ss.  
COUNTY OF San Juan )

This instrument was acknowledged before me on the 18th day of September, by Monte N. Sweeney, Agent of GIANT MID-CONTINENT, INC., an Arizona Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and that he executed said instrument for the purposes and consideration therein expressed, and as the act of said corporation.

My commission expires  
August 11, 1997

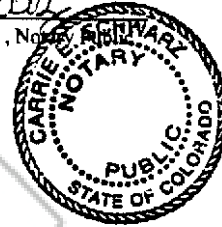
*Rebecca A. Endsley*  
Rebecca A. Endsley, Notary Public

STATE OF Colorado  
COUNTY OF Denver ) ss.

This instrument was acknowledged before me on the 20<sup>th</sup> day of September, 1996, by Gary D. Davis, Vice President, Business Development of Central Resources, Inc., a Colorado corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and that he executed said instrument for the purposes and consideration therein expressed, and as the act of said corporation.

My commission expires  
10-15-98

Carrie E. Schwan  
CARRIE E. SCHWAN, Notary Public



No. 106034  
filed and recorded at request of  
CENTRAL RESOURCES, INC.  
OCTOBER 7, 1996

At 36 minutes past 9 o'clock  
Lincoln County Nevada Recorder.  
YURIKO SETZER  
COUNTY RECORDER

BY Lizli Bowler, DEPUTY

EXHIBIT "A"  
 ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT, BILL OF SALE, AND CONVEYANCE, BY AND BETWEEN  
 GIANT EXPLORATION & PRODUCTION COMPANY, ET AL, AS ASSIGNORS AND CENTRAL RESOURCES, INC., AS ASSIGNEE

Lease Name	Lessor	Original Lessee	Lease Date	Book/ Page	County	ST	Legal Description	Gross Acres
N-46375	USA	Paul F. Sawyer	6/1/87		Lincoln	NV	T06N-R64E, Sec. 2; Lots 3, 4, S2N/4, SW/4, Sec. 3; Lots 1-4, S2N/2, S/2; Sec. 4; Lots 1-4, S2N/2, S/2, (all depths)	0
N-47007	USA	J.R. Bostard	6/1/88		Lincoln	NV	T6N-R63E, Sec. 4; Lots 1-4, S2N/2, S/2; T7N-R63E, Sec. 28; All, Sec. 33; All, (all depths)	0
N-47987	USA	S. Vassilopoulos	4/1/88		Lincoln	NV	T6N-R63E, Sec. 9; All, Sec. 10; All, Sec. 11; All, Sec. 12; All, T7N-R63E, Sec. 13; All, Sec. 23; All, Sec. 24; All, Sec. 25; All, Sec. 26; All, Sec. 33; All, Sec. 36; All, (all depths)	0
N-52218	USA	M. Dieckenderfer	12/1/89		Lincoln	NV	T6N-R64E, Sec. 7; Lots 1-4, E/2, E2W/2; Sec. 18; Lots 1-4, E/2, E2W/2, (all depths)	0
N-53083	USA	Hixson Development Company	7/1/90	91/483	Lincoln	NV	T7N-R64E, Sec. 18; Lots 1-4, E2W/2, (all depths)	0
N-53088	USA	Hixson Development Company	7/1/90	91/406	Lincoln	NV	T8N-R64E, Sec. 21; All, Sec. 28; All, Sec. 33; All, (all depths)	0
N-53089	USA	Hixson Development Company	7/1/90	91/378	Lincoln	NV	T8N-R64E, Sec. 22; All, Sec. 27; All, Sec. 34; All, (all depths)	0
N-53090	USA	Hixson Development Company	7/1/90	91/489	Lincoln	NV	T8N-R64E, Sec. 23; W2W/2; Sec. 26; W2W/2; Sec. 33; W2W/2, NE/4SW/4, NW/8E/4, (all depths)	0
N-53852	USA	Production Company & Production Company	1/1/91	94/39	Lincoln	NV	T06N-R63E, Sec. 14; All, Sec. 23; All, (all depths)	0
N-53853	USA	Production Company & Production Company	1/1/91	94/29	Lincoln	NV	T06N-R63E, Sec. 15; All, Sec. 16; All, Sec. 21; All, Sec. 22; All, (all depths)	0
N-53954	USA	Production Company & Production Company	1/1/91	94/167	Lincoln	NV	T06N-R63E, Sec. 25; All, Sec. 26; All, Sec. 33; All, (all depths)	0
N-53955	USA	Production Company & Production Company	1/1/91	67/327	Lincoln	NV	T06N-R63E, Sec. 28; All, Sec. 33; All, (all depths)	0
N-53086	USA	Hixson Development Company	7/1/90	91/400	Lincoln	NV	T8N-R64E, Sec. 9; All, Sec. 10; All, Sec. 15; All, Sec. 16; All, (all depths)	0