

- RECEIVED
JUN 13 2005
KCC WICHITA

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
**REQUEST FOR CHANGE OF OPERATOR
TRANSFER OF INJECTION OR SURFACE PIT PERMIT**

Form T-1
April 2004
Form must be Typed
Form must be Signed
All blanks must be Filled

Check Applicable Boxes:

☐ Oil Lease: No. of Oil Wells _____ **
☒ Gas Lease: No. of Gas Wells 2 **
☐ Gas Gathering System: _____
☐ Saltwater Disposal Well - Permit No.: _____
Spot Location: _____ feet from ☐ N / ☐ S Line
_____ feet from ☐ E / ☐ W Line
☐ Enhanced Recovery Project Permit No.: _____
Entire Project: ☐ Yes ☐ No
Number of Injection Wells _____ **
Field Name: Elm Grove

**** Side Two Must Be Completed.**

Effective Date of Transfer: 04/01/05
KS Dept of Revenue Lease No.: 224988
Lease Name: E. Henry
_____ Sec. 5 Twp. 33S R. 21 ☒ E ☐ W
Legal Description of Lease: 33S-21E Sec. 5
33S-21E Sec. 8
County: Labette
Production Zone(s): Mississippian
Injection Zone(s): _____

Surface Pit Permit No.: _____
(API No. if Drill Pit, WO or Haul)

Type of Pit: ☐ Emergency ☐ Burn ☐ Settling

☐ Haul-Off ☐ Workover ☐ Drilling

Past Operator's License No. 32786
Past Operator's Name & Address: Guardian Energy Consultants, Inc.
403 S Cheyenne, Suite 403, Tulsa, OK 74103
Title: President

Contact Person: Dave Kvach
Phone: (918) 599-9327
Date: 3/29/05
Signature: [Signature]

* See attached
RECEIVED
KCC DISTRICT #3

New Operator's License No. 33515
New Operator's Name & Address: Double Eagle Resources, LLC
507 S 14th Street, Fort Smith, AR 72901
Title: President

Contact Person: Marty Goins
Phone: (479) 782-8597
Oil / Gas Purchaser: Atoms
Date: 3/15/05
Signature: [Signature]

MAY 10 2005
CHANUTE, KS

Acknowledgment of Transfer: The above request for transfer of injection authorization, surface pit permit # _____ has been noted, approved and duly recorded in the records of the Kansas Corporation Commission. This acknowledgment of transfer pertains to Kansas Corporation Commission records only and does not convey any ownership interest in the above injection well(s) or pit permit.

_____ is acknowledged as the
new operator and may continue to inject fluids as authorized by
Permit No.: _____ Recommended action: _____
Date: _____

_____ is acknowledged as the
new operator of the above named lease containing the surface pit
permitted by No.: _____
Date: _____

Authorized Signature

Authorized Signature

DISTRICT _____ EPR 8-23-05 PRODUCTION AUG 24 2005 UIC 8/24/05
Mail to: Past Operator _____ New Operator _____ District _____

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

040105 E Henry.pdf

Must Be Filed For All Wells

KDOR Lease No.: _____

* Lease Name: E. Henry

* Location: Section 21-T31S-R21E

[illegible]

A separate sheet may be attached if necessary

* When transferring a unit which consists of more than one lease please file a separate side two for each lease. If a lease covers more than one section please indicate which section each well is located.

RECEIVED
AUG 18 2005
KCC WICHITA

BILL OF SALE & ASSIGNMENT
(Labette County, Kansas)

FOR AND IN CONSIDERATION of the sum of one dollar and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, **LABETTE ENERGY, LLC**, a Kansas limited liability company, 8311 E. Val Da Ventura, #2038, Scottsdale, AZ 85258 and **AZ HYDROCARBON, LLC**, an Arizona limited liability company, 8311 E. Val Da Ventura, #2038, Scottsdale, AZ 85258 (collectively "Assignors"), hereby sell, transfer, convey, assign and deliver to **DOUBLE EAGLE RESOURCES, LLC**, an Arkansas limited liability company, 507 S. 14th, Fort Smith, AR ("Assignee"), all of Assignors' right, title and interest in and to those oil, gas, royalty, and mineral interests and leases described on Exhibit A, attached hereto and incorporated herein, and those rights-of-way, easements, County Road Agreements, Highway Permit Agreements, and other agreements concerning the pipeline located in Labette and Montgomery Counties, Kansas described on Exhibit A-1, attached hereto and incorporated herein.

This Assignment is and remains subject to that certain Asset Purchase Agreement between the Assignors and Assignee dated as of January 13, 2005, which Asset Purchase Agreement is incorporated herein by this reference. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Asset Purchase Agreement.

For the same consideration, Assignors assign and transfer to Assignee all of Assignors' right, title and interest in and to the Transferred Assets including the Leasehold Interests, the Pipeline Interests, the Equipment, the Contracts, the Books and Records, and other properties, contracts and interests described in Section 1.1(a) of the Asset Purchase Agreement.

Assignors warrant that they have good and marketable title to the Transferred Assets. Assignors further warrant that the personal property and tangible assets being conveyed hereby and are in good condition and working order, normal wear and tear excepted, and free, to the best knowledge of Assignors, from defects other than such minor defects that do not interfere with the continued use thereof in the conduct of normal business operations.

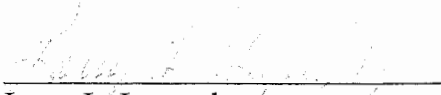
This Assignment shall not be deemed to supersede any of the terms of the Asset Purchase Agreement, and if there is any conflict between the terms of this Assignment and the terms of the Asset Purchase Agreement, the terms of the Asset Purchase Agreement shall prevail.

This Assignment shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. This Assignment shall be effective as of the Effective Time as defined in the Asset Purchase Agreement.

EXECUTED THIS 13th day of January, 2005.

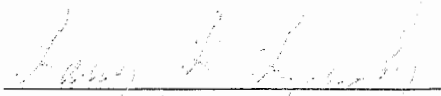
LABETTE ENERGY, LLC

By:


Larry L. Lozensky

AZ HYDROCARBON, LLC

By:


Larry L. Lozensky

DOUBLE EAGLE RESOURCES, LLC

By:


C. Marty Goins, President

[Acknowledgements to Follow.]

ACKNOWLEDGMENT

STATE OF Arkansas)
)SS:
COUNTY OF Sebastian)

The foregoing was acknowledged before me this 12 day of January, 2005, by Larry L. Lozensky, the Manager of Labette Energy, LLC on behalf of said company.

Witness my hand and official seal.

[Signature]
Notary Public

My Commission Expires:

8/18/06

ACKNOWLEDGMENT

STATE OF Arkansas)
)SS:
COUNTY OF Sebastian)

The foregoing was acknowledged before me this 12 day of January, 2005, by Larry L. Lozensky, the Manager of AZ Hydrocarbon, LLC on behalf of said company.

Witness my hand and official seal.

[Signature]
Notary Public

My Commission Expires:

8/18/06

ACKNOWLEDGMENT

STATE OF ARKANSAS)
)SS:
COUNTY OF Sevier

The foregoing was acknowledged before me this 13 day of January, 2005, by C. Marty Goins, President of Double Eagle Resources, LLC on behalf of said company.

Witness my hand and official seal.

William J. Goins
Notary Public

My Commission Expires:

8-18-09

Exhibit A

to that Assignment by Labette Energy, LLC and AZ Hydrocarbon, LLC, Seller, to Double Eagle Resources, LLC, Buyer

No.	Lessor	Lessee	Date	Bk	Pg	Description	Twn	Rng	Acres
1	Ernest W. Brothers and Arlene Brothers	James D. Lorenz & A.W. Brecheisen	2 3	1986	22	28 E/2 NE/4 Section 20	32S	18E	80.00
2	Elwyn D. Ellison and Bertha M. Ellison	Lester R. Myers	6 4	1984	20	280 NE/4 less railroad right of way, Section 29	32S	18E	150.00
3	James L. Getman, a single person	C.N.B. Enterprises	2 2	1994	25	128 NE/4 Section 3	32S	21E	160.00
4	Eldon Goedeke and Winona Goedeke	C.N.B. Enterprises	2 2	1994	26	75 E/2 SE/4 Section 3	32S	21E	80.00
5	Merle Hucke and Luvonne Hucke	James D. Lorenz	9 1	1986	22	150 E/2 Section 13	32S	18E	320.00
6	Alan A. Jones and Deanna Jones	Dever Exploration, Inc.	2 1	1983	19	36 S/2 SW/4 Section 11, NW/4 and the North 65 acres of the SW/4 Section 14 and the NE/4 Section 15	32S	18E	465.00
7	Byron David Jones and Ruth M. Jones	Dever Exploration, Inc.	2 1	1983	19	38 West 50 acres of the South 95 acres of the SW/4 Section 14 and the S/2 Section 15	32S	18E	370.00
8	George M. Kudrick and Virginia L. Kudrick	A.W. Brecheisen & James D. Lorenz	7 15	1985	21	221 SE/4 E of road, Section 22 and W/2 SW/4 Section 23	32S	18E	240.00
9	David Myers	Triple-T Pipeline, Inc.	6 19	1985	22	83 NE/4 in Section 22	32S	18E	160.00
10	David E. Myers and Janet Myers	A.W. Brecheisen & James D. Lorenz	6 13	1986	22	92 NE/4 less railroad r-o-w in Section 32 and NW/4 in Section 33	32S	18E	320.00
11	Lester R. Myers and/or Arlene Myers	James D. Lorenz and/or Helen L. Lorenz	8 28	1987	22	283 SE/4 Section 21, SW/4 Section 22, N/2 NE/4 and N/2 SE/4 Section 28	32S	19E	480.00
12	Lester R. Myers and Neva Arlene Myers	A.W. Brecheisen & James D. Lorenz	10 4	1984	21	31 NW/4, NE/4, SE/4 and the E/2 SW/4 of Section 27	32S	18E	120.00
13	Lester Myers and Arlene Myers	James D. Lorenz	9 1	1986	22	151 NE/4 Section 23, Township 32 South, Range 18 East, and SE/4 Section 17, Township 32 South, Range 19 East	32S		320.00

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No.	Lessor	Lessee	Date	Bk	Pg	Description	Twn	Rng	Acres
14	Mark Myers and Rita Myers	John B. Spooner	1 8 1989	23	123	Commencing at the Northeast corner of the Northwest Quarter (NW/4) of Section Thirty-three (33), Township Thirty-two (32) South of Range Eighteen (18) East of the 6th P.M., thence running South along the East line of said quarter section to the right-of-way of the St. Louis and San Francisco R.R.; thence in a Northwesterly direction along the said right-of-way to the North line of said quarter section; thence East along the North line of said Quarter section to the place of beginning. And, all that part of the Southwest Quarter (SW/4) of Section Twenty-eight (28), Township Thirty-two (32), Range Eighteen East (18E), which lies South of public road, commencing at a point 34 rods and 18 links South of center of Section Twenty-eight (28), thence South 84 deg. West, 69 rods and 5 links, thence North 55 deg. West, 19 rods and 12 links, thence in a Northwesterly direction to the Northwest corner of the Southwest Quarter (SW/4) of Section Twenty-eight (28), Township Thirty-two (32), Range Eighteen (18), containing 135 acres more or less, except right-of-way of St. Louis and San Francisco	32S	18E	135.00
15	Richard E. Parks and Margaret E. Parks	Triple T Pipeline, Inc.	4 15 1989	23	144	NW/4; all that part of the SW/4 which lies North and East of a road in the N/2 of said quarter section, all in Section 28	32S	18E	200.00

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No.	Lessor	Lessee	Date	Bk	Pg	Description	Twn	Rng	Acres
16	L.F. Peterson and Alice Peterson	A.W. Brecheisen & James D. Lorenz	8 5 1985	22	91	S/2 SE/4, minus 10 acres for house, Section 21	32S	18E	70.00
17	John B. Spooner and Susan M. Spooner	Jim Lorenz	4 6 1989	23	150	Beginning in the Northeast corner of the Southeast Quarter (SE/4), thence running South 660 feet, thence West 660 feet, thence North 660 feet, thence East 660 feet to place of beginning, Section 29	32S	18E	10.00
18	Marion Sue Weil and Corrin Weil	Bert C. Carlson	2 10 1998	26	27	SE/4 SE/4 Section 17	33S	19E	40.00
19	Michael J. Zwahlen and Tonya Zwahlen, husband and wife, and Dennis E. Zwahlen and Shirley Zwahlen, husband and wife	C.N.B. Enterprises	2 3 1994	25	129	S/2 NW/4, E/2 SW/4, W/2 SE/4 Except: Commencing at the SE/c W/2 SE/4, thence N 376.5 feet, thence W 987.8 feet, thence S 376.5 feet, thence E 988 feet to point of beginning, and except so much thereof as may be used for public highway or road, all in Section 3	32S	21E	204.50
20	Blanche A. Ellis, a single person, Gerald R. Ellis and Edith I. Ellis, his wife, and Lewis D. Ellis and Mabel I. Ellis, his wife	Dever Exploration, Inc.	9 12 1983	19	349	SW/4 of Section 22	32S	18E	160.00
21	Mike Fultz and Carol Fultz	Bob Turlip d/b/a Triple Tee	4 29 1989	26	82	S/2 SW/4 and SW/4 SE/4 of Section 35	31S	18E	120.00
22	Ruth E. Hiebert	UNI Exploration & Development, Inc.	12 10 1996	26	76	An undivided 1/2 interest in the NW/4 of Section 24	34S	19E	80.00
23	Daniel H. Hiebert Testamentary Trust	UNI Exploration & Development, Inc.	12 6 1996	26	77	An undivided 1/2 interest in the NW/4 of Section 24	34S	19E	80.00

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No.	Lessor	Lessee	Date	Bk	Pg	Description	Twn	Rng	Acres
24	James D. Lorenz	Robert Terlip, d/b/a Triple T. Pipeline	9 17 1992	25	46	All of the SE/4 of Section 29, Township 32, Range 18, EXCEPT the following tract: the West 745 feet of the N/2 of said SE/4 and beginning at the SW/c of the SE/4 of Section 29, Township 32 South, Range 18 East of the 6th P.M., in Labette County, Kansas; thence N 90 deg. 00' E along the S line of said Section 29, 1057.65 feet; thence N 0 deg. 22' 30" W, 594.25 feet along an existing fence line; thence S 89 deg. 43' 30" W, 1035.40 feet along an existing fence line to the N-S centerline of said Section 29, as fenced; thence S 1 deg. 47' 08" W, 589.56 feet along an existing fence line to the point of beginning, containing 14.22 acres, more or less; EXCEPTING: Starting in the NE/c SE/4, thence running S 660'; thence W 660'; thence N 660'; thence E 660' to the POB. (Said lease to be tied to existing lease dated April 6, 1989, recorded in the Register of Deeds, Labette County, Kansas, in Lease Book 23, at page 150 [Spooner]).	32S	18E	135.80

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No.	Lessor	Lessee	Date	Bk	Pg	Description	Twn	Rng	Acres
25	Barbara & Evertt Smith	Double 7 Oil & Gas	10 28	2002	32	176 SW 1/4 and the NW 1/4 and West 76' ft SE 1/4 and NW 1/4 NRR and SE 1/4 of the NW 1/4 south of Railroad Section 21, Township 31, and Range 21. The SE 1/4 of the NE 1/4 EXC. BEG. Of the South West Corner North 525 ft then East 180ft then South 525 ft then West to point of beginning. Section 20 Twn 31 Rng. 21	32S	21E	Expired
26	Larry W. & Vicky J. Cook	Double 7 Oil & Gas	10 28	2002	32	175 NW 1/4 North of railroad EXC. SW 1/4 & West 76' ft of SE 1/4 & row. Except point from the Northwest Corner East 557ft then South 1320 ft, then West 557ft, then North 1320 ft to point of beginning, Section 21	31S	21E	75.00
27	Raymond Cook	Double 7 Oil & Gas	10 25	2002	32	174 Northeast Quarter of Section 29, Range 31, and Township 21	31S	21E	160.00
28	Arnold Korinek	Double 7 Oil & Gas	2 15	2003	34	139 SE 1/4 Section 31	32S	21E	160.00
29	David Sykes & Ellen E. Henry	Double 7 Oil & Gas	2 15	2003	34	141 West 1/2 and the North 1/2 of the Southeast 1/4 of Section 5, Township 33, and Range 21. Then the east 1/2 of the Northwest 1/4 and the west 1/2 of the northeast 1/4 Section 8, Township 33 and Range 21.	33S	21E	500.00
30	Art & Nancy Korinek	Double 7 Oil & Gas	2 15	2003	34	140 West 1/2 of the Northeast 1/4 Section 5	33S	21E	80.00

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No.	Lessor	Lessee	Date	Bk	Pg	Description	Twn	Rng	Acres
31	Tom & Peggy Minor	Double 7 Oil & Gas	5	2003	34	142 Northeast 1/4 of the Northeast Quarter, Lot 1 and the Southeast Quarter of the Northeast Quarter (E1/2 NE1/4) of Section 5, Township 33, Range 21, EXCEPT Commencing at the Southeast corner of the Northeast Quarter of Section 5, Township 33 South, Range 21 East of the 6th P.M., thence North 1304 feet, thence West 1331.2 feet, thence South 1304 feet, thence East to point of beginning, ALSO EXCEPT so much thereof as is used for public highway or road, Labette County, Kansas	33S	21 E	40.00
32	Carrol Dale & Alma L. Jones Revocable Trust	Double 7 Oil & Gas	3	2003	34	148 NW 1/4 Section 29, Twn 31, and Rng 21.	31S	21E	161.00
33	Noble Green	Double 7 Oil & Gas	7	2003	34	146 S 1/2 of the SE 1/4 of Section 5	33S	21E	80.00
34	Hosea & Mildred Banzet	Double 7 Oil & Gas	7	2003	34	143 N1/2 of the NE1/4, Section 18, T33, R20E; S1/2 of the SW1/4 of Section 8, T33, R20E; and Part NE1/4 of Section 12, T33, R19E	33S	20E & 19E	281.00
35	Keith L. Shaffer Rev. Trust	Double 7 Oil & Gas	7	2003	34	147 S 1/2 of the NW 1/4 of Section 5, Twn 33, Rng 20 and the N 1/2 of the NE 1/4 and the N 1/2 of the S 1/2 of the NE 1/4 of Section 7, Twn 33, Rng 20.	33S	20E	200.00
36	John W. Fisher	Double 7 Oil & Gas	2	2003	34	144 SE Quarter Section 8	33S	21E	142.00
37	Leland O. Vanderford	Double 7 Oil & Gas	7	2003	34	150 N 1/2 of the NW 1/4 of Section 8	33S	20E	80.00
38	Raymond Cook	Double 7 Oil & Gas	10	2001	31	102 Lots 1 & 2, Section 22 Twn 31, Rng 21 and Lots 3 & 4, and the NE 1/4 of the SE 1/4 and the SW 1/4 of the NE 1/4 lying N of the Frisco Railroad right of way, all in Section 21, Twn 31, Rng 21, Labette County.	31S	21E	160.00

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No.	Lessor	Lessee	Date	Bk	Pg	Description	Twn	Rng	Acres
39	Carol L. & Margret Cook	Double 7 Oil & Gas	7	26	2003	34 144 NE 1/4 and the SE1/4 of the NW1/4 of Section 29, T32, R21E; S1/2 of the NW1/4 and the N1/2 of the SW1/4 of Section 20, T32, R21E; N1/2 of the SW1/4 of Section 17, R32, R21E; Lots 7 and 8 and the SW1/4 of the SW1/4 Incl. W 1/2 of the Neosho River in Section 16, T32, R21E	32S	21E	606.00
40	Raymond Cook	Double 7 Oil & Gas	10	8	2001	31 101 SE1/4 of the NW1/4 of Section 28, T31, R21 and the NE1/4 of the NW1/4 of Section 9, T32, R21, and the N1/2 of the NW1/4 of Section 28, T31, R21 except starting at 164.80 feet South of the NW/c; then 340 feet east; then 535 feet South, then 340 feet West, then 535 feet North to POB.	31S & 32S	21E	120.00
41	Stephen W. Davis and Deborah M. Davis	Double 7 Oil & Gas	10	14	2001	31 103 Pt of the SW1/4 NE1/4 Section 21, T31, R21; Lot 5 and the Pt of the W1/2 SE1/4 of Section 21, T31, R21	31S	21E	120.00
	TOTAL								7,465.30

RECEIVED

AUG 18 2005

ORIGINAL COMPARED WITH RECORD

KCC WICHITA

ASSIGNMENT AND BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS THAT:

STATE OF KANSAS 1-0013193
ASSIGNED TO
THE INSTRUMENT WAS FILED FOR
RECORD IN THE PUBLIC RECORDS
33 OF 04 AT PAGE 38
AUG 29 2003 11:00
Dana Stuckland
COUNTY CLERK

Eneric Oil Group, Inc. individually and as Substitute General Partner of NEI Kansas Gas Pipeline, L.P. with offices at 56 East Burlington, Fairfield, Iowa (hereinafter called Assignor), for and in consideration of One Hundred Dollars (\$100.00) and other good and valuable consideration, receipt of which is hereby acknowledged, does hereby assign, transfer, grant, quitclaim and convey unto AZ Hydrocarbon, LLC, with offices at 2323 N. Central Avenue, #1701, Phoenix, Arizona (hereinafter called Assignee), all of Assignor's right, title and interest in and to the following:

- (i) All of Assignor's right, title and interest in and to the leases (whether one or more), force pooled interests, interests acquired under permits, rights-of-way, easements, licenses, farmouts, farmins, options, orders, and other contracts or agreements, and the lands covered thereby (the Leases), more fully and completely described on Exhibit "A" attached hereto and made a part hereof, together with the rights incident thereto, the personal Interests thereon, appurtenant thereto, or used or obtained in connection with said Leases; AND for the same consideration stated hereinabove, Assignor does hereby grant, convey, sell, assign, and transfer unto Assignee all of Assignor's right, title and interest in and to the wells located upon the Leases, or on lands pooled or unitized with any portion thereof, together with all casing, leasehold equipment, and personal Interests in or on or used in connection with said well or wells;
- (ii) All of Assignor's interest in and to all of the wells, equipment, materials and other personal Interests, fixtures and improvements on the Leases, including but not limited to the Interests described on Exhibit "B" attached hereto and made a part hereof, as of the Effective Time (as hereinafter defined), appurtenant thereto or used or obtained in connection with the Leases or with the production, treatment, sale or disposal of hydrocarbons or waste produced therefrom or attributable thereto, and all other appurtenances thereunto belonging (the "Equipment");
- (iii) All other leasehold interests, royalty and overriding royalty interests owned by Assignor in, to and under the Leases or attributable to production therefrom;
- (iv) All unitization, communitization, pooling, and operating agreements, and the units created thereby which relate to the Leases or interests therein described in Exhibit "A" and or which related to any units or wells located on the Leases, including any and all units formed under orders, regulations, rules and other official acts of the governmental authority having jurisdiction, together with any right, title and interest created thereby in the Leases;

- (v) All of Assignor's rights to claim revenues or gas resulting from any underproduction attributable to Assignor's interest in the Leases; and all rights in, to and under all agreements, product purchase and sale contracts, including any and all past, present, and future take-or-pay claims.
- (vi) All lease files, land files, well files, oil and gas sales contracts files, gas processing files, division order files, abstracts, title opinions, and all other books, files, maps, logs and records and all rights thereto, in Assignor's possession related to and necessary to the realization of value by Assignee or any of the property purchased hereunder.

All of Assignor's interest in the above-mentioned assets is herein collectively referred to as the "Property."

TO HAVE AND TO HOLD the Property unto Assignee, its successors and assigns, forever, subject to the following terms and conditions:

1. All costs, expenses and obligations relating to the Property which were incurred or accrued prior to the Effective Time shall be paid and discharged by Assignor, and all costs, expenses and obligations relating to the Property which were incurred or accrued after the Effective Time shall be paid and discharged by Assignee.
2. Assignee shall assume, as of the Effective Time, all contractual obligations of Assignor related to the Property which are recorded; provided, however, Assignee shall not assume any claims arising out of the production or sale of hydrocarbons from the Property, or the proper accounting or payment to parties for their interests therein, prior to the Effective Time or any other claim or demand against, or liability or obligation of Assignor arising from any act or omission whatsoever of Assignor, prior to the Effective Time, whether such claim, demand, liability or obligation is fixed or contingent, and whether the same arises by contract, tort or otherwise. Assignee shall, to the fullest extent permitted by law, protect, defend, indemnify and hold Assignor and its directors, officers, employees, agents and representatives of each of them, harmless from and against any and all claims, losses, damages, costs, expenses, diminutions in value, suits, causes of action or judgments of any kind or character with respect to any and all liabilities and obligations or alleged or threatened liabilities and obligations, including, but not limited to, any interest, penalty and any attorneys' fees and other costs and expenses incurred in connection with investigating or defending any claims or actions, whether or not resulting in any liability, attributable to or arising out of Assignee's ownership or operation of the Property from and after the Effective Time.
3. This Agreement is executed without warranty of title, either express or implied, except by, through, or under Assignor, but not otherwise, and without any express or implied warranty or representation as to the merchantability of any of the equipment or personal property or its fitness for any purpose and without any other express or implied warranty or representation whatsoever.

4. All ad valorem taxes, real property taxes, and similar obligations with respect to the tax period in which the Effective Time occurs (the "current tax period") shall be apportioned between Assignor and Assignee as of the Effective Time based on an estimate of the immediately preceding tax period assessment, and an adjustment shall be made in the post-closing adjustment for the amount of such estimated taxes owed by Assignor for that portion of the current tax period prior to the Effective Time. Assignee will be solely responsible for any and all sales taxes due on property or assets transferred by this Assignment and Bill of Sale. Assignee will bear and will pay any real property transfer taxes and any recording fees associated with the transfer of the property or assets transferred by this Assignment and Bill of Sale.
5. This Assignment and Bill of Sale shall inure to the benefit of and be binding upon the parties hereto, their heirs, successors and assigns.
6. Incidental and subsequent to the date hereof, each of the parties shall execute, acknowledge, and deliver to the other such further instruments, and take such other actions as may be reasonably necessary to carry out the provisions of this Assignment and Bill of Sale.
7. This Assignment and Bill of Sale may be executed by Assignor and Assignee in 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.
8. It is the intent of the Assignor to convey and this Assignment hereby conveys to Assignee, subject to the reservations and conditions herein contained, all of Assignor's right, title and interest on the Effective Time hereof in and to the Property, regardless of the omission of any lease or leases, errors in description, any incorrect or misspelled names or any transcribed or incorrect recording references.
9. Assignee shall bear all costs and liabilities associated with the plugging and abandoning of any wells or wellbores located on the Property and shall hold Assignor harmless from and indemnify Assignor against any and all claims arising out of or in connection with the plugging or abandonment of such wells or wellbores, including the payment of Assignor's attorney's fees and costs. If Assignee plugs or abandons any well or wellbore located on the Property, such plugging or abandonment shall be completed in accordance with the rules and regulations of any governmental body asserting jurisdiction over the Property.
10. Assignee agrees to secure any bonds, permits and other documents required by the appropriate regulatory authorities that may be necessary for Assignee to effect the transfer of the Property hereby and/or to cause the release of Assignor's continued liability as lessee and/or operator.

IN WITNESS WHEREOF, this instrument is executed the 21st day of August, 2003, but shall be effective as of the 1st day of JUNE, 2003 (the "Effective Time").

WITNESSES

ASSIGNOR:

Eneric Oil Group, Inc. individually and as
Substitute General Partner of NEI Kansas
Gas Pipeline, Inc.

Eric Schwartz
Eric Schwartz, President, Eneric Oil Group, Inc.

ATTEST:

[Signature]
Secretary

WITNESSES

ASSIGNEE:

AZ Hydrocarbon, L.L.C.

[Signature]
Darren Sieben, Designated Representative

STATE OF Iowa)
)ss.
COUNTY OF Jefferson)

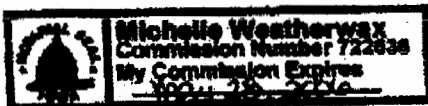
Before me, the undersigned, a Notary Public, in and for said County and State, on this 21st day of August, 2003, personally appeared Eric Schwartz, President of Eneric Oil Group, Inc. individually and as General Partner of NEI Kansas Gas Pipeline, Inc., to me known to be the identical person who executed the within and foregoing Assignment, and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I hereunto set my official signature and affixed my notarial seal the day and year last above written.

Michelle Weatherwax
Notary Public

My Commission Expires:

May 28, 2006
[SEAL]



STATE OF Oklahoma)
COUNTY OF Tulsa)ss.

Before me, the undersigned, a Notary Public, in and for said County and State, on this 22 day of August, 2003, personally appeared Darren Sieben, Designated Representative of AZ Hydrocarbon, LLC, to me known to be the identical person who executed the within and foregoing Assignment, and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I hereunto set my official signature and affixed my notarial seal the day and year last above written.

Margaret Blair
Notary Public

My Commission Expires:

7/30/07

[SEAL]



Exhibit A
to that Assignment to
AZ Hydrocarbons, LLC dated August 7, 2003

Lessor	Lessor	Date Bk Pg	Description	T	R	County
1 Mervin Brooks and Zella N. Johnson	C.N.B. Enterprises	1 10 1985 25	167 NE1/4 Section 23	34S	18E	Labette County, Kansas
2 Ernest W. Brothers and Arlene Brothers	James O. Lorenz & A.W. Brachelsen	2 3 1986 22	28 E/2 NE1/4 Section 28	32S	18E	Labette County, Kansas
3 Elmer D. Ellison and Bertha M. Ellison	Lester R. Myers	6 4 1984 20	280 NE1/4 less railroad right of way, Section 29	32S	18E	Labette County, Kansas
4 James L. Galtman, a single person	C.N.B. Enterprises	2 2 1984 25	128 NE1/4 Section 3	32S	21E	Labette County, Kansas
5 Elton Goedeke and Winona Goedeke	C.N.B. Enterprises	2 2 1984 26	75 E/2 SE1/4 Section 3	32S	21E	Labette County, Kansas
6 Marie Huckle and Luvonne Huckle	James O. Lorenz	9 1 1986 22	150 E/2 Section 13	32S	18E	Labette County, Kansas
7 Alan A. Jones and Deanna Jones	Devar Exploration, Inc.	2 1 1983 19	36 S/2 SW1/4 Section 11, NW1/4 and the North 85 acres of the SW1/4 Section 14 and the NE1/4 Section 15	32S	18E	Labette County, Kansas
8 Byron David Jones and Ruth M. Jones	Devar Exploration, Inc.	2 1 1983 19	38 West 50 acres of the South 85 acres of the SW1/4 Section 14 and the S/2 Section 15	32S	18E	Labette County, Kansas
9 George M. Kudrick and Virginia L. Kudrick	A.W. Brachelsen & James O. Lorenz	7 15 1985 21	22 SE1/4 Section 22 and W/2 SW1/4 Section 23	32S	18E	Labette County, Kansas
10 David Myers	Triple-T Pipeline, Inc.	6 19 1985 22	83 NE1/4 in Section 22	32S	18E	Labette County, Kansas
11 David E. Myers and Janet Myers	A.W. Brachelsen & James O. Lorenz	6 13 1988 22	92 NE1/4 in Section 32 and NW1/4 in Section 33	32S	18E	Labette County, Kansas
12 Lester R. Myers and/or Arlene Myers	James O. Lorenz and/or Helen L. Lorenz	8 28 1987 22	263 SE1/4 Section 21, SW1/4 Section 22, N/2 NE1/4 and N/2 SE1/4 Section 28	32S	19E	Labette County, Kansas
13 Lester R. Myers and Nava Arlene Myers	A.W. Brachelsen & James O. Lorenz	10 4 1984 21	31 NW1/4, NE1/4, SE1/4 and the E1/2 SW1/4 of Section 27	32S	18E	Labette County, Kansas
14 Lester Myers and Arlene Myers	James O. Lorenz	9 1 1986 22	151 NE1/4 Section 23, Township 32 South, Range 18 East, and SE1/4 Section 17, Township 32 South, Range 19 East	32S	18E	Labette County, Kansas

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to that Assignment to
AZ Hydrocarbons, LLC dated August 7, 2003

15	Mark Myers and Rita Myers	John B. Spooner	1	8	1989	23	123	Commencing at the Northeast corner of the Northwest Quarter (NW/4) of Section Thirty-three (33), Township Thirty-two (32) South of Range Eighteen (18) East of the 6th P.M., thence running South along the East line of said quarter section to the right-of-way of the St. Louis and San Francisco R.R.; thence in a Northwesterly direction along the said right-of-way to the North line of said quarter section; thence East along the North line of said Quarter section to the place of beginning. And, all that part of the Southwest Quarter (SW/4) of Section Twenty-eight (28), Township Thirty-two (32), Range Eighteen East (18E), which lies South of public road, commencing at a point 34 rods and 18 links South of center of Section Twenty-eight (28), thence South 84 deg. West, 69 rods and 5 links, thence North 55 deg. West, 19 rods and 12 links, thence in a Northwesterly direction to the Northwest corner of the Southwest Quarter (SW/4) of Section Twenty-eight (28), Township Thirty-two (32), Range Eighteen (18), containing 135 acres more or less, except right-of-way of St. Louis and San Francisco R.R.; all that part of the SW/4 which lies North and East of a road in the NW/4 of said quarter section, all in Section 28	32S 18E	Labette County, Kansas
16	Richard E. Parks and Margarett E. Parks	Triple T Pipeline, Inc.	4	15	1989	23	144	NW/4, all that part of the SW/4 which lies North and East of a road in the NW/4 of said quarter section, all in Section 28	32S 18E	Labette County, Kansas
17	L.F. Peterson and Alice Peterson	A.W. Brecheisen & James D. Lorenz	8	5	1989	22	91	8/2 SE/4, minus 10 acres for house, Section 21	32S 18E	Labette County, Kansas
18	John B. Spooner and Susan M. Spooner	John Lorenz	4	6	1989	23	150	Beginning in the Northeast corner of the Southeast Quarter (SE/4), thence running South 660 feet, thence West 660 feet, thence North 660 feet, thence East 660 feet to place of beginning, Section 29	32S 18E	Labette County, Kansas

Exhibit A
to that Assignment to
AZ Hydrocarbons, LLC dated August 11, 2003

19	Marion Sue Well and Corrie Well	Bert C. Carlson	2	10	1988	26	27 SE/4 SE/4 Section 17	33S	18E	Labette County, Kansas
20	Michael J. Zwaehlen and Tonya Zwaehlen, husband and wife, and Dennis E. Zwaehlen and Shirley Zwaehlen, husband and wife	C.N.B. Enterprises	2	3	1984	25	128 S/2 NW/4, E/2 SW/4, W/2 SE/4 Except: Commencing at the SE/4 W/2 SE/4, thence N 376.5 feet, thence W 987.8 feet, thence S 376.5 feet, thence E 988 feet to point of beginning, and except so much thereof as may be used for public highway or road, all of Section 3	32S	21E	Labette County, Kansas
21	Blanche A. Ellis, a single person, Gerald R. Ellis and Edith I. Ellis, his wife, and Lewis D. Ellis and Mabel I. Ellis, his wife	Dever Exploration, Inc.	9	12	1983	19	349 SW/4 of Section 22	32S	18E	Labette County, Kansas
22	Mike Fultz and Carol Fultz	Bob Turip d/b/a Triple Tee	4	28	1988	28	82 S/2 SW/4 and SW/4 SE/4 of Section 35	31S	18E	Labette County, Kansas
23	Ruth E. Hiebert	UNI Exploration & Development, Inc.	12	10	1996	28	76 An undivided 1/2 interest in the NW/4 of Section 24	34S	19E	Labette County, Kansas
24	Daniel H. Hiebert Testamentary Trust	UNI Exploration & Development, Inc.	12	8	1998	26	77 An undivided 1/2 interest in the NW/4 of Section 24	34S	19E	Labette County, Kansas

Exhibit A

To that Assignment to
 A2 Hydrocarbons, LLC dated August 7, 2003

25 James D. Lorenz	Robert Tarlip, d/b/a Triple T. Pipeline	9/17/1982	25	46 All of the SE1/4 of Section 29, Township 32, Range 18, EXCEPT the following tract: the West 745 feet of the NW1/4 of said SE1/4 and beginning at the SW1/4 of the SE1/4 of Section 29, Township 32 South, Range 18 East of the 6th P.M., in Labelle County, Kansas; thence N 90 deg. 00' E along the S line of said Section 29, 1057.85 feet; thence N 0 deg. 27' 30" W, 594.26 feet along an existing fence line; thence S 89 deg. 43' 30" W, 1035.40 feet along an existing fence line to the N-S centerline of said Section 29, as fenced; thence S 1 deg. 47' 05" W, 589.58 feet along an existing fence line to the point of beginning containing 14.22 acres, more or less; EXCEPTING: Starting in the NE1/4 SEC1/4, thence running S 650'; thence W 680'; thence N 680'; thence E 680' to the POB. (Said lease to be tied to existing lease dated April 6, 1989, recorded in the Register of Deeds, Labelle County, Kansas, in Lease Book 23, at page 150 [Sponsor])	32S 18E Labelle County, Kansas
26 Betty Houston	Enrico Oil Group, Inc.	11/2/2000	26	241 NW1/4 of Section 5	33S 18E Labelle County, Kansas
30 Jack M. Brothers and LaDonna Brothers	A.W. Brachstein & James D. Lorenz	2/20/86	22	32 E1/2 NW1/4 and SW1/4 Section 20	32S 18E Labelle County, Kansas

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AZ Hydrocarbons, LLC dated August 11, 2003

✓	32 Mike Zwanen and Tonya Zwanen	C.N.B. Enterprises	S 30	R4 26	81 Beginning at the SE1/4 of SW1/4 of Section 30, Township 32S, Range 21E, Labette County, Kansas, thence N 1339 feet along E line of said SW1/4 to N line of the S1/2 of said SW1/4, thence W 1797 feet along N line of the S1/2 of said SW1/4, thence S, 1337.79 feet to section line, thence E 1794 feet along section line to point of beginning, containing 55.0 acres, more or less	32S 21E	Labette County, Kansas
✓	33 Wilbur M. Hahn and Eloise Hahn	Levi Exploration & Development, Inc.		26 191 NW1/4 of Section 30		34S 20E	Labette County, Kansas

Exhibit B
to that Assignment to
AZ Hydrocarbons, LLC dated August, 2003**

LEASE EQUIPMENT

A JONES	METER / METER RUN
B JONES	METER / METER RUN PUMP JACK
CARNAHAN	NOTHING
D MYERS #1	METERS / METER RUN 1 PUMP JACK 1 WATER TANK
D MYERS #2	METERS / METER RUN 2 PUMP JACKS 1 OIL TANK 1 WATER TANK 1 GUN BARREL
L MYERS #1	METERS / METER RUN 2 PUMP JACKS 1 WATER TANK 2 OIL TANKS 1 GUN BARREL
L MYERS #2	METER / METER RUN 2 SEPARATORS
L MYERS #3 (DEXON- MYERS)	6 PUMP JACKS 1 WATER PUMP 1 OIL TANK 1 WATER TANK 1 GUN BARREL
L MYERS #4	METER / METER RUN 1 SEPARATOR
BELLAH	METER / METER RUN 2 PUMP JACKS

PG 1

LARRY MERRICK

METER/METER RUN

FULTZ

METER/METER RUN
SEPARATOR

SPOONER

METER/METER RUN
3 PUMP JACKS
1 GUN BARREL
1 OIL TANK

CLOSS

METER/METER RUN

J. GETMAN

METER/METER RUN
GAS SEPARATOR
OIL TANK
SALT WATER TANK
GUN BARREL
4 PUMP JACKS

ZWAHLEN

METER/METER RUN
1 OLD SEPARATOR

BROOKS

METER/METER RUN
2 PUMP JACKS
1 SEPARATOR

GODEKE

METER/METER RUN

RECEIVED
AUG 18 2005
KCC WICHITA

KLO
233 S Detroit, Suite #305
Tulsa, Oklahoma 74120

September 28, 2000

To Whom it May Concern:

Operations for KLO, 233 S Detroit #305, Tulsa, OK 74120, with regard to properties owned by Eneric Oil Group, L.L.C. in Labette Co., KS will be handled by their agent Guardian Energy Consultants, Inc, 233 S Detroit #305, Tulsa, OK 74120. All responsibilities normally handled by an operator of oil and gas properties and gas gathering systems will become the responsibility of Guardian Energy Consultants, Inc. as agent for KLO.

KLO

By: David W. Kvach

Name: DAVID W. KVACH

Title: PRESIDENT

Eneric Oil Group

RECEIVED

AUG 18 2005

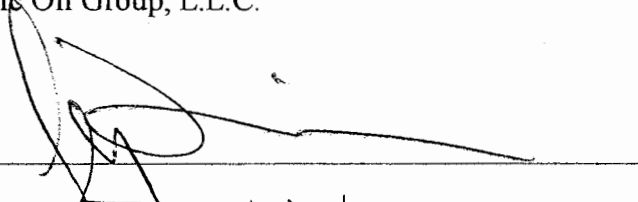
KCC WICHITA

September 27, 2000

To Whom It May Concern:

Operations for Eneric Oil Group, L.L.C., 56 East Burlington Avenue, Fairfield, IA 52556 will be handled by their agent KLO, 233 S Detroit #305, Tulsa, OK 74120, with regard to properties formerly operated by Robert McKee (and all his companies including but not limited to Osage Gas Company, Exoil Company, Inc., RM Oil and Gas Company, Cleat Energy and Native American Refining Company, Inc.). All responsibilities normally handled by an operator of oil and gas properties and gas gathering systems will become the responsibility of KLO as agent for Eneric Oil Group, L.L.C.

Eneric Oil Group, L.L.C.

By: 

Name: Terry Hister

Title: V.P., General Counsel