

1-257
ASSIGNMENT, BILL OF SALE AND CONVEYANCE

THE STATE OF NEBRASKA)
COUNTY OF LANCASTER)

This Assignment, Bill of Sale and Conveyance (the "Assignment") dated effective as of October 1, 1986, at 7:00 A.M. ("Effective Date") is from The Beard Company, formerly Beard Oil Company, a Delaware corporation ("Assignor") whose principal office is located at 2000 Classen Center, Suite 200 South, Oklahoma City, Oklahoma 73106, to Beard Oil Company, a Delaware corporation, whose principal office is located at 2000 Classen Bldg., Suite 200, 2000 Classen Blvd., Oklahoma City, Oklahoma 73106 ("Assignee").

For ONE HUNDRED AND NO/100 DOLLARS (\$100.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Assignor, Assignor hereby transfers, grants, conveys and assigns to Assignee the following (all of which are herein called the "Interests"):

1. All of Assignor's right, title and interest in and to the Oil, Gas and Mineral Leases described in Exhibit "A" attached hereto and made a part hereof and wells thereon or currently drilling thereon (herein called the "Leases").

2. All of Assignor's right, title and interest in, to and under, or derived from, all of the presently existing pooling and unitization agreements and the units created thereby which relate to the Leases described in Exhibit "A" or to the production of oil, gas and other hydrocarbons from or attributable to said properties and interests.

3. All of Assignor's right, title and interest in and to the property and rights incident to the Leases, including to the extent transferable, all agreements, product purchase and sale contracts, leases, permits, rights-of-way, easements, licenses, farmouts, options and orders in any way relating thereto.

4. All of Assignor's right, title and interest in and to any royalty, overriding royalty, or other payments out of production insofar as same relate to the Leases.

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5. All of Assignor's right, title and interest in and to all of the personal property, fixtures and improvements now or as of the Effective Date appurtenant to the Leases used, stored or obtained in connection with the operation of the Leases or with the production, treatment, transportation, sale or disposal of hydrocarbons or water produced therefrom or attributable thereto (hereinafter referred to as the "Properties").

TO HAVE AND TO HOLD the Interests unto Assignee and its successors and assigns forever.

Provided, however, that this Assignment (and the special warranty of title set forth below), is in all respects subject to the royalties provided in the Leases, the terms and provisions of the Leasees and the terms and provisions of the other contracts and agreements executed by Assignor prior to the Effective Date.

Assignor warrants and agrees to defend the title to the Interests against the claims and demands of all persons claiming the same or any part thereof by, through or under Assignor, but not otherwise.

In no event shall Assignor's liability under the limited special warranty set forth in the immediately preceding paragraph ever exceed, for each of the interests assigned and transferred hereby, an amount equal to the total value of the Interests plus the cost to Assignee of defending against such claim.

Assignor also hereby grants and transfers to Assignee, its successors and assigns, to the extent transferable, the benefit of and the right to enforce the covenants and warranties, if any, which Assignor is entitled to enforce with respect to the Interests against Assignor's predecessors in title to the Interests.

The parties agree that to the extent required to be operative, the disclaimers of certain warranties contained in this section are "conspicuous disclaimers" for the purposes of any applicable law, rule or order. Except as expressly set forth above, the Interests are assigned to Assignee without

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recourse, covenant or warranty of any kind, express, implied or statutory. WITHOUT LIMITATION OF THE GENERALITY OF THE IMMEDIATELY PRECEDING SENTENCE, ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AS TO PERSONAL PROPERTY AND FIXTURES (a) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (b) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND (c) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS.

Unless provided otherwise, all recording references in the Exhibits hereto are to the Official Real Property Records of the counties in which the Interests are located.

This Assignment shall bind and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

This Assignment is being executed in multiple originals, all of which are identical, except that, to facilitate recordation, in certain counterparts hereof only that portion of Exhibit "A" which contains specific descriptions of the Interests located in the recording jurisdiction where that counterpart is to be recorded are included. All of such counterparts together constitute but one and the same instrument. Complete copies of this Assignment containing the entire Exhibit "A" have been retained by Assignor and Assignee.

EXECUTED as of October 1, 1986, to be effective for all purposes as of the Effective Date.



Paul W. Stark
Secretary

ASSIGNOR:

THE BEARD COMPANY, formerly Beard Oil Company, a Delaware Corporation

BY John A. Mason
John A. Mason
Vice President



John R. Brown
Secretary

ASSIGNEE:

BEARD OIL COMPANY, a Delaware Corporation

BY John R. Brown
John R. Brown
Vice President

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ACKNOWLEDGEMENTS

STATE OF OKLAHOMA)
)
OKLAHOMA COUNTY)

Before me, a Notary Public in and for said State, on this 4th day of March, 1987, personally appeared John A. Mason, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as Vice President of The Beard Company and acknowledged to me that he executed the same as his free and voluntary act and deed, and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

Witness my hand and official seal the day and year last above written.



Donetta L. Nowlin
Notary Public

My Commission Expires:

3-16-, 1987.

STATE OF OKLAHOMA)
)
OKLAHOMA COUNTY)

Before me, a Notary Public in and for said State, on this 4th day of March, 1987, personally appeared John R. Brown, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as Vice President of Beard Oil Company and acknowledged to me that he executed the same as his free and voluntary act and deed, and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

Witness my hand and official seal the day and year last above written.



Donetta L. Nowlin
Notary Public

My Commission Expires:

3-16- 19 87.

PLSHAL/V40, DLMBOG, (10/23/86)

COMPANY NO. 090

BEARD OIL COMPANY

10/24/86

COMPANY ID. 80C

EXHIBIT 'A'

PAGE: 309

STATE: NEBRASKA

COUNTY: LANCASTER

15. LEASE: 009266-000
DATE: 10/07/85
LESSOR: MAHONEY, EDWARD M.
LESSEE: C. L. CARTER
RECORDED: VOLUME: 86, PAGE: 3690

LEGAL DESCRIPTION

T9N, R8E

- ✓ SEC. 26: LOT 2 SW/4
- ✓ SEC. 35: LOT 2 NW/4

16. LEASE: 009267-000
DATE: 09/23/85
LESSOR: WURIBALD, WELDER H., ET UX
LESSEE: C. L. CARTER
RECORDED: VOLUME: 86, PAGE: 1412

LEGAL DESCRIPTION

T8E, R7E

- ✓ SEC. 02: SW/4NE/4, LOT 4 OF NE/4, LOTS 5 & 6 OF SW/4, W/2SE/4

17. LEASE: 009268-000
DATE: 10/01/85
LESSOR: TICHSON, EDGER, ET UX
LESSEE: C. L. CARTER
RECORDED: VOLUME: 86, PAGE: 1411

LEGAL DESCRIPTION

T9N, R8E

- ✓ ASEC. 12: LOT 1 AND LOT 2 NE/4

18. LEASE: 009269-000
DATE: 09/24/85
LESSOR: WURIBALD, FERN, IND & AS REP.
LESSEE: C. L. CARTER
RECORDED: VOLUME: 86, PAGE: 1410

LEGAL DESCRIPTION

T8N, R7E

- ✓ SEC. 07: SE/4NE/4
- ✓ SEC. 15: NE/4NE/4 AND LOT 2 NE/4

19. LEASE: 009270-000
DATE: 09/23/85
LESSOR: DAY, GEORGE R., ET UX
LESSEE: C. L. CARTER
RECORDED: VOLUME: 86, PAGE: 1409

LEGAL DESCRIPTION

T11N, R8E

- ✓ SEC. 20: LOT 20 SW/4, LOT 30 SE/4, SW/4SE/4, LOT 22 SE/4, LOTS 19 AND 33 SW/4
- ✓ SEC. 29: LOT 2 NW/4
- ✓ SEC. 30: LOT 29 NE/4

20. LEASE: 009271-000
DATE: 09/23/85
LESSOR: HANSEN, FRED, ET UX
LESSEE: C. L. CARTER
RECORDED: VOLUME: 86, PAGE: 1417

LEGAL DESCRIPTION

T7N, R7E

- ✓ SEC. 29: E/2SW/4

21. LEASE: 009272-000
DATE: 10/01/85
LESSOR: VOKOUN, MILDRED
LESSEE: C. L. CARTER
RECORDED: VOLUME: 86, PAGE: 1416

LEGAL DESCRIPTION

T7N, R5E

- ✓ SEC. 22: NW/4SW/4 AND LOT 2 OF SW/4

10/23/86

COMPANY ID. NO.

EXHIBIT NO.

10/24/86

STATE RESPONSE

COMPLY: LANCASTER

LEGAL DESCRIPTION

T1N, R7E
SEC. 09: LOT 1, S/4SE/4, N/2E/4

30. LEASE: 009281-000
DATE: 09/23/85
LESSOR: THOMAS FIELD, SAUL D.
LESSEE: C. L. CARTER
RECORDED: VOLUME: 85, PAGE: 260

LEGAL DESCRIPTION

T6N, R7E
SEC. 10: S/2SE/4

31. LEASE: 009282-000
DATE: 09/23/85
LESSOR: OLDSHINE, DAVIDE, ET UX
LESSEE: C. L. CARTER
RECORDED: VOLUME: 85, PAGE: 261

LEGAL DESCRIPTION

T1N, R7E
SEC. 08: S/2E/4 EXCEPT S. 15 ACRES, LOT 2 NE/4 EXCEPT S. 15 ACRES AND LOT 3 SE/4
T1N, R7E
SEC. 07: LOTS 1 & 2 SE/4 & LOT 3 OF BK SE/4
SEC. 08: LOTS 3 & 4 SE/4

32. LEASE: 009283-000
DATE: 09/26/85
LESSOR: FIELD, ARLYN J., ET UX
LESSEE: C. L. CARTER
RECORDED: VOLUME: 86, PAGE: 268

LEGAL DESCRIPTION

T7N, R7E
SEC. 09: S/2SE/4
SEC. 10: S/2E/4
SEC. 10: N/2SE/4, S6/35E/4, S1/4SE/4

33. LEASE: 009284-000
DATE: 10/10/85
LESSOR: WISSEL, FLORENCE
LESSEE: C. L. CARTER
RECORDED: VOLUME: 86, PAGE: 7586

LEGAL DESCRIPTION

T7N, R7E
SEC. 24: LOT 7 SE/4

34. LEASE: 009285-000
DATE: 10/21/85
LESSOR: REISCHLEIN, ROBERT W., ET AL
LESSEE: C. L. CARTER
RECORDED: VOLUME: 86, PAGE: 7587

LEGAL DESCRIPTION

T7N, R7E
SEC. 09: S/2E/2SE/4 AND LOTS 8 AND 9 SW/4
SEC. 06: S/2NE/1 AND N/2SE/4

35. LEASE: 009286-000
DATE: 11/22/85
LESSOR: BACKSTOCK, BEN, ET UX
LESSEE: C. L. CARTER
RECORDED: VOLUME: 86, PAGE:

LEGAL DESCRIPTION

T7N, R5E
SEC. 06: N/2NW/4

8 1/2 - 83-78-142-122-164-78-32-166 INDEXED
8-624-592-677-517-521-485-423 MICRO-FILED
6-236 GENERAL
5-93-115-129-88-11-22-505-508-22
7-306-358-297-274-274-155-719-744-257-725-144
306-200-206-261-32-36-316

8-492-474
8 1/2-229-233

Blair Oil Company
Pm 200 - 200 & Larren Center South
OKlahoma City, OK 73106

LANCASTER COUNTY, NE BR.
Dan Falls #68
REGISTER OF DEEDS
1987 APR -1 AM 9:18
ENTERED IN NUMERICAL INDEX & FILED FOR RECORDING

INST. NO. 87 10254