

000942



60 2007 00002095

Warren County
Lori Bimber
Register and Recorder
Warren, PA 16365

Instrument Number: 2007-2095

Recorded On: April 26, 2007

As-Oil and Gas Leases

Parties: QUAIL ENERGY INC

To DUHRING RESOURCE COMPANY

of Pages: 5

Comment:

****DO NOT REMOVE-THIS PAGE IS PART OF THE RECORDED DOCUMENT****

Oil and Gas Leases	18.50
Pages > 4	0
Names > 4	0
Total:	18.50

I hereby certify that the within and foregoing was recorded in the Recorder's Office in Warren County, PA

****DO NOT REMOVE-THIS PAGE IS PART OF THE RECORDED DOCUMENT****

File Information:

Record and Return To:

Document Number: 2007-2095
Receipt Number: 18929
Recorded Date/Time: April 26, 2007 02:00:59P
Book-Vol/Pg: BK-RE VL-1693 PG-170
User / Station: D McCauley - Cash Station 1

DUHRING RESOURCE COMPANY
7 BRENCH STREET
WARREN PA 16365



Lori A. Bimber

Lori A. Bimber Recorder of Deeds

000943

QUAIL-DUHRING ASSIGNMENT / Duhring

ASSIGNMENT

THIS ASSIGNMENT, is made this 1st day of March, 2007, by and between **QUAIL ENERGY, INC.**, sometimes hereinafter referred to as ----- **"ASSIGNOR,"**

AND

DUHRING RESOURCE COMPANY, sometimes hereinafter referred to as -----
----- **"ASSIGNEE."**

WHEREAS, the Assignor and Assignee became the owners of a certain Oil and Gas Lease situate in Sheffield Township, Warren County, Pennsylvania, sometimes known as the Lot 7 East Half Project by virtue of that certain document entitled Modification of Assignment of Oil and Gas Leases dated March 31, 2006, and recorded at Warren County Record Book 1581, Page 24; and

WHEREAS, the Assignor wishes to assign all its interest in the aforesaid property except as set forth herein.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that in consideration of the sum of One Dollar (\$1.00), in hand paid, the receipt and sufficiency of which is hereby acknowledged by the Assignor, the parties do agree as follows:

1. The Assignor does hereby give, grant, assign, transfer, sell, and convey unto the Assignee all of the Assignor's interest in and to the oil and gas and the right to produce the same in accordance with the aforesaid Modification of Assignment of Oil and Gas Leases, with respect to the aforesaid Lot 7 East Half Project situate in Sheffield Township, Warren County, Pennsylvania.

00094

2. The provisions of the preceding Paragraph 1 notwithstanding, the parties acknowledge that as to said property, the Assignor held an undivided 50% interest therein. Concerning Wells No. 171, 172, 173, 175, 7-1, 7-2, 7-3, 7-4, 7-5, and 7-6 (hereinafter sometimes referred to as "THE TEN WELLS"), the Assignor does except and reserve an interest therein sufficient to maintain a 30% undivided interest in said Ten Wells. For the purpose of clarification, the parties acknowledge and agree that said 30% interest in the oil and gas proceeds from the Ten Wells is equivalent to a net interest of 30% of the working interest, which working interest is 84.5% of the whole, said net revenue interest therefore being 25.35%.

3. The aforesaid Ten Wells described in the preceding paragraph are depicted upon the map attached hereto as Exhibit A. The term well as it is utilized in the preceding paragraph is intended to mean the well, the associated equipment, and the area of three (3) acres around each well which three (3) acres shall be in the form of a circle with the well located at the center thereof.

4. The parties acknowledge and agree that the Assignor, as a consequence of this Assignment, shall have no interest in the balance of the property including the remaining 16 wells or well sites depicted upon the map attached hereto as Exhibit A.

IN WITNESS WHEREOF, the parties hereto have entered into this Assignment the day and year first above written.

WITNESS:

QUAIL ENERGY, INC.

A. Edward Hine

By *F. David Dawson*

ABZ

DUHRING RESOURCE COMPANY

By *John E. Clark*

STATE OF OHIO

ss.

COUNTY OF MORROW

ON THIS, the 17th day of April, 2007, before me, a Notary Public, the undersigned officer, personally appeared F. DAVID DUNCAN, who acknowledged himself to be the PRESIDENT of QUAIL ENERGY, INC., and being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said corporation as such officer.

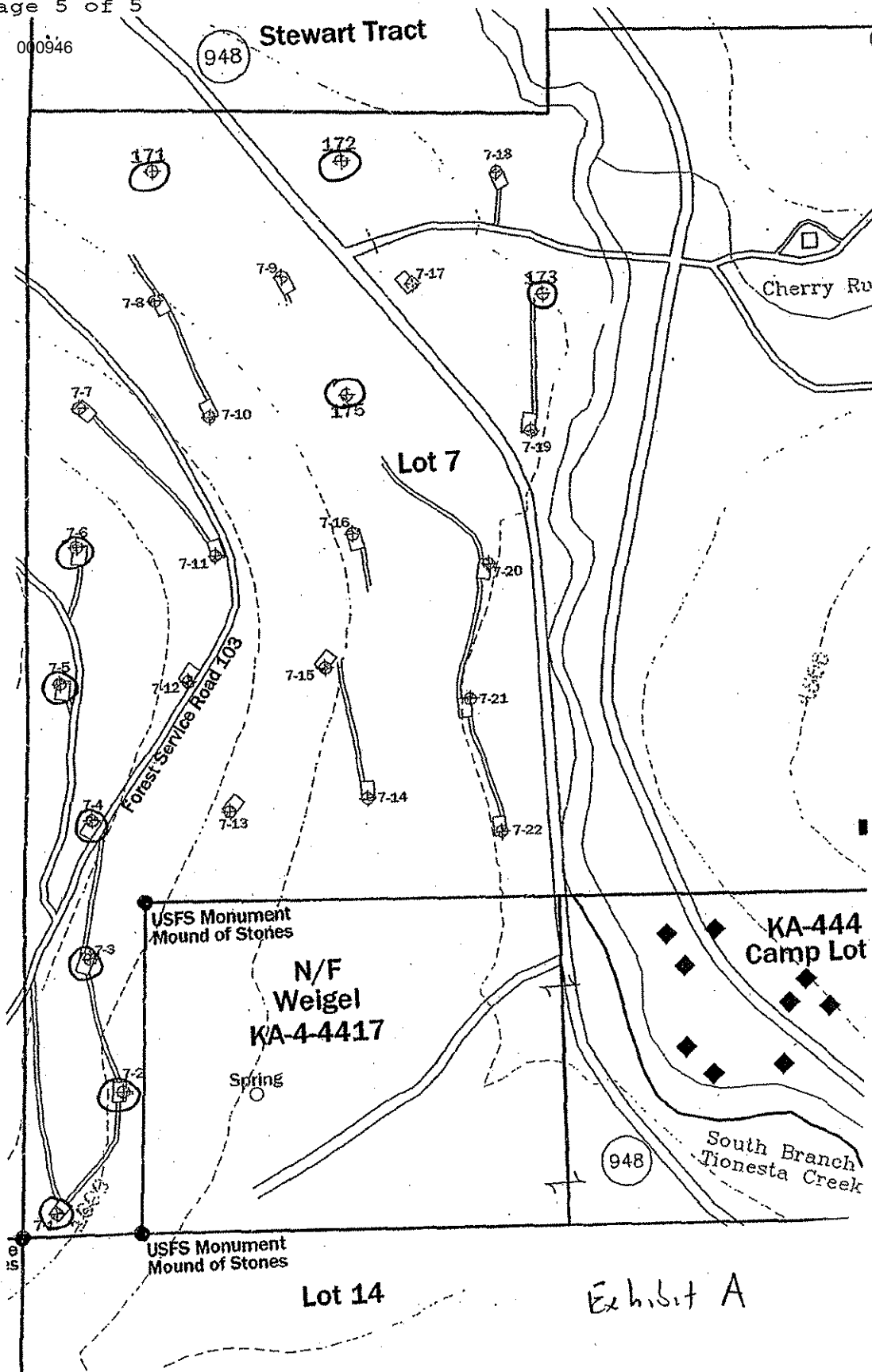
IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Ralph E. Kline
NOTARY PUBLIC

RALPH E. KLINE
Notary Public, State of Ohio
My Commission Expires 05/01/07

000946

Stewart Tract



USFS Monument
Mound of Stones

N/F
Weigel
KA-4-4417

Spring

KA-444
Camp Lot

South Branch
Tionesta Creek

Lot 14

Exhibit A

