Allegeny County
Valerie McDonald Roberts
Recorder of Deeds
Pittsburgh, PA 15219

Instrument Number: 2007-2001

Recorded On: January 22, 2007     As-Deed

Parties: PATRIOT EXPLORATION
To STILLEY I L P

# of Pages: 7

Comment:

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

Deed 49.00

Pages > 4  2
Names > 4  0

Total: 49.00

Realty Transfer Stamp

Affidavit Attached-Yes
JEFFERSON HILLS
Ward-99-NO WARD
Blk/Lot-1137S110 Value 0.00

Commonwealth of Pennsylvania 0.00
Munic-Jefferson Hills 0.00
School District-West Jefferson Hills 0.00

Deed Registry Stamp

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

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

File Information:

Receipt Number: 840088
Recorded Date/Time: January 22, 2007 09:39:32A
Book-Vol/Pg: BK-DE VL-13123 PG-419
User / Station: B Plake - Cash Station 25

Record and Return To:

STILLEY I L P
202 SUNSET DR
BUTLER PA 16001

Valerie McDonald Roberts Recorder of Deeds
ASSIGNMENT AGREEMENT (ALLEGHENY)

This ASSIGNMENT AGREEMENT (ALLEGHENY) ("Assignment") is made as of and to be effective on the 1st day of January, 2007, by and between JOHN M. STILLEY D/B/A PATRIOT EXPLORATION, with an address of 131 Black Thorn Drive, Butler, PA 16001 (hereinafter referred to as "Assignor"), and STILLEY I LIMITED PARTNERSHIP, a Pennsylvania limited partnership, with offices at 202 Sunset Drive, Butler, PA 16001 (hereinafter referred to as "Aisgnpee").

WHEREAS, Assignor is the owner of certain oil and gas leasehold estates as more fully set forth and described in the Oil and Gas Agreements described on Exhibit A to this Assignment and recorded in the County and Deed Book set forth on Exhibit A to this Agreement;

WHEREAS, Assignor is the owner of all the equipment, parts and items of hardware used in drilling and completing the Well(s), as defined below, and related items necessary to deliver acceptable oil and gas production to purchasers of such oil and gas (the "Equipment"); and

WHEREAS, Assignor has agreed to assign and Assignee has agreed to accept the portion of the Lease(s) as hereinafter described, the Well(s) as hereinafter defined and the Equipment as part of Assignor’s capital contribution for its limited partner interest in Assignee.

NOW, THEREFORE, in partial consideration for Assignor’s limited partner interest in Assignee, and other good and valuable consideration, with the intent to be legally bound, the parties hereto agree as follows:

1. Assignment. Assignor does hereby transfer, assign, and set over unto Assignee all of its rights, title and interest in and to (a) the Equipment, (b) that portion of the Lease(s) upon which has been drilled the oil and gas well(s) described on Exhibit A to this Assignment (the “Well(s)”) and (c) the Well(s), together with an area of the said Lease(s) included in a circle with a radius of 500 feet, with the Well(s) at the center of the circle(s), together with all necessary and convenient rights for the construction of roads and pipelines leading from adjoining lands on and across the leased premises and other lands which rights shall continue at Assignee’s option after the termination of this Assignment and which option shall be exercised through the continued use of the then existing roads and pipelines which may be repaired, replaced or relocated. To the extent necessary to provide ingress, egress, and regress to the Well(s), Assignee is granted the right of way to enter upon, cross, and recross the leased premises to the Well(s) by the most expeditious path or roadway for and during the continuance of this Assignment.

2. Term. The term of this Assignment with respect to each Well and the Equipment used with respect to such Well shall be the same as the term of the Lease to which such Well and this Assignment relate.

3. Incorporation of Covenants of Lease. All of the rights, terms and privileges of the Lease with respect to each Well are hereby incorporated herein by this reference thereto with the same force and effect as if they were set forth herein in their entirety, except that for the purposes of this Assignment all duties and obligations of the lessee (or Gas Co.) under the Lease with
respect to such Well shall be timely performed by Assignee, and Assignee shall be entitled to all rights and interest of Assignor with respect to the lessor (or Landowner) under the Lease with respect to such Well. Without limitation of the foregoing, Assignee shall pay to the lessor (or Landowner) under the Lease all royalties and other payments owed to the lessor (or Landowner) by the lessee (or Gas Co.) under the Lease. Assignee hereby indemnifies Assignor and shall hold Assignor harmless from all future duties, obligations and liabilities under the Lease with respect to each such Well. The rights, terms and privileges incorporated herein include, but are not limited to, the right to construct roads and pipelines leading from adjacent lands on and across the leased premises and other lands for the purpose of operating the leased premises conjointly with other lands.

4. **Supremacy of Lease.** Each party agrees, notwithstanding that the terms of this Assignment may not expressly prohibit or compel such action, to do nothing that would result in a default of the terms of the Lease(s).

5. **Modification; Entire Agreement.** This Assignment contains the entire agreement of the parties hereto, and may be amended only by a written instrument executed and delivered by the parties. There are no representations, promises, warranties, covenants, understandings or agreements between the parties with respect to the subject matter hereof, expressed or otherwise, except as expressly set forth herein.

6. **Binding.** It is hereby agreed by the parties hereto that all of the covenants, conditions and agreements herein contained shall extend to and be binding upon the parties hereto, and their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals to be effective as of the day and year first above written.

ASSIGNOR:

[Signature]

John M. Stilley

ASSIGNEE:

STILLEY I LIMITED PARTNERSHIP

By: Stilley Energy, Inc.,
its General Partner

[Signature]

By: John M. Stilley, President
COMMONWEALTH OF PENNSYLVANIA  :  
COUNTY OF Westmoreland  :  

On this the 28th day of December, 2006, before me, a Notary Public, personally appeared John M. Stilley, known to me or satisfactorily proven to be John M. Stilley, whose name is subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained.

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

(SEAL)

NOTARY PUBLIC

COMMONWEALTH OF PENNSYLVANIA  :  
COUNTY OF Westmoreland  :  

On this 28th day of December, 2006, before me, a Notary Public, John M. Stilley personally appeared, who acknowledged himself to be the President of Stilley Energy, Inc., which is the General Partner of Stilley I Limited Partnership, and that he as such President, being authorized to do so, executed the foregoing instrument for the purposes therein contained.

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

(SEAL)

NOTARY PUBLIC
Exhibit A to
Assignment Agreement (Allegheny) between
John M. Stilley and Stilley I Limited Partnership

**Land Located in Allegheny County, Pennsylvania**

<table>
<thead>
<tr>
<th>Well</th>
<th>API #</th>
<th>Oil &amp; Gas Agreement Date</th>
<th>Tract Code</th>
<th>Township</th>
<th>Recording Date</th>
<th>Deed Book/Page or Instrument #</th>
<th>Acres in Tract</th>
</tr>
</thead>
<tbody>
<tr>
<td>Matthews #2</td>
<td>37-003-21673-00</td>
<td>7/20/2004</td>
<td>1137-S-00110;</td>
<td>Jefferson Hills</td>
<td>9/28/2004</td>
<td>12158/26-33</td>
<td>93</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1137-M-00048;</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>1137-M-00025;</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1137-M-00060; and</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1137-M-00085.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
CERTIFICATE OF RESIDENCE

I hereby certify that the precise residence of the Grantee (Assignee) herein is:

Stilley I Limited Partnership
202 Sunset Drive
Butler, PA 16001

[Signature]

Counsel for Grantee
**REALTY TRANSFER TAX**
**STATEMENT OF VALUE**

See Reverse for Instructions

Complete each section and file in duplicate with Recorder of Deeds when (1) the full value/consideration is not set forth in the deed, (2) when the deed is without consideration, or by gift, or (3) a tax exemption is claimed. A Statement of Value is not required if the transfer is wholly exempt from tax based on: (1) family relationship or (2) public utility easement. If more space is needed, attach additional sheet(s).

### A. CORRESPONDENT
- **Name:** Stilley Energy, Inc., Attention: John M. Stilley
- **Telephone Number:** 724-282-3339

#### B. TRANSFER DATA
- **Grantor(s) Name(s):** John M. Stilley, d/b/a Patriot Exploration
- **Grantee(s) Name(s):** Stilley I Limited Partnership

#### C. PROPERTY LOCATION
- **City:** Butler
- **State:** PA
- **Zip Code:** 16001

#### D. VALUATION DATA
<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Actual Cash Consideration</td>
<td>N/A</td>
</tr>
<tr>
<td>2. Other Consideration</td>
<td>N/A</td>
</tr>
<tr>
<td>3. Total Consideration</td>
<td>N/A</td>
</tr>
<tr>
<td>4. County Assessed Value</td>
<td>N/A</td>
</tr>
<tr>
<td>5. Common Level Ratio Factor</td>
<td>N/A</td>
</tr>
<tr>
<td>6. Fair Market Value</td>
<td>N/A</td>
</tr>
</tbody>
</table>

#### E. EXEMPTION DATA
<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1a. Amount of Exemption Claimed</td>
<td>N/A</td>
</tr>
<tr>
<td>1b. Percentage of Interest Conveyed</td>
<td>N/A</td>
</tr>
</tbody>
</table>

2. Check Appropriate Box Below for Exemption Claimed
- [ ] Will or intestate succession
- [x] Transfer to Industrial Development Agency.
- [ ] Transfer to a trust. (Attach complete copy of trust agreement identifying all beneficiaries.)
- [ ] Transfer between principal and agent. (Attach complete copy of agency/straw party agreement.)
- [ ] Transfers to the Commonwealth, the United States and Instrumentalities by gift, dedication, condemnation or in lieu of condemnation. (If condemnation or in lieu of condemnation, attach copy of resolution.)
- [ ] Transfer from mortgagee to a holder of a mortgage in default. Mortgage Book Number ______, Page Number ______.
- [ ] Corrective or confirmatory deed. (Attach complete copy of the prior deed being corrected or confirmed.)
- [ ] Statutory corporate consolidation, merger or division. (Attach copy of articles.)
- [x] Other (Please explain exemption claimed, if other than listed above.) This is an exempt transaction not subject to the Realty Transfer Tax pursuant to Section 1102-C.3(22) of Act #77 of 1986, as amended.

Under penalties of law, I declare that I have examined this Statement, including accompanying information, and to the best of my knowledge and belief, it is true, correct and complete.

**Signature of Correspondent or Responsible Party**

[Signature]

**Date:** 12/29/66

FAILURE TO COMPLETE THIS FORM PROPERLY OR ATTACH APPLICABLE DOCUMENTATION MAY RESULT IN THE RECORDER'S REFUSAL TO RECORD THE DEED.