



United States Department of the Interior

MINERALS MANAGEMENT SERVICE
Gulf of Mexico OCS Region
1201 Elmwood Park Boulevard
New Orleans, Louisiana 70123-2394

In Reply Refer To: OCS-G 2300
SM 234/235 (Portions)

Instrument:

Filed : February 19, 1998
Executed : December 31, 1997
Approved : May 11, 1998
Effective : January 1, 1997

Energy Development Corporation
Assignor

Entech Enterprises, Inc.
Assignee

ACTION: ASSIGNMENT APPROVED

Oil and Gas

The approval of this assignment is restricted to record title interest only, and by virtue of this approval, the Assignee is subject to, and shall fully comply with, all applicable regulations now or to be issued under the Outer Continental Shelf Lands Act, as amended. Notwithstanding any agreement between the Assignor and Assignee, the parties remain subject to the liability provisions of the Minerals Management Service regulations codified at 30 CFR 256.62 (d) and (e).

Assignor assigned unto Assignee an undivided 0.32812% interest.

Record title interest is now held as follows:

OCS-G 2300 Portions of Blocks 234 and 235, South Marsh Island Area, North Addition

Phillips Petroleum Company	11.15625%
Hunt Oil Company	3.28125%
Samedan Oil Corporation	24.54262%
Energy Development Corporation	6.23438%
Whiting-Park Production Partnership, Ltd.	9.83238%
Burlington Resources Offshore Inc.	7.21875%
Ocean Energy, Inc.	37.40625%
Entech Enterprises, Inc.	.32812%

Chris C. Oynes
Regional Director

cc: Assignor
Assignee
Case File

ENERGY DEVELOPMENT CORPORATION

350 Glenborough, Suite 240
Houston, Texas 77067
281-876-6250

February 18, 1998

United States Department of the Interior
Minerals Management Service
1201 Elmwood Park Boulevard
New Orleans, LA. 70123-2394

Attention: Jane Johnson

RE: Assignment of Record Title Interest

OCS-G 2300
South Marsh Island Blks 234/235
Offshore Louisiana

Gentlemen:

Enclosed are two (2) fully executed original copies of the above referenced assignment from Energy Development Corporation (GOM #415) as Assignor, to Entech Enterprises, Inc. (GOM #2177), as Assignee, whereby Energy Development transfers, assigns and conveys unto Assignee 0.32812% record title interest in and to the captioned block.

Also enclosed are two (2) executed Designation of Operator forms on the above referenced block for your approval.

A check for the filing fee of this assignment is herein provided.

We hereby request the enclosed Assignment be approved effective as of January 1, 1997 and that an approved copy of the assignment and Designation of Operator form be returned to the letterhead address, attention Lelah Downing.

Very truly yours,

ENERGY DEVELOPMENT CORPORATION


J. M. Ables *JS*
Division Landman

ASSIGNMENT OF RECORD TITLE

UNITED STATES OF AMERICA δ
OUTER CONTINENTAL SHELF δ
OFFSHORE LOUISIANA δ

ENERGY DEVELOPMENT CORPORATION, a New Jersey corporation (hereinafter called "Assignor"), 350 Glenborough, Suite 240, Houston, Texas 77067, owns a record title interest in certain oil and gas leases described in Exhibit "A" attached hereto (the "Leases").

NOW, THEREFORE, subject to the terms and conditions hereinafter set forth, Assignor does hereby transfer, assign, convey and deliver to ENTECH ENTERPRISES, INC., a Texas corporation (hereinafter called "Assignee"), effective as of January 1, 1997 (the "Effective Date"), 0.32812% interest in and to the Leases.

Assignor also assigns 0.32812% interest in and to the following:

- (i) The wells, equipment and facilities located on the Leases and used directly and exclusively in the operation of the Leases (collectively called the "Equipment"), including, but not limited to pumps, platforms, well equipment (surface and subsurface), saltwater disposal wells, water wells, lines and facilities, sulfur recovery facilities, compressors, compressor stations, dehydration facilities, treating facilities, pipeline gathering lines, flow lines, and transportation lines, valves, meters, separators, tanks, tank batteries and other fixtures;
- (ii) Oil, condensate, natural gas, and natural gas liquids produced after the Effective Date and "line fill" and inventory below the pipeline connection in the tanks at the Effective Date, attributable to the Leases;
- (iii) To the extent transferable, the contracts and agreements identified on Exhibit "B" hereto and made a part hereof (the "Agreements"), and Assignee, effective as of the Effective Date, assumes and agrees to perform any and all obligations of the Assignor under said Agreements relating to the interests herein assigned.

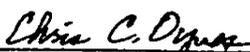
The Leases, together with the properties set forth in (i), (ii), and (iii) above, shall hereinafter be referred to collectively as the "Interests."

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

THIS ASSIGNMENT OF RECORD TITLE IS MADE, EXECUTED AND DELIVERED WITHOUT WARRANTY OR REPRESENTATION OF TITLE, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE WITHOUT ANY EXPRESS, IMPLIED, STATUTORY OR OTHER WARRANTY OR REPRESENTATION AS TO THE CONDITION, QUANTITY, QUALITY, FITNESS FOR A PARTICULAR PURPOSE, FREEDOM FROM REDHIBITORY VICES OR DEFECTS, CONFORMITY TO MODELS OR SAMPLES OF MATERIALS OR MERCHANTABILITY OF ANY OF THE EQUIPMENT OR ITS FITNESS FOR ANY PURPOSE AND WITHOUT ANY OTHER EXPRESS, IMPLIED, STATUTORY OR OTHER WARRANTY OR REPRESENTATION WHATSOEVER.

- A. There is hereby excepted from this Assignment of Record Title and reserved to Assignor the following:
 - 1. Any office equipment, computer equipment and software, communication equipment, vehicles, boats, tools and leased equipment.
- B. This Assignment of Record Title is made expressly subject to the following:
 - 1. That certain Amended and Restated Participation Agreement dated December 27, 1993, by and between Assignor and Assignee (the "Participation Agreement");
 - 2. Employment Agreement dated as of September 5, 1989, by and between Assignor and Assignee, as amended by Letter Agreement dated December 27, 1993 (the "Employment Agreement");

APPROVED


BY CHRIS C. OWENS
REGIONAL DIRECTOR

3. Approval by any governmental department or agency having jurisdiction, which approval(s) Assignor shall seek to secure by filing this Assignment of Record Title with the appropriate offices of same;
4. Mortgage, Collateral Assignment, Security Agreement and Financing Statement by Entech Enterprises, Inc., dated January 1, 1997;
5. The agreements, contracts and other items set forth and listed on Exhibit "B", as well as any and all other agreements, whether recorded or unrecorded, affecting the Interests;
6. Any and all other valid and existing contracts, easements and other instruments affecting the Leases, or any part thereof, together with any and all existing royalties, overriding royalties and other interests payable out of production from the Leases, or any part thereof;
7. All reservations, exceptions, limitations, contracts and other burdens or instruments which are of record of which Assignee has actual or constructive notice, including any matter included by reference in any of the instruments referenced above, or any matter included or referenced in any of the materials made available by Assignor to Assignee.

The delivery by Assignor and the acceptance by Assignee of this Assignment of Record Title does not limit any of the rights or obligations of Assignor and Assignee under the Participation Agreement or the Employment Agreement.

In the event that Assignee obtains an offer from a thirty party to purchase all or a portion of the interest of Assignee in the Interests, Assignee shall provide written notice thereof to Assignor. Notice shall include the name and address of the offeror, the proposed price and all the pertinent terms and conditions of the proposed sale. For a period of 10 calendar days following the receipt of such notice, Assignor shall have the prior and preferred right and option to purchase all of the interest of Assignee in the Interests described in the notice at the price and according to the terms and conditions specified in the notice. If Assignor elects to exercise such right, it shall provide a written notice of its exercise to Assignee within such 10-day period.

Any assignment or other encumbrance of Assignee's interest hereunder shall be made expressly subject to the Participation Agreement, including Assignor's right to collect on behalf of Assignee all proceeds attributable to the Assignee's interest directly from all parties purchasing, taking, possessing, or receiving any of the Interests or hydrocarbons produced therefrom, and to apply ninety-seven (97%) percent of the Net Cash Flow as defined in the Participation Agreement to the repayment of advances made by Assignor pursuant to the Participation Agreement and interest thereon.

In the event Assignor's title fails as to any lands covered by the Lease(s) affected hereby, or should the Lease(s) cover less than full mineral interest in the lands covered thereby, then, and in that event, the Assignee's interest shall be reduced proportionately.

EXECUTED this 31 day of December, 1997, but effective as of the above-stated Effective date.

WITNESSES:

Linda M. Gouen
Betty Hedley

Assignor:

ENERGY DEVELOPMENT CORPORATION

BY: James C. Woodson
 James C. Woodson
 Vice President

ATTEST:

Orville Walraven
 Orville Walraven, Secretary

WITNESSES:

Linda M. Gouen
Betty Hedley

Assignee:

ENTECH ENTERPRISES, INC.

BY: John F. Schwarz
 John F. Schwarz, President

STATE OF TEXAS §

COUNTY OF HARRIS §

On this 31 day of December, 1997, before me appeared James C. Woodson, to me personally known, who, being by me duly sworn, did say that he is Vice President of ENERGY DEVELOPMENT CORPORATION and that the said instrument was signed on behalf of said corporation and said James C. Woodson acknowledged said instrument to be the free act and deed of said corporation.

GIVEN under my hand and seal of office the day and year last above written.

Karen A. Kennedy
Notary Public, State of Texas

My Commission Expires: 5-04-98



STATE OF TEXAS §

COUNTY OF HARRIS §

On this 31 day of December, 1997, before me appeared John F. Schwarz, to me personally known, who, being by me duly sworn, did say that he is President of ENTECH ENTERPRISES, INC. and that the said instrument was signed on behalf of said corporation and said John F. Schwarz acknowledged said instrument to be the free act and deed of said corporation.

GIVEN under my hand and seal of office the day and year last above written.

Karen A. Kennedy
Notary Public, State of Texas

My Commission Expires: 5-04-98



Exhibit "A"

PROSPECT: 00277 MARSH ISLAND BLOCK 235 FLD, S.
STATE : OFFSHORE LOUISIANA
COUNTY : OFFSHORE

Attached to and made a part of that certain Assignment of Record
Title dated effective January 1, 1997, by and between Energy
Development Corporation, as Assignor, and Entech Enterprises,
Inc., as Assignee.

LEASE NO.	LESSOR	LESSEE	LEASE DATE	EFF DATE	RECORDING DATA		
					BOOK	PAGE	ENTRY
0002640	OCS-G 2300	Portions of Blocks 234 and 235, South Marsh Island Area, North Addition	02-01-1973	02-01-1973			

Exhibit "B"

DATE 03/14/97
TIME 14:42:51
REPT CNA845

Attached to and made a part of that certain Assignment of Record
Title dated effective January 1, 1997, by and between Energy
Development Corporation, as Assignor, and Entech Enterprises,
Inc., as Assignee.

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CONTRACT	DATE	S	EFF DATE	CONTRACT NAME	CONTRACT TYPE	ST	PROSPECT	DIV
C04725	05/26/1977	A	05/26/1977	CHAMPLIN ET AL F/I	FARMOUT AGREEMENT	OL	00277	06
C04816	08/01/1977	A	08/01/1977	SMI 234/235 O/A	GAS BALANCING AGREEMENT	OL	00277	06
					OPERATING AGREEMENT	OL	00277	06
C05656	05/01/1979	A	05/01/1979	CHAMPLIN/SUPERIOR ET AL BIDDING AGMT	BIDDING AGREEMENT	OL	00277	06
C08746	11/15/1989	A	11/15/1989	PELTO STOCK PURCHASE AGMT	PURCHASE AGREEMENT	OL	00277	06