

MF109424

State Lease MF109424 Control 65-902394 Base File County WASHINGTON

✓ EXPIRED DATE 10-7-10 LEASING BB MAPS GIS AS

Survey WASHINGTON COUNTY ROADS Block Block Name Township Section/Tract Land Part Part Description Acres 2.45 Depth Below 0 Depth Above 0 Depth Other Name SOAPE ROGER A INC Lease Date 10/7/2008 Primary Term 2 yrs Bonus (\$) \$490.00 Rental (\$) \$0.00 Lease Royalty 0.2250

Leasing: BB Analyst: Maps: GIS: ZG

RELEASE FILED BB



ATTENTION FILE USERS! This file has been placed in table of contents order. RETURN TO VAULT WITH DOCUMENTS IN ORDER!

The State of Texas

HROW Lease
Revised 8/06



Austin, Texas

PAID-UP
OIL AND GAS LEASE NO. (109424)
GENERAL LAND OFFICE
AUSTIN, TEXAS

THIS AGREEMENT made and entered into by and between the Commissioner of the General Land Office of the State of Texas, whose address is Stephen F. Austin Building, 1700 North Congress, Austin, Texas, 78701, hereinafter called "Lessor", hereunto authorized by the School Land Board, pursuant to the provisions of Chapters 32 and 52 of the Natural Resources Code (hereinafter called N.R.C.), and amendments thereto, and all applicable rules promulgated by the School Land Board and **Roger A Soape, Inc.**, whose address is **450 Gears Rd., Suite 780, Houston, TX 77067** hereinafter called "Lessee".

1. Lessor, in consideration of **Four Hundred Ninety 00/100 (\$490.00)** receipt of which is hereby acknowledged, and of the covenants and agreements of Lessee hereinafter contained, does hereby grant, lease, and let unto Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, and all other hydrocarbons, produced from the land covered hereby. The land covered hereby, herein called "said land" is located in the County of **Washington** State of Texas, and is described as follows:

2.45 acres of land, more or less, known as, situated in said **Washington** County, Texas, more particularly described in Exhibit "A" attached hereto and made a part hereof together with a plat, attached hereto as Exhibit "B", depicting said right-of-way and surrounding area for purposes of illustration only.

For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain **2.45 acres**, whether actually containing more or less, and the above recital of acreage shall be deemed to be the true acreage thereof. Lessor accepts the bonus as lump sum consideration for this lease and all rights and options hereunder.

2. **PRIMARY TERM:** This lease, which is a "paid up" lease requiring no rentals, shall remain in force for a term of **two years, from October 7th, 2008** hereinafter called "primary term", and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.

3. **ROYALTIES:** As royalty Lessee covenants and agrees:

(a) To deliver to the credit of Lessor, in the pipe line to which Lessee may connect its well, the equal **22.5%** part of all oil produced and saved by Lessee from said land, or from time to time, at the option of Lessee, to pay Lessor the average posted market price of such **22.5%** part of such oil at the wells as of the day it is run to the pipe line or storage tanks, Lessor's interest, in either case, to bear none of the cost of treating oil to render it marketable pipe line oil;

(b) To pay Lessor on gas and casing head gas produced from said land (1) when sold by lessee **22.5%** of the amount realized by Lessee, computed at the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, the market value, at the mouth of the well, of **22.5%** of such gas and casing head gas.

(c) If, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred

(d) Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, Lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be required to settle labor trouble or to market gas upon terms unacceptable to Lessee.

(e) If at any time or times after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period, lessee shall pay or tender, by check of lessee, as royalty, the sum of **\$ 25.00**. Lessee shall make like payments or tenders at or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing. Nothing herein shall impair lessee's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, severally as to acreage owned by each.

(f) All royalties not taken in kind shall be paid to the Commissioner of the General Land Office at Austin, Texas, in the following manner:

Royalty on oil is due and must be received in the General Land Office on or before the 5th day of the second month succeeding the month of production, and royalty on gas is due and must be received in the General Land Office on or before the 15th day of the second month succeeding the month of production, accompanied by the affidavit of the owner, manager, or other authorized agent, completed in the form and manner prescribed by the General Land Office and showing the gross amount and disposition of all oil and gas produced and the market value of the oil and gas, together with a copy of all documents, records or reports confirming the gross production, disposition and market value including gas meter readings, pipeline receipts, gas line receipts and other checks or memoranda of amount produced and put into pipelines, tanks, or pools and gas lines or gas storage, and any other reports or records which the General Land Office may require to verify the gross production, disposition and market value. In all cases the authority of a manager or agent to act for the Lessee herein must be filed in the General Land Office. Each royalty payment shall be accompanied by a check stub, schedule, summary or other remittance advice showing by the assigned General Land Office lease number the amount of royalty being paid on each lease. If Lessee pays his royalty on or before thirty (30) days after the royalty payment was due, the Lessee owes a penalty of 5% on the royalty or \$25.00, whichever is greater. A royalty payment which is over thirty (30) days late shall accrue a penalty of 10% of the royalty due or \$25.00, whichever is greater. In addition to a penalty, royalties shall accrue interest at a rate of 12% per year; such interest will begin accruing when the royalty is sixty (60) days overdue. Affidavits and supporting documents which are not filed when due shall incur a penalty in an amount set by the General Land Office administrative rule which is effective on the date when the affidavits or supporting documents were due. The Lessee shall bear all responsibility for paying or causing royalties to be paid as prescribed by the due date provided herein. Payment of the delinquency penalty shall in no way operate to prohibit the State's right of forfeiture as provided by law nor act to postpone the date on which royalties were originally due. The above penalty provisions shall not apply in cases of title dispute as to the State's portion of the royalty or to that portion of the royalty in dispute as to fair market value. The State shall have first lien upon all oil and gas produced from the area covered by this lease to secure the payment of all unpaid royalty and other sums of money that may become due to the State hereunder.

4. POOLING: (a) Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease with any other land covered by this lease, and/or with any other land, lease, or leases, as to any or all minerals or horizons. Units pooled for oil hereunder shall not exceed 160 acres each in area, and units pooled for gas hereunder shall not exceed in area 640 acres each plus a tolerance often percent (10%) thereof, unless oil or gas units of a greater size are allowed under or prescribed by rules of the Railroad Commission of Texas. A unit established hereunder shall be valid and effective for all purposes of this lease even though there may be mineral, royalty, or leasehold interests in lands within

the unit, which are not effectively pooled or unitized. Any operations conducted on any part of such unitized land shall be considered, for all purposes, except the payment of royalty, as operations conducted upon said land under this lease. There shall be allocated to the land covered by this lease within each such unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) the proportion of the total production of unitized minerals from the unit, after deducting any used in lease or unit operations, which the number of surface acres in such land (or in each such separate tract) covered by this lease within the unit bears to the total number of surface acres in the unit, and the production so allocated shall be considered for all purposes, including payment or delivery of royalty, overriding royalty and any other payments out of production, to be the entire production of unitized minerals from the land to which allocated in the same manner as though produced there from under the terms of this lease. The owner of the reversionary estate of any term royalty or mineral estate agrees that the accrual of royalties pursuant to this paragraph or of shut-in royalties from a well on the unit shall satisfy any limitation of term requiring production of oil or gas. The formation of any unit hereunder which includes land not covered by this lease shall not have the effect of exchanging or transferring any interest under this lease (including, without limitation, any shut-in royalty which may become payable under this lease) between parties owning interests in land covered by this lease and parties owning interests in land not covered by this lease. Neither shall it impair the right of Lessee to release as provided in paragraph 5 hereof, except that Lessee may not so release as to lands within a unit while there are operations thereon for unitized minerals unless all pooled leases are released as to lands within the unit. At any time while this lease is in force Lessee may dissolve any unit established hereunder by filing for record in the public office where this lease is recorded a declaration to that effect, if at that time no operations are being conducted thereon for unitized minerals. Subject to the provisions of this paragraph 4, a unit once established hereunder shall remain in force for so long as any lease subject thereto shall remain in force. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph 4 with consequent allocation of production as herein provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

(b) Neither unit production of oil or gas, nor unit operations, nor payment of shut-in royalties from a unit gas well, shall serve to hold the lease in force as to any area outside the unit, regardless of whether the production, maintenance of a shut-in gas well, or operations are actually located on the State tract or not.

(c) Lessee agrees to file with the General Land Office a copy of any unit designation, which this lease is included within ninety (90) days of such designation.

5. RELEASE: Lessee may relinquish the rights granted hereunder to the State at any time by recording the relinquishment in the county where this area is situated and filing the recorded relinquishment or certified copy of same in the General Land Office within ninety (90) days after its execution accompanied by the prescribed filing fee. Such relinquishment will not have the effect of releasing Lessee from any liability theretofore accrued in favor of the State.

6. REWORK: If at any time or times during the primary term operations are conducted on said land and if all operations are discontinued, this lease shall thereafter terminate at the end of the primary term or on the ninetieth day after discontinuance of all operations, whichever is the later date, unless on such later date either (1) Lessee is conducting operations or (2) the shut-in well provisions of paragraph 3 or the provisions of paragraph 9 are applicable. Whenever used in this lease the word "operations" shall mean operations for and any of the following: drilling, testing, completing, reworking, recompleting, deepening, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil or gas, or production of oil or gas in paying quantities.

7. MINERAL USE: Lessee shall have the use, free from royalty, of oil and gas produced from said land in all operations hereunder.

8. NOTICE: In the event Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all

or any part of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. If this lease is canceled for any cause, it shall nevertheless remain in force and effect as to (1) sufficient acreage around each well as to which there are operations to constitute a drilling or maximum allowable unit under applicable governmental regulations, (but in no event less than forty acres), such acreage to be designated by Lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules require; and (2) any part of said land included in a pooled unit on which there are operations.

9. FORCE MAJEURE: If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and Lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be invalid) or (2) any other cause, whether similar or dissimilar, (except financial) beyond the reasonable control of Lessee, the primary term shall be extended until the first anniversary date hereof occurring ninety (90) or more days following the removal of such delaying cause, and this lease may be extended thereafter by operations as if such delay had not occurred.

10. LESSER ESTATE CLAUSE: If this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessors interest is herein specified or not), or no interest therein, then the royalties, and other monies accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease bears to the whole and undivided fee simple estate therein.

11. ASSIGNMENTS: This lease may be transferred at any time. All transfers must reference the lease by file number and must be recorded in the county where the land covered hereby is located, and the recorded transfer or a copy certified to by the County Clerk of the county where the transfer is recorded must be filed in the General Land Office within ninety (90) days of the execution date, as provided by N.R.C. Section 52.026, accompanied by the prescribed filing fee. Every transferee shall succeed to all rights and be subject to all obligations, liabilities, and penalties owed to the State by the original Lessee or any prior transferee of the lease, including any liabilities to the State for unpaid royalties.

12. WELL INFORMATION: Lessee agrees to forthwith furnish Lessor, upon written request, with copies of all drilling logs, electrical logs, cores and core records and other information pertaining to all wells drilled by lessee either on the leased premises or acreage pooled therewith, when requested to do so. Said information shall remain confidential as required by statute.

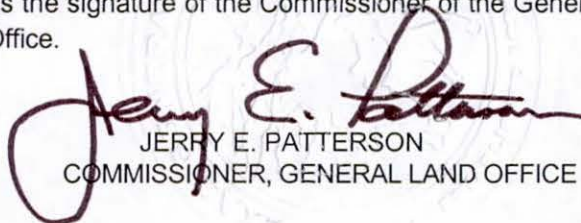
13. SURFACE: Notwithstanding anything herein to the contrary, it is agreed that Lessee will not conduct any exploration or drilling on the surface of the leased premises or use the surface in the exercise of any rights herein granted. Any development of said land shall be by means of a directional well located off the leased premises, or by pooling of said land with other land, lease or leases as hereinabove provided.

14. COMPENSATORY ROYALTY: Lessee shall pay a compensatory royalty if this lease is not being held by production on the leased premises, by production from a pooled unit, or by payment of shut-in royalties in accordance with the terms of this lease, and if oil or gas is sold or delivered in paying quantities from a well located within 2,500 feet of the leased premises and completed in a producible reservoir underlying the area leased hereunder or in any case in which drainage is occurring. Such compensatory royalty shall be paid at the royalty rate provided in this lease based on the value of production from the well as provided in the lease on which such well is located. The compensatory royalty shall be paid in the same proportion that the acreage of this lease has to the acreage of the proration unit surrounding the draining well plus the acreage of this lease. The compensatory royalty shall be paid monthly to the Commissioner of the General Land Office on or before the last day of the month after the month in which the oil or gas is sold and delivered from the well

causing the drainage or from the well located within 2500 feet of the leased premises and completed in a producible reservoir under this lease. Notwithstanding anything herein to the contrary, compensatory royalty payable hereunder shall be no less than an amount equal to **double the shut-in royalty** and shall maintain this lease in effect for so long as such payments are made as provided herein.

15. FORFEITURE: If Lessee shall fail or refuse to make payment of any sum within thirty (30) days after it becomes due, or if Lessee or an authorized agent should knowingly make any false return or false report concerning production or drilling, or if Lessee shall fail or refuse to drill any offset well or wells in good faith as required by law and the rules and regulations adopted by the Commissioner of the General Land Office, or if Lessee should fail to file reports in the manner required by law or fail to comply with rules and regulations promulgated by the General Land Office, or refuse the proper authority access to the records pertaining to operations, or if Lessee or an authorized agent should knowingly fail or refuse to give correct information to the proper authority, or knowingly fail or refuse to furnish the General Land Office a correct log of any well, or if this lease is pooled or assigned and the unit designation or assignment is not filed in the General Land Office as required by law, the rights acquired under this lease shall be subject to forfeiture by the Commissioner, and he shall forfeit same when sufficiently informed of the facts which authorize a forfeiture, and when forfeited the area shall again be subject to lease. However, nothing herein shall be construed as waiving the automatic termination of this lease by operations of law or by reason of any special limitation arising hereunder. Forfeitures may be set aside and this lease and all rights there under reinstated before the rights of another intervene upon satisfactory evidence to the Commissioner of the General Land Office of future compliance with the provisions of the law and of this lease and the rules and regulations that may be adopted relative hereto.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the General Land Office of the State of Texas under the seal of the General Land Office.


JERRY E. PATTERSON
COMMISSIONER, GENERAL LAND OFFICE

Approved:

ML: DR

DC: CR

CC: DR

Exhibit "A"

Attached hereto and made a part of that certain Oil and Gas Lease dated October 7th, 2008, by and between the State of Texas, as lessor, and Roger A. Soape, Inc. as lessee, covering acreage to be leased in Washington County, Texas, being part of Kuykendall Road.

2.45 acres of land, more or less, situated in the A. Kuykendall Survey, A-70 in Washington County. Said land also being the same lands described in the following deed recorded in the Deeds of Records, Washington County.

Deed from William Pohlmeyer et ux to Washington County, State of Texas
dated 3/1/1929 and recorded in Vol. 90
P. 154 of the Deed or Records, Washington County.



Map showing
 A portion of Kuykendall Rd.
 2.45 acres
 Washington County
 zg 09/08

NAD_1927_Albers
 Projection: Albers
 False_Easting: 0.000000
 False_Northing: 0.000000
 Central_Meridian: -100.000000
 Standard_Parallel_1: 28.000000
 Standard_Parallel_2: 35.000000
 Latitude_Of_Origin: 31.000000
 GCS_North_American_1927



0 250 500 1,000 Feet

The Texas General Land Office makes no representations or warranties regarding the accuracy or completeness of the information depicted on the map or the data from which it was produced. This map is NOT suitable for navigational purposes and does not purport to depict or establish boundaries between private and public land.



Map Compiled By:
 Zeke Guillen
 Information Systems - GIS
 October 7, 2008

File No. MF 709434

Glase

Date Filed: 9/4/08

Jerry Patterson, Commissioner

By: *[Signature]*

ROGER A. SOAPE, INC.

450 Gears Road
Suite 780
Houston, Texas 77067-4513

Telecopier (281) 440-0609

Telephone (281) 440-6347

September 3, 2008

VIA FEDERAL EXPRESS

Texas General Land Office
Mineral Leasing Division
1700 North Congress Avenue, Room 600
Austin, Texas 78701-1495

*Have Mary
M-109424*

*200.w
22.520
2 yr Reid of
Shut in 25.w*

Attention: Mr. Drew Reid
(512) 475-1534

**Application to Acquire Oil & Gas Lease
Covering Highway Lands**

**2.45 acres, more or less, a portion of
Kuykendall Road, A. Kuykendall Survey,
Abstract No. 70**

Yegua No. 1 Prospect

Washington County, Texas

RAS, Inc. File No. T2997

Gentlemen:

Please accept this letter as our application to acquire an oil and gas lease covering the minerals apparently owned by the County of Washington under a segment of **Kuykendall Road** in Washington County, Texas described as follows:

*** **2.45 acres (calculated), more or less, being the same land more particularly described in that certain Deed dated March 1, 1926, from William Pohlmeier and wife, Mrs. W. Pohlmeier to Washington County, Texas, recorded in Volume 90, Page 154 of the Deed Records of Washington County, Texas.**

We hereby waive our right of statutory notice to which we are entitled under the Texas Natural Resources Code, Section 34.0511.

As required, enclosed you will find the following materials:

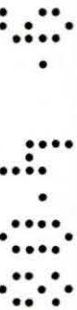
1. Plats indicating the location and boundaries of the lands to be leased which are adjoining the existing oil and gas lease as shown on the plats.



2. Copy of the deed which appears to place title to the minerals under this highway segment in Washington County, Texas, as well as copies of additional title documents as set out below:


 - a. Deed dated March 1, 1926, from William Pohlmeier and wife, Mrs. W. Pohlmeier to Washington County, Texas, recorded in Volume 90, Page 154 of the Deed Records of Washington County, Texas.
 - b. Deed dated November 14, 1898, from Henry Hacksteadt and wife, Mrs. Caroline Hacksteadt to William Pohlmeier, recorded in Volume 66, Page 427 of the Deed Records of Washington County, Texas. *(This document is provided because it is referenced in the conveyance to Washington County and is the original tract from which the 2.45-acre tract was conveyed out of.)*
 - c. General Warranty Deed dated January 21, 1977, from Dal-Can on Kuykendall, Inc. to Walter R. Schultz and wife, Cynthia A. Schultz, recorded in Volume 351, Page 599 of the Deed Records of Washington County, Texas. *(This document is provided because it contains the most recent metes and bounds description of the lands affected by the 2.45-acre tract.)*
 - d. Oil and Gas Lease No. M-98475 dated August 5, 1997, by and between the State of Texas, as Lessor, and Union Pacific Resources Co., as Lessee, recorded in Volume 881, Page 817 of the Official Records of Washington County, Texas. *(This document is provided because it covers among other lands, the 2.45-acre tract and contains a plat depicting the location of the 2.45-acre tract.)*
3. Certified copy of Oil, Gas and Mineral Lease dated July 7, 2008, by and between Walter R. Schultz and wife, Cynthia A. Schultz, as Lessor, whose mailing address is 4502 Kuykendall Road, Brenham, Texas 77833, and Cervus Oil & Gas Co., as Lessee, whose mailing address is Post Office Box 680445, Houston, Texas 77268-0445, recorded in Volume 1286, Page 230 of the Official Records of Washington County, Texas, covering 111.577 acres, more or less, out of the A. Kuykendall Survey, A-70, Washington County, Texas.
4. Our check in the amount of \$597.35 to pay the bonus amount (2.45 x \$200/acre), the statutory sales fee (\$490 x 1.5%) and the \$100.00 processing fee for this application.

Please note the Schultz lease was executed in favor of Cervus Oil & Gas Co. Cervus is an assumed name of Roger A. Soape, Inc. and until recently, was used by our company as the Lessee



to acquire oil and gas leases on behalf of our clients who wish to remain anonymous. We have discontinued acquiring leases under this assumed name and now acquire leases on behalf of our clients in the name of Roger A. Soape, Inc. We are acquiring this lease on behalf of our client, EnerVest, Ltd., whose address is 1001 Fannin, Suite 800, Houston, Texas 77002-6708. The Schultz lease as well as the oil and lease proposed herein will ultimately be owned as follows:

35.4196%	EnerVest Energy Institutional Fund XI-A, L.P.
23.3333%	EnerVest Wachovia Co-Investment Partnership, L.P.
15.9138%	EnerVest Energy Institutional Fund XI-WI, L.P.
13.3333%	EV Properties, L.P.
7.2300%	EnerVest Energy Institutional Fund X-WI, L.P.
4.7700%	EnerVest Energy Institutional Fund X-A, L.P.

 The Lessee of the lease proposed herein should be Roger A. Soape, Inc., with the mailing address as 450 Gears Road, Suite 780, Houston, Texas 77067-4513.

We have reviewed the production information offered for inspection by the Railroad Commission of Texas, and have concluded that, as of January 1, 1985, there was no well capable of producing oil or gas in paying quantities within 2,500 feet of the highway lands proposed to be leased.

We have also reviewed the consideration paid by or on our behalf of our client for its lease which covers all of the lands adjacent to the highway lands we propose to lease. The most lessor favorable principal terms paid for the lease was: \$200.00 per net mineral acre for a paid-up two year primary term, reserving to the lessor a royalty of 22.5%. We offer to acquire a lease on the highway lands based on the same principal terms.

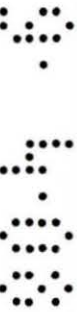
All of the foregoing statements, facts and information are true and correct to the best of our knowledge. Please give this application your earliest possible consideration. Should you have any questions or require additional information, please telephone.

Thank you,

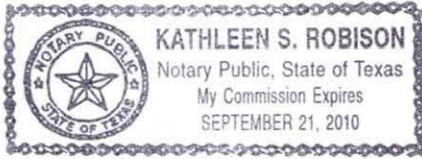
ROGER A. SOAPE, INC.



C. Frank Robinson
Vice President



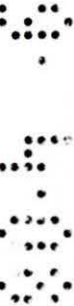
SUBSCRIBED AND SWORN TO, before me, this 3rd day of September 2008.



Kathleen S. Robison

Notary Public in and for the State of Texas

Enclosures






File No. 17709434 2.

Letter, bonus, + fees

Date Filed: 9/4/08

Jerry Patterson, Commissioner

By 

Vol. 90

90/154

W. B. Francis, Notary Public in and for Washington County, Texas.

Seal.

Filed for record at 2 o'clock P. M. April 22, 1928.
Recorded at 1:53 o'clock P. M. May 5, 1928.

C. B. Thompson, CCWC.
by *[Signature]* Deputy.

DEED: H. HOFSCHNIEDER TO WASHINGTON CO.
THE STATE OF TEXAS)

COUNTY OF WASHINGTON) WHEREAS, Washington County, Texas, is desirous of constructing an improved road leading from Meyer & Bothe Bin to Randemann Tract known as the Kukendall School Road. WHEREAS, it is desired by said county to construct said road through and up-on certain land now owned by us and to include in said road or the right-of-way therefore that part of such land so owned by us viz: A strip of land 60 feet wide across our home place of 208 acres. Said strip of land surveyed by W. B. Francis and W. J. Burnes. WHEREAS, it is thought by _____ that the construction of said road upon that part of _____ land hereinabove described would increase the value of _____ property; Therefore, KNOW ALL MEN BY THESE PRESENTS: That Henry Hofschneider and Wife Sophie Hofschneider of the County of Washington and the State of Texas, in consideration of the prospective increase in the value of our property by the construction of said road, and for the further consideration of the sum of \$1.00 to me in hand paid by said county, the receipt of which is hereby acknowledged, Have GRANTED, SOLD, and CONVEYED, and by these presents do Grant, Sell, and Convey unto Washington County, Texas, all of the land hereinabove described. TO HAVE AND TO HOLD the above described land, together with all and singular the rights and appurtenances thereto in any wise belonging unto Washington County, Texas, forever. It is expressly agreed and understood, however, that should said road not be constructed over and upon the land hereinabove described, this conveyance shall become null and void and the title to said land shall revert to us or our heirs or assigns.

WITNESS our hands this the 1st day of March, A. D. 1926.
Witnesses: W. J. Burnes. H. Hofschneider.
Willie Wiese. S. Hofschneider.

Filed for record at 2 o'clock P. M. April 23, 1928.
Recorded at 2:16 P. M. May 5, 1928.

C. B. Thompson, CCWC.
By. *[Signature]* Deputy.

DEED: W. POHLMAYER TO WASHINGTON CO.
THE STATE OF TEXAS)

COUNTY OF WASHINGTON) WHEREAS, Washington County, Texas, is desirous of constructing an improved road leading from Meyer & Bothe Gin, known as the Kukendall School Road; and, WHEREAS, it is desired by said county to construct said road through and upon certain land now owned by us and to include in said road or the right-of-way therefore that part of such land so owned by us viz: A strip of land 60 feet wide through our 114 acre tract known as the Henry Hatated place said strip of land surveyed by W. B. Francis and W. J. Burnes for road. WHEREAS, it is thought by us that the construction of said road upon that part of my land hereinabove described would increase the value of our property; therefore, KNOW ALL MEN BY THESE PRESENTS: That We William Pohlmyer and Wife Mrs. W. Pohlmyer of the County of Washington and the State of Texas, in consideration of the prospective increase in the value of our property by the construction of said road, and for the further consideration of the sum of \$1.00 to me in hand paid by said county, the receipt of which is hereby acknowledged; have Granted, Sold and Conveyed, and by these presents do Grant, Sell and Convey unto Washington County, Texas, all of the land hereinabove described. TO HAVE and TO HOLD the above described land, together with all and singular the rights and appurtenances thereto in any wise belonging unto said Washington County, Texas, forever. It is expressly agreed and understood, however, that should said road not be constructed over and upon the land hereinabove described, this conveyance shall become null and void and the title to said land shall revert to us or our heirs or assigns.



WITNESS our hands this the 1 day of March, A. D, 1926.

Witnesses: W. J. Burnes.
Willie Wiess

Wm. Pohlmeier.
Mrs. W. Pohlmeier.

Filed for record at 2 o'clock P. M. April 23, 1928. C. B. Thompson, CCWC.

Recorded at 2:35 o'clock P. M. May 5, 1928.

By *C. B. Thompson* Deputy.

DEED: HENRY WEGHORST TO WASHINGTON CO.

THE STATE OF TEXAS)

COUNTY OF WASHINGTON) WHEREAS, Washington County, Texas, is desirous of constructing an improved road leading from Meyer & Bothe Gin to Hindmann Tract, known as the Kukendall School; and, WHEREAS, it is desired by said county to construct said road through and upon certain land now owned by us and to include in said road or the right-of-way therefor that part of such land so owned by us viz: A strip of land 60 feet wide across our home place known as Willie Roberts place of 116 acres said strip of land surveyed by W. B. Francis and W. J. Burnes for road. WHEREAS, it is thought by us that the construction of said road upon that part of our land herein above described would increase the value of our property: therefore, KNOW ALL MEN BY THESE PRESENTS: That We Hy Weghorst and Wife Louise Weghorst of the County of Washington and the State of Texas, in consideration of the prospective increase in the value of our property by the construction of said road, and for the further consideration of the sum of \$1.00 to me in hand paid by said county, the receipt of which is hereby acknowledged; have GRANTED, SOLD AND CONVEYED, and by these presents do GRANT, SELL, and CONVEY unto Washington County, Texas, all of the land hereinabove described. TO HAVE and TO HOLD the above described land, together with all and singular, the rights and appurtenances thereto in any wise belonging unto said Washington County, Texas, forever. It is expressly agreed and understood, however, that should said road not be constructed over and upon the land hereinabove described, this conveyance shall become null and void and the title to said land shall revert to us or our heirs or assigns.

WITNESS OUR HANDS THIS THE 1st DAY OF March, A. D. 1926.

Witness: W. J. Burnes.
Willie Wiess.

Hy. Weghorst.
Louise Weghorst.

Filed for record at 2 o'clock P. M. April 23, 1928.

C. B. Thompson, CCWC.

Recorded at 3:00 o'clock P. M. May 5, 1928.

By *C. B. Thompson* Deputy.

MINERAL DEED: FRED MEYER TO T. O. MOORE.

THE STATE OF TEXAS)

COUNTY OF WASHINGTON) Know All Men By These Presents: That for and in consideration of Ten and no/100 Dollars (\$10.00) cash in hand paid, receipt whereof is hereby acknowledged, I, Fred Meyer, Grantor of Washington County, Texas, have and by these presents do grant, bargain, sell, convey, set over and assign and deliver unto T. O. Moore Grantee, one-sixteenth of all of the oil, gas and other minerals, in, on and under the following described lands situated in Washington County, Texas, to-wit: On the waters of the Yegua and is apart of the J. N. Perry Square League, and a part of Survey No. 4 conveyed to Henry Hodde by H. H. Bailey by deed dated January 2nd, 1879, and a part of another survey by deed dated Oct. 15th, all in timber, said survey now being conveyed contains metes and bounds as follows, viz: Beginning at a stone corner on the S. E. boundary of Hall Graves survey, a post oak bears N 45 W 7 varas another bears N 73 E 14 varas marked H. Thence S 45 E. with Stephensons boundary 314 varas to a stone corner from which a post oak bears N 87 E. 4 varas marked X. Another bears N 49 E 10-1/4 varas marked X. Thence N 45 E. 288 varas to a post corner in the N.W. boundary of the 25-1/3 acres survey a post oak bears N. 31 E 1-1/2 varas marked X another bears S 2-1/2 E 9 varas. Thence N 45 W 314 varas to a post corner in Hall Graves boundary an Ash bears S

forever, and I do hereby bind myself, my heirs, executors and administrators to warrant and forever defend, all and singular the said premises unto the said L. Pink, --heirs and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

Witness my hand at Brenham, this 12 day of June, A.D. 1914.

L. P. CAMPBELL.

THE STATE OF TEXAS.

COUNTY OF WASHINGTON) (Before me, the undersigned authority, in and for Washington County, Texas, on this day personally appeared L. P. Campbell, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this 12 day of June, A.D. 1914.

(seal)

W. J. EMBREY, NOTARY PUBLIC,

WASHINGTON COUNTY, TEXAS.

Filed for record June 12, A.D. 1914 at 5 O'clock, -----P.M. } GREEN MORGAN, C. C. C. W. C.

Recorded June 13, A.D. 1914 at 8 O'clock, -----A.M. } BY W. J. Embrey Deputy.

DEED-- HENRY HACK STEDT. & WIFE TO WM POHLMAYER.

THE STATE OF TEXAS.

COUNTY OF WASHINGTON) (KNOW ALL MEN BY THESE PRESENTS: That I, Henry Hacksteadt joined herein by my wife, Mrs. Caroline Hacksteadt, of the County of Washington in the State aforesaid for and in consideration of the sum of Three Thousand Four Hundred and Twenty Nine (\$3429.00) Dollars, to us paid and secured to be paid by William Pohlmeier as follows: ONE THOUSAND Dollars cash, the receipt of which is hereby acknowledged --balance to be paid as follows: \$900.00 to be paid on Jan. 1, 1900, \$200.00 to be paid on Jan. 1, 1901, \$250.00 to be paid on Jan. 1, 1902, \$300.00 to be paid on Jan. 1, 1903, \$350.00 to be paid on Jan. 1, 1904, & \$429.00 to be paid on Jan. 1, 1905, for which said sums the said Wm. Pohlmeier has this day executed his six promissory notes all payable to Henry Hacksteadt or order, all bearing interest at the rate of 8% per annum, and interest on all to be paid annually, in default of which or in default of the payment of either of said notes, at its maturity then all of said notes to mature at the option of the owner same.

Have Granted, Sold and Conveyed, and by these presents do Grant, Sell and convey unto the said William Pohlmeier of the County of Washington, State of Texas, all that certain tract of land situated in Washington County, Texas, on the waters of Kuykendall Creek, being the same land conveyed by Clemons to Henry Hacksteadt, -- Beginning at a rock the N.W. cor of the Wm. Ellermann tract, a pin oak mkd. X. bears N. 14 E. 5 - 4/10 vrs. & a pin oak mkd. X. bears N. 86 E. 6 - 6/10 vrs. dist. Thence with North bdry. line of Wm. Ellermann & H. Hofschneider tract East 1021 vrs. to the N.E. cor of the H. Hofschneider tract, a stake in West line of the Wm. Lammert tract, Thence North with West bdry. line of Lammert & Puhlberg tracts, 640 vrs. to rock for corner. Thence West with South bdry. line of Wm. Puhlberg tract, and the tract of Henry Hacksteadt deeded to him by W. H. Robertson 1021 vrs. to rock for N.W. corner the N.E. cor of the Stegemuller tract, Thence South 154 vrs. to the N.W. cor of the Stegemuller School lot a post Oak 20 in. dia. mkd. X. brs. N. 64 - 1/2 E. 24 vrs. dist. Thence with School line lot East 75 vrs. to N.E. corner of same, thence South 75 vrs. to S.E. cor. of same. Thence West 75 vrs. to S.W. cor. of School lot in East bdry. line of the Stegemuller tract a post oak 12 in. dia. mkd. X. brs. S. 88 - 1/2 E. 16 vrs. dist. Thence South 406 varas to the place of beginning containing 114 - 3/10 acres of land as surveyed by H. R. Von Bieberstein, Oct. 25, 1898.

TO HAVE AND TO HOLD THE ABOVE DESCRIBED PREMISES, together with all and singular, the rights and appurtenances thereto in anywise belonging unto the said William Pohlmeier, his heirs

and assigns forever, and we do hereby bind our heirs executors and administrators to Warrant and Forever Defend, all and singular, the said premises unto the said William Pohlmeier, his heirs, and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

But it is expressly agreed and stipulated that the Vendor's Lien is retained against the above described property, premises and improvements, until the above described notes and all interest thereon are fully paid, according to their face and tenor, effect and reading when this deed shall become absolute.

Witness my hand at Brenham, this 14 day of Nov.-A.D.1898.

HEINRICH HACKSTEDT.
CAROLINE HACKSTEDT
W. HACKSTEDT.
R. HACKSTEDT.

THE STATE OF TEXAS.

COUNTY OF WASHINGTON [Before me, C.G. Botts, A Notary Public in and for Washington County, Texas, on this day personally appeared Henry Hackstedt, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 14 day of Nov. A.D. 1898.

(seal)

C.G. BOTTS.
N.P.W.CO.TEX.

THE STATE OF TEXAS.

COUNTY OF WASHINGTON [Before me, C.G. Botts, A Notary Public in and for Washington County, Texas, on this day personally appeared ----- and Caroline Hackstedt, wife of said Heinrich Hackstedt, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purposes and consideration therein expressed. And the said Caroline Hackstedt, wife of the said Heinrich Hackstedt, having been examined by me privily and apart from her husband, and having the same fully explained to her, she, the said Caroline Hackstedt acknowledged such instrument to be her act and deed, and declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.

Given under my hand and seal of office this 3 day of Dec. A.D. 1898.

(seal)

C.G. BOTTS.
N.P.W.CO.TEX.

THE STATE OF TEXAS.

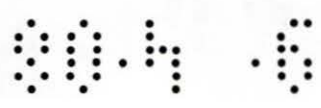
COUNTY OF FORT BEND. (Before me the undersigned authority, in and for Fort Bend County, Texas, on this day personally appeared W. Hackstedt and R. Hackstedt, personally known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 2nd day of May, A.D. 1914.

(seal)

H. MEYER. J.P. & EX OFFICIO NOTARY PUBLIC
IN AND FOR FORT BEND CO. TEXAS.

Filed for record June 13, A.D. 1914 at 1 O'clock, ----- P.M. (GREEN MORGAN, C.C. W.C.)
Recorded June 16, A.D. 1914 at 9 O'clock, ----- A.M. | BY A.J. Wentt Deputy.



GENERAL WARRANTY DEED

1/27

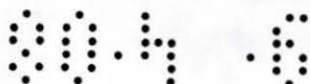
STATE OF TEXAS §
COUNTY OF WASHINGTON § KNOW ALL MEN BY THESE PRESENTS:

THAT Dal-Can on Kuykendall, Inc., a Texas corporation, hereinafter called "GRANTOR", for and in consideration of the sum of Ten and no/100 (\$10.00) Dollars cash, and other good and valuable considerations to it in hand paid by Walter R. Schultz and wife, Cynthia A. Schultz, of Washington County, Texas, hereinafter referred to as "Grantee", receipt of which is hereby acknowledged and confessed, and the execution and delivery by the Grantee herein of one certain vendor's lien wrap-around promissory note of even date herewith payable to the order of Grantor herein; does GRANT, SELL and CONVEY, unto the said Grantee of Washington County, Texas, all that certain tract or parcel of land situated in Harris County, Texas, described in Exhibit "A" attached hereto and made a part hereof for all purposes, for all purposes, together with all Grantor's right, title and interest in and to any easements, roadways or strips of land adjoining such land.

This Deed is expressly made subject to all matters set out in Exhibit "B" attached hereto, to the extent that such matters affect title to the property herein conveyed, and only to such extent, and Grantee herein expressly does not assume the indebtedness set forth in such Exhibit "B".

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said Grantee herein, his heirs, executors, administrators, and assigns, and Grantor does hereby bind itself, its successors and assigns, to WARRANT and FOREVER DEFEND all and singular the said premises unto the said Grantee herein, his heirs, executors, administrators and assigns against any person whomsoever lawfully claiming, or to claim, the same, or any part thereof.

But it is expressly agreed and stipulated that a vendor's lien and superior title are retained in favor of Grantors, its successors and assigns, against the hereinabove described property, premises, and improvements, until said property, premises, and



improvements, until said note and all interest thereon are fully paid according to the face and tenor, effect and reading thereof, when this deed shall become absolute.

EXECUTED this 21st day of January, 1977.

Dal-Can on Kuykendall, Inc.

Attest:

Alice C. Holtkamp
Secretary

By: Ruth Canterbury

STATE OF TEXAS §

COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared Ruth Canterbury the President of Dal-Can on Kuykendall, Inc., a corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of said corporation, and that she executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.



GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 24 day of February, 1977.

Patricia A. Koud
Notary Public in and for
Harris County, Texas



351/601

EXHIBIT "A"
TO GENERAL WARRANTY DEED
FROM DAL-CAN ON KUYKENDALL, INC.
TO
WALTER R. SCHULTZ AND WIFE, CYNTHIA A. SCHULTZ

Approximately 111.577 acres of land, more or less, situated in Washington County, Texas and being more particularly described as follows:

W. C. HEIDEMANN

ALL THAT TRACT OR PARCEL OF LAND situate in Washington County, Texas, out of the A. Kuykendall League and being a portion of the 84.30 acre tract described in a deed from W. C. Pohlmeyer et al to W. C. Heidemann recorded in Vol. 140, Pg. 367 and a portion of the 28.1 acre tract described in a deed from W. C. Pohlmeyer et al to Mathilde Heidemann by deed recorded in Vol. 140, Pg. 367 and also including a portion of the school tract:

TRACT EAST OF HIGHWAY - Tract One

BEGINNING AT an iron pin and fence corner in the East line of a public road at the intersection of said road line with the South line of the William Stegemöller tract; THENCE with said line N 89° 40'E, 1881.33 ft. to an iron pin and fence corner in the West line of the Fritz Fuelberg tract; THENCE with said line S 1° 26'W, 1745.84 ft. to an iron pin and fence corner at the Southeast corner of the original tract and in the North line of a public road; THENCE with said road line N 89° 49'W, 2067.52 ft to an iron pin and fence corner at the intersection of said road line with the East line of a county road; THENCE with said East line N 2° 02'E, 580.26 ft; N 10° 20'E, 1166.75 ft. to the point or place of beginning containing 79.824 acres of land.

TRACT WEST OF HIGHWAY - Tract Two

BEGINNING at an iron pin and fence corner in the West line of the highway at the Northeast corner of the R. Hofschneider tract; THENCE with the North line of said tract N 89° 21'W, 716.15 ft. to an iron pin and fence corner at the Southeast corner of the Howard Steinfeld tract; THENCE with the East line of said tract N 2° 10'E, 1752.35 ft. to an iron pin and fence corner in the South line of a public road; THENCE with said road line N 28° 46'E, 12.14 ft. to an iron pin and fence corner; THENCE continuing with said road line N 86° 57'E, 884.34 ft. to an iron pin and fence corner at the intersection of said road line with the West line of a county road; THENCE with said West line S 10° 02'W, 1216.12 ft; S 2° 31'W, 620.00 ft. to the point or place of beginning containing 31.753 acres of land.

November 11, 1968
W. O. #2556

D. R. Muzzy, Registered Public Surveyor
Brenham - Sealy



EXHIBIT "B"

TO GENERAL WARRANTY DEED
 FROM DAL-CAN ON KUYKENDALL, INC.
 TO
 WALTER R. SCHULTZ AND CYNTHIA A. SCHULTZ

(1) Ad valorem taxes for the year 1976

(2) A pipeline easement dated 12-1-59, from W. C. Heidemann, et ux, to Old Ocean Fuel Company, which is recorded in Volume 225, Page 109, Washington County Deed Records.

(3) This conveyance is made subject to and the grantee herein does not assume payment of the unpaid balance of that certain indebtedness in the original principal amount of \$60,000.00, payable to Colorado County Federal Savings and Loan Association, executed by Dal-Can on Kuykendall, Inc., described in and secured by that certain Deed of Trust recorded in Volume 44, Page 288 the Deed of Trust Records of Washington County, Texas.

(4) This conveyance is made subject to and grantee herein does not assume payment of the unpaid balance of that certain Promissory Note in the original principal amount of \$45,000.00, payable to Colorado County Federal Savings and Loan Association executed by Dal-Can on Kuykendall, Inc., described in and secured by that certain Deed of Trust recorded in Volume 63, Page 379 of the Deed of Trust Records of Washington County, Texas.

The indebtedness in the amount of \$60,000.00 and in the amount of \$45,000.00 being sometimes referred to as the Prior Indebtedness.

FILED FOR RECORD ON THE 28 DAY OF January A.D. 1977, AT 3:10 O'CLOCK P M
 DULY RECORDED THIS THE 31 DAY OF January A.D. 1977, AT 8:50 O'CLOCK A M
 INSTRUMENT NO. 347

GERTRUDE LEHRMANN, COUNTY CLERK
 WASHINGTON COUNTY, TEXAS

BY Walter R. Schultz DEPUTY



3,

File No. MF109424

Deed

Date Filed: 9/4/08
Jerry Patterson, Commissioner

By [Signature]



NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (7-69) Paid Up
With 640 Acres Pooling Provision

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P.O. Box 683046, Houston, Texas 77268-3046, (713) 552-9797

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 7th day of July, 2008, between

4287

WALTER R. SCHULTZ and wife, CYNTHIA A. SCHULTZ

Lessor (whether one or more), whose address is: 4502 Kuykendall Road, Brenham, Texas 77268

77533 WS
WS

and Lessee, WITNESSETH: Cervus Oil & Gas Co., P.O. Box 680445, Houston, Texas 77268-0445

1. Lessor, in consideration of TEN DOLLARS AND OTHER VALUABLE CONSIDERATION (\$10.00 & OMC) Dollars, receipt of which is hereby acknowledged, and of the covenants and agreements of Lessee hereinafter contained, does hereby grant, lease and assign to Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, sulphur and all other minerals (whether or not similar to those mentioned), together with the right to make surveys on said land, lay pipe lines, establish and utilize facilities for surface or subsurface disposal of salt water, construct roads and bridges, dig canals, build tanks, power stations, telephone lines, employee houses and other structures on said land, necessary or useful in Lessee's operations in exploring, drilling for, producing, treating, storing and transporting minerals produced from the land covered hereby or any other land adjacent thereto. The land covered hereby, herein called "said land," is located in the County of WASHINGTON, State of TEXAS, and is described as follows:

111.577 acres, more or less, out of the A. Kuykendall Survey, Abstract No. 70, Washington County, Texas, being the same land more particularly described in that certain General Warranty Deed dated January 21, 1977, from Dal-Can Kuykendall, Inc., a Texas Corporation, to Walter R. Schultz and wife, Cynthia A. Schultz, recorded in Volume 351, Page 599 of the Deed Records of Washington County.

RECORDER'S MEMORANDUM

ALL OR PART OF THE TEXT ON THIS PAGE WAS BLURRED, DEFACED, CUT OFF OR NOT LEGIBLE FOR SATISFACTORY RECORDATION.

This lease also covers and includes, in addition to that above described, all land, if any, contiguous or adjacent to or adjoining the land above described and (a) owned or claimed by Lessor by limitation, prescription, possession, reversion or unrecorded instrument or (b) as to which Lessor has a preference right of acquisition. Lessor agrees to execute any supplemental instrument requested by Lessee for a more complete or accurate description of said land. For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain 111.577 acres, whether actually containing more or less, and the above recital of acreage in any tract shall be deemed to be the true acreage thereof. Lessor accepts the bonus as lump sum consideration for this lease and all rights and options hereunder.

2. Unless sooner terminated or longer kept in force under other provisions hereof, this lease shall remain in force for a term of Two (2) years from the date hereof, hereinafter called "primary term," and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.

3. As royalty, Lessee covenants and agrees: (a) To deliver to the credit of Lessor, in the pipe line to which Lessee may connect its wells, the equal one-eighth part of all oil produced and saved by Lessee from said land, or from time to time, at the option of Lessee, to pay Lessor the average posted market price of such one-eighth part of such oil at the wells as of the day it is run to the pipe line or storage tanks, Lessor's interest, in either case, to bear one-eighth of the cost of treating oil to render it marketable pipe line oil; (b) To pay Lessor on gas and casinghead gas produced from said land (1) when sold by Lessee, one-eighth of the amount realized by Lessee, computed at the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, the market value, at the mouth of the well, of one-eighth of such gas and casinghead gas; (c) To pay Lessor on all other minerals mined and marketed or utilized by Lessee from said land, one-tenth either in kind or value at the well or mine at Lessee's election, except that on sulphur mined and marketed the royalty shall be one dollar (\$1.00) per long ton. If, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred. Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, Lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be required to settle labor trouble or to market gas upon terms unacceptable to Lessee. If, at any time or times after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period, Lessee shall pay or tender, by check or draft of Lessee, as royalty, a sum equal to one dollar (\$1.00) for each acre of land then covered hereby. Lessee shall make like payments or tenders at or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing, and may be deposited in the Bank at Pay directly to Lessor at address shown above

or its successors, which shall continue as the depositories, regardless of changes in the ownership of shut-in royalty. If at any time that Lessee pays or tenders shut-in royalty, two or more parties are, or claim to be, entitled to receive same, Lessee may, in lieu of any other method of payment herein provided, pay or tender such shut-in royalty, in the manner above specified, either jointly to such parties or separately to each in accordance with their respective ownerships thereof, as Lessee may elect. Any payment hereunder may be made by check or draft of Lessee deposited in the mail or delivered to the party entitled to receive payment or to a depository bank provided for above on or before the last date for payment. Nothing herein shall impair Lessee's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, severally as to acreage owned by each.

4. Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease with any other land covered by this lease, and/or with any other land, lease, or leases, as to any or all minerals or horizons, so as to establish units containing not more than 80 surface acres, plus 10% acreage tolerance; provided, however, units may be established as to any one or more horizons, or existing units may be enlarged as to any one or more horizons, so as to contain not more than 640 surface acres plus 10% acreage tolerance, if limited to one or more of the following: (1) gas, other than casinghead gas, (2) liquid hydrocarbons (condensate) which are not liquids in the subsurface reservoir, (3) minerals produced from wells classified as gas wells by the conservation agency having jurisdiction. If larger units than any of those herein permitted, either at the time established, or after enlargement, are required under any governmental rule or order, for the drilling or operation of a well at a regular location, or for obtaining maximum allowable from any well to be drilled, drilling, or already drilled, any such unit may be established or enlarged to conform to the size required by such governmental order or rule. Lessee shall exercise said option as to each desired unit by executing an instrument identifying such unit and filing it for record in the public office in which this lease is recorded. Each of said options may be exercised by Lessee at any time and from time to time while this lease is in force, and whether before or after production has been established either on said land, or on the portion of said land included in the unit, or on other land unitized therewith. A unit established hereunder shall be valid and effective for all purposes of this lease even though there may be mineral, royalty, or leasehold interests in lands within the unit which are not effectively pooled or unitized. Any operations conducted on any part of such unitized land shall be considered, for all purposes, except the payment of royalty, operations conducted upon said land under this lease. There shall be allocated to the land covered by this lease within each such unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) that proportion of the total production of unitized minerals from the unit, after deducting any used in lease or unit operations, which the number of surface acres in such land (or in each such separate tract) covered by this lease within the unit bears to the total number of surface acres in the unit, and the production so allocated shall be considered for all purposes, including payment or delivery of royalty, overriding royalty and any other payments out of production, to be the entire production of unitized minerals from the land to which allocated in the same manner as though produced therefrom under the terms of this lease. The owner of the reversionary estate of any term royalty or mineral estate agrees that the accrual of royalties pursuant to this paragraph or of shut-in royalties from a well on the unit shall satisfy any limitation of term requiring production of oil or gas. The formation of any unit hereunder which includes land not covered by this lease shall not have the effect of exchanging or transferring any interest under this lease (including, without limitation, any shut-in royalty

A CERTIFIED copy issued SEP 02 2008
pg. 1 of 5

Beth Rothermel, County Clerk
Washington County, TX Deputy



which may become payable under this lease) between parties owning interests in land covered by this lease and parties owning interests in land not covered by this lease. Neither shall it impair the right of Lessee to release as provided in paragraph 5 hereof, except that Lessee may not so release as to lands within a unit while there are operations thereon for unitized minerals unless all pooled leases are released as to lands within the unit. At any time while this lease is in force Lessee may dissolve any unit established hereunder by filing for record in the public office where this lease is recorded a declaration to that effect, if at that time no operations are being conducted thereon for unitized minerals. Subject to the provisions of this paragraph 4, a unit once established hereunder shall remain in force so long as any lease subject thereto shall remain in force. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph 4 with consequent allocation of production as herein provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

5. Lessee may at any time and from time to time execute and deliver to Lessor or file for record a release or releases of this lease as to any part or all of said land or of any mineral or horizon thereunder, and thereby be relieved of all obligations, as to the released acreage or interest.

6. Whenever used in this lease the word "operations" shall mean operations for and any of the following: drilling, testing, completing, reworking, recompleting, deepening, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil, gas, sulphur or other minerals, excavating a mine, production of oil, gas, sulphur or other mineral, whether or not in paying quantities.

7. Lessee shall have the use, free from royalty, of water, other than from Lessor's water wells, and of oil and gas produced from said land in all operations hereunder. Lessee shall have the right at any time to remove all machinery and fixtures placed on said land, including the right to draw and remove casing. No well shall be drilled nearer than 200 feet to the house or barn now on said land without the consent of the Lessor. Lessee shall pay for damages caused by its operations to growing crops and timber on said land.

8. The rights and estate of any party hereto may be assigned from time to time in whole or in part and as to any mineral or horizon. All of the covenants, obligations, and considerations of this lease shall extend to and be binding upon the parties hereto, their heirs, successors, assigns, and successive assigns. No change or division in the ownership of said land, royalties, or other moneys, or any part thereof, howsoever effected, shall increase the obligations or diminish the rights of Lessee, including, but not limited to, the location and drilling of wells and the measurement of production. Notwithstanding any other actual or constructive knowledge or notice thereof of or to Lessee, its successors or assigns, no change or division in the ownership of said land or of the royalties, or other moneys, or the right to receive the same, howsoever effected, shall be binding upon the then record owner of this lease until thirty (30) days after there has been furnished to such record owner at his or its principal place of business by Lessor or Lessor's heirs, successors, or assigns, notice of such change or division, supported by either originals or duly certified copies of the instruments which have been properly filed for record and which evidence such change or division, and of such court records and proceedings, transcripts, or other documents as shall be necessary in the opinion of such record owner to establish the validity of such change or division. If any such change in ownership occurs by reason of the death of the owner, Lessee may, nevertheless pay or tender such royalties, or other moneys, or part thereof, to the credit of the decedent in a depository bank provided for above.

9. In the event Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. If this lease is canceled for any cause, it shall nevertheless remain in force and effect as to (1) sufficient acreage around each well as to which there are operations to constitute a drilling or maximum allowable unit under applicable governmental regulations, (but in no event less than forty acres), such acreage to be designated by Lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules require; and (2) any part of said land included in a pooled unit on which there are operations. Lessee shall also have such easements on said land as are necessary to operations on the acreage so retained.

10. Lessor hereby warrants and agrees to defend title to said land against the claims of all persons whomsoever. Lessor's rights and interests hereunder shall be charged primarily with any mortgages, taxes or other liens, or interest and other charges on said land, but Lessor agrees that Lessee shall have the right at any time to pay or reduce same for Lessor, either before or after maturity, and be subrogated to the rights of the holder thereof and to deduct amounts so paid from royalties or other payments payable or which may become payable to Lessor and/or assigns under this lease. If this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessor's interest is herein specified or not), or no interest therein, then the royalties and other moneys accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. All royalty interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty herein provided. This lease shall be binding upon each party who executes it without regard to whether it is executed by all those named herein as Lessor.

11. If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and Lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be invalid) or (2) any other cause, whether similar or dissimilar, (except financial) beyond the reasonable control of Lessee, the primary term hereof shall be extended until the first anniversary date hereof occurring ninety (90) or more days following the removal of such delaying cause, and this lease may be extended thereafter by operations as if such delay had not occurred.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

LESSOR SS. OR TAX I.D. NO. LESSOR SS. OR TAX I.D. NO.

ACKNOWLEDGMENT

STATE OF _____
COUNTY OF _____
This instrument was acknowledged before me on the _____ day of _____, by _____

Notary Public, State of Texas
Notary's name (printed):
Notary's commission expires:

ACKNOWLEDGMENT

STATE OF _____
COUNTY OF _____
This instrument was acknowledged before me on the _____ day of _____, by _____

Notary Public, State of Texas
Notary's name (printed):
Notary's commission expires:

SEE ATTACHED ADDENDUM FOR ADDITIONAL PROVISIONS AND SIGNATURE (S)

Producers 88 (7-69) Paid Up
With 640 Acres Pooling Provision

©POUND PRINTING COMPANY

A CERTIFIED copy issued SEP 02 2008
pg. 2 of 5
Beth Rothermel, County Clerk
Washington County, TX Deputy



ADDENDUM

Attached to and made a part of that certain Oil, Gas and Mineral Lease dated July 7, 2008, by and between **WALTER R. SCHULTZ and wife, CYNTHIA A. SCHULTZ**, as Lessor, and **CERVUS OIL & GAS CO.**, as Lessee, covering 111.577 acres, more or less, a part of the A. Kuykendall Survey, Abstract No. 70, Washington County, Texas.

12. The foregoing typewritten agreement and provisions shall supersede and govern the provisions in the printed text of this lease wherever such printed form is in conflict and shall inure to the benefit of, and be binding upon the parties hereto and their respective heirs, representatives, successors and assigns.

13. It is understood and agreed that wherever the fractions "one-eighth" and "one-tenth" appear in paragraph 3 hereof, they are hereby expressly amended and increased to "22.5%."

14. It is expressly understood and agreed that this lease covers oil and gas only, along with the related products and by-products produced in conjunction therewith, but this lease does not cover or include any other minerals of any type including uranium, thorium and other fissionable materials, iron ore, lignite, copper, coal, gravel, sand or any other minerals of any type.

15. Prior to conducting drilling operations upon the herein leased premises, Lessee, its successors or assigns, shall pay the surface owner of the leased premises the sum of Ten Thousand and No/100 Dollars (\$10,000.00), such sum to cover all normal and reasonable damages to roads, fences, improvements and growing crops caused by Lessee's drilling operations conducted hereunder. Any damages which are not normal and reasonable damages associated with drilling and production operations, if any, and not mutually agreed upon by the surface owner and Lessee, shall be ascertained and determined by three disinterested persons, one of whom shall be appointed by the surface owner, its heirs, devisees, successors or assigns, one by Lessee, Lessee's successors or assigns, and the third by the two so appointed as aforesaid, and the determination of said three persons shall be final and conclusive.

16. Lessee will consult with Lessor its plans for use of the surface of the lease prior to drilling of a well on said surface. Lessee will also notify Lessor of its plans for laying pipelines, permanent electric lines and lease roads. Lessee shall not cut any trees without prior consent of Lessor, provided that such consent will not be arbitrarily or unreasonably withheld by Lessor.

17. Lessee agrees to surround the working area used for the drilling of any well, including any pits, with fences sufficient to turn cattle, and to install cattle guards at each point of intersection of roads installed by Lessee with fences constructed by Lessee or Lessor.

18. Notwithstanding anything contained herein to the contrary, Lessee shall not have the use of fresh water from any of Lessor's stock tanks, ponds, creeks or existing water wells. Lessee may, at its discretion, drill a water well on Lessor's property for use during its drilling operations. In the event Lessee drills a water well on the above described property, when Lessee's need for same has ceased, upon Lessor's written request said water well and all pipe and connections, except for Lessee's pump, will be assigned to Lessor who shall assume all rights, responsibilities and liabilities, if any, for operation, maintenance and plugging of said water well.

19. Lessee agrees to hold the Lessor harmless from any claims arising from the personal injury of any person on the leased premises as a result of the performance of any terms of this lease agreement or any actions that might result therefrom.

20. Neither Lessee nor anyone on the said land with the permission or invitation of Lessee shall be permitted to hunt or fish on said land without the express written consent of Lessor and Lessee shall insure that neither it, its agents, employees, successors, nor assigns shall bring guns or any other type of firearms on said land without such written permission.

21. Notwithstanding provisions of the printed portions of this lease to the contrary, no salt water shall be disposed of in or on the above described property without express written consent of Lessor.



22. Within 120 days, weather permitting, after the drilling or abandonment of any well, Lessee shall remove all machinery, material and structures used in connection with said well and not used in other operations on the leased premises, and shall fill in and level off all excavations, pits or other alterations in the surface of the land caused in connection with said well, neutralize all acids and generally shall restore the surrounding land (except the means of ingress and egress) of its original condition so far as reasonable possible.

23. In the event a portion or portions of the leased premises is pooled or unitized with other land so as to form a pooled unit or units, operations on, completion of a well upon, or production from such pooled unit or units will not maintain this lease in force as to that portion of the leased premises not included in such pooled unit or units. The lease may be maintained in force as to any portion of the leased premises covered hereby and not included in such pooled unit or units in any manner provided for herein; provided, however, if at the end of the primary term or after the expiration of the primary term, Lessee is then engaged in drilling or reworking operations on the leased premises or on acreage pooled therewith, or if Lessee has completed a well as a producer or a dry hole anywhere on the leased premises or lands pooled therewith within ninety (90) days prior to the expiration of the primary term, this lease shall remain in full force and effect as to all non-pooled acreage so long as Lessee commences drilling operations on the leased premises or on acreage pooled therewith within ninety (90) days of the completion of such well as a producer or a dry hole and conducts continuous operations thereon with no cessation of longer than ninety (90) days between the completion of drilling or reworking operations on a well and the commencement of such operations for the next succeeding well.

24. It is understood and agreed that one (1) year after the expiration of the primary term of this lease, upon the expiration of any extension or renewal, or after cessation of operations as provided herein, whichever occurs last, Lessee shall release all rights lying below one hundred feet (100') below the stratigraphic equivalent of the deepest depth drilled in any well drilled on the leased premises or on lands with which the leased premises has been pooled or unitized.

25. Lessee will commence payments of royalties to Lessor within 120 days after the first sale of oil or gas from the leased premises and monthly thereafter. This cause shall not be applicable if the delay in payment results from curative title work or other circumstances reasonably beyond the control of Lessee or its assigns. Lessee agrees that if royalties are not paid within 120 days as stated above, then Lessor shall be paid interest on said overdue funds in the amount as prescribed in the Texas Natural Resources Code Section 91.401.

26. After the end of the primary term, this lease may not be maintained in force solely by reason of the shut-in royalty payments, as provided heretofore, for any one shut-in period of more than two (2) years, or, from time to time, for shorter periods which exceed two (2) cumulative years. In addition, it is understood and agreed that such shut-in royalty payments shall be based upon \$25.00 per net mineral acre for each such acre then subject to the shut-in provisions of this lease.

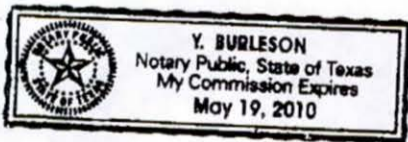
IN WITNESS WHEREOF, this instrument is executed on the date first above written.

Walter R. Schultz
WALTER R. SCHULTZ

Cynthia A. Schultz
CYNTHIA A. SCHULTZ

THE STATE OF TEXAS §
COUNTY OF WASHINGTON §

This instrument was acknowledged before me on the 14 day of July, 2008, by WALTER R. SCHULTZ and wife, CYNTHIA A. SCHULTZ.



Y. Burlison
Notary Public in and for the State of Texas

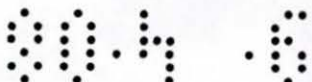
When Recorded Return To:

Page 2 of 2

Cervus Oil & Gas Co.
P. O. Box 680445
Houston, Texas 77268-0445

A CERTIFIED copy issued SEP 02 2008
pg. 4 of 5

Beth Rothermel, County Clerk
Washington County, TX PW Deputy



FILED FOR RECORD
WASHINGTON COUNTY, TEXAS

2008 JUL 31 AM 10:05

BETH A. ROTHERMEL
WASHINGTON COUNTY CLERK

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on
the date and at the time affixed hereon by me and
was duly RECORDED in the volume and page of the
OFFICIAL RECORDS of Washington County, Texas, as
stamped hereon by me on **SEP 01 2008**



Beth A. Rothermel

Beth Rothermel, County Clerk
Washington County, Texas

#28
Cervus Oil & Gas Co.
P.O. Box 680445
Houston, TX 77268-0445

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF WASHINGTON

The above is a full, true, and correct photographic
copy of the original record now in my lawful custody
and possession as the same is recorded in the
OFFICIAL RECORDS in my office with volume and
page number stamped thereon. I hereby certify on
pg 5 of 5

SEP 02 2008



BETH ROTHERMEL
COUNTY CLERK
WASHINGTON COUNTY, TEXAS
By *Gregory Wagner*
Deputy



CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF WASHINGTON
The above is a full, true, and correct photograph
copy of the original record now in my lawful custody
and possession as the same is recorded in the
OFFICIAL RECORDS in my office with volume and
page number stamped thereon. I hereby certify (S)

BEVIN ROTHERMEL
COUNTY CLERK
WASHINGTON COUNTY, TEXAS



Deposited





Austin, Texas

PAID-UP
OIL AND GAS LEASE NO. M-98475
GENERAL LAND OFFICE
AUSTIN, TEXAS

THIS AGREEMENT made and entered into by and between the Commissioner of the General Land Office of the State of Texas, whose address is Stephen F. Austin Building, 1700 North Congress, Austin, Texas, 78701, hereinafter called "Lessor", hereunto authorized by the School Land Board, pursuant to the provisions of Chapters 32 and 52 of the Natural Resources Code (hereinafter called N.R.C.), and amendments thereto, and all applicable rules promulgated by the School Land Board, and Union Pacific Resources Co., whose address is, 801 Cherry St., Fort Worth, Texas 76102 hereinafter called "Lessee".

1. Lessor, in consideration of One Hundred Forty Two and 60/100 Dollars (\$142.60), receipt of which is hereby acknowledged, and of the covenants and agreements of Lessee hereinafter contained, does hereby grant, lease, and let unto Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, and all other hydrocarbons, produced from the land covered hereby. The land covered hereby, herein called "said land" is located in the County of Washington, State of Texas, and is described as follows:

14.26 acres of land, more or less, situated in said Washington County, Texas, more particularly described in Exhibit "A" attached hereto and made a part hereof together with a plat, attached hereto as Exhibit "B", depicting said right-of-way and surrounding area for purposes of illustration only.

For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain 14.26 acres, whether actually containing more or less, and the above recital of acreage shall be deemed to be the true acreage thereof. Lessor accepts the bonus as lump sum consideration for this lease and all rights and options hereunder.

2. **PRIMARY TERM:** This lease, which is a "paid up" lease requiring no rentals, shall remain in force for a term of one (1) year from August 5, 1997, hereinafter called "primary term", and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.



3. ROYALTIES: As royalty Lessee covenants and agrees:

(a) To deliver to the credit of Lessor, in the pipe line to which Lessee may connect its well, the equal one fourth (1/4) part of all oil produced and saved by Lessee from said land, or from time to time, at the option of Lessee, to pay Lessor the average posted market price of such one fourth (1/4) part of such oil at the wells as of the day it is run to the pipe line or storage tanks, Lessor's interest, in either case, to bear none of the cost of treating oil to render it marketable pipe line oil;

(b) To pay Lessor on gas and casinghead gas produced from said land (1) when sold by lessee, one fourth (1/4) of the amount realized by Lessee, computed at the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, the market value, at the mouth of the well, of one fourth (1/4) of such gas and casinghead gas.

(c) If, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred.

(d) Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, Lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be required to settle labor trouble or to market gas upon terms unacceptable to Lessee.

(e) If at any time or times after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period, lessee shall pay or tender, by check of lessee, as royalty, the sum of \$25.00. Lessee shall make like payments or tenders at or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing. Nothing herein shall impair lessee's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, severally as to acreage owned by each.

(f) All royalties not taken in kind shall be paid to the Commissioner of the General Land Office at Austin, Texas, in the following manner:

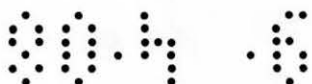
Royalty on oil is due and must be received in the General Land Office on or before the 5th day of the second month succeeding the month of production, and royalty on gas is due and must be received in the General Land Office on or before the 15th day of the second month succeeding the month of production, accompanied by the affidavit of the owner, manager, or other authorized agent, completed in the form and manner prescribed by the General Land Office and showing the gross amount and disposition of all oil and gas produced and the market value of the oil and gas, together with a copy of all documents, records or reports confirming the gross production, disposition and market value including gas meter readings, pipeline receipts, gas line receipts and other checks or memoranda of amount produced and put into pipelines, tanks, or pools and gas lines or gas storage, and any other reports or records which the General Land Office may require to verify the gross production, disposition and market value. In all cases the authority of a manager or agent to act for the Lessee herein must be filed in the General Land Office. Each royalty payment shall be accompanied by a check stub, schedule, summary or other remittance advice showing by the assigned General Land Office lease number the amount of royalty being paid on each lease. If Lessee pays his royalty on or before thirty (30) days after the royalty payment was due, the Lessee owes a penalty of 5% on the royalty or \$25.00, whichever is greater. A royalty payment which is over thirty (30) days late shall accrue a penalty of 10% of the royalty due or \$25.00, whichever is greater. In addition to a penalty, royalties shall accrue interest at a rate of 12% per year, such

interest will begin accruing when the royalty is sixty (60) days overdue. Affidavits and supporting documents which are not filed when due shall incur a penalty in an amount set by the General Land Office administrative rule which is effective on the date when the affidavits or supporting documents were due. The Lessee shall bear all responsibility for paying or causing royalties to be paid as prescribed by the due date provided herein. Payment of the delinquency penalty shall in no way operate to prohibit the State's right of forfeiture as provided by law nor act to postpone the date on which royalties were originally due. The above penalty provisions shall not apply in cases of title dispute as to the State's portion of the royalty or to that portion of the royalty in dispute as to fair market value. The State shall have first lien upon all oil and gas produced from the area covered by this lease to secure the payment of all unpaid royalty and other sums of money that may become due to the State hereunder.

4. **POOLING:** (a) Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease with any other land covered by this lease, and/or with any other land, lease, or leases, as to any or all minerals or horizons. Units pooled for oil hereunder shall not exceed 160 acres each in area, and units pooled for gas hereunder shall not exceed in area 640 acres each plus a tolerance of ten percent (10%) thereof, unless oil or gas units of a greater size are allowed under or prescribed by rules of the Railroad Commission of Texas. A unit established hereunder shall be valid and effective for all purposes of this lease even though there may be mineral, royalty, or leasehold interests in lands within the unit which are not effectively pooled or unitized. Any operations conducted on any part of such unitized land shall be considered, for all purposes, except the payment of royalty, as operations conducted upon said land under this lease. There shall be allocated to the land covered by this lease within each such unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) the proportion of the total production of unitized minerals from the unit, after deducting any used in lease or unit operations, which the number of surface acres in such land (or in each such separate tract) covered by this lease within the unit bears to the total number of surface acres in the unit, and the production so allocated shall be considered for all purposes, including payment or delivery of royalty, overriding royalty and any other payments out of production, to be the entire production of unitized minerals from the land to which allocated in the same manner as though produced therefrom under the terms of this lease. The owner of the reversionary estate of any term royalty or mineral estate agrees that the accrual of royalties pursuant to this paragraph or of shut-in royalties from a well on the unit shall satisfy any limitation of term requiring production of oil or gas. The formation of any unit hereunder which includes land not covered by this lease shall not have the effect of exchanging or transferring any interest under this lease (including, without limitation, any shut-in royalty which may become payable under this lease) between parties owning interests in land covered by this lease and parties owning interests in land not covered by this lease. Neither shall it impair the right of Lessee to release as provided in paragraph 5 hereof, except that Lessee may not so release as to lands within a unit while there are operations thereon for unitized minerals unless all pooled leases are released as to lands within the unit. At any time while this lease is in force Lessee may dissolve any unit established hereunder by filing for record in the public office where this lease is recorded a declaration to that effect, if at that time no operations are being conducted thereon for unitized minerals. Subject to the provisions of this paragraph 4, a unit once established hereunder shall remain in force for so long as any lease subject thereto shall remain in force. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph 4 with consequent allocation of production as herein provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

(b) Neither unit production of oil or gas, nor unit operations, nor payment of shut-in royalties from a unit gas well, shall serve to hold the lease in force as to any area outside the unit, regardless of whether the production, maintenance of a shut-in gas well, or operations are actually located on the State tract or not.

(c) Lessee agrees to file with the General Land Office a copy of any unit designation which this lease is included within ninety (90) days of such designation.



5. **RELEASE:** Lessee may relinquish the rights granted hereunder to the State at any time by recording the relinquishment in the county where this area is situated and filing the recorded relinquishment or certified copy of same in the General Land Office within ninety (90) days after its execution accompanied by the prescribed filing fee. Such relinquishment will not have the effect of releasing Lessee from any liability theretofore accrued in favor of the State.
6. **REWORK:** If at any time or times during the primary term operations are conducted on said land and if all operations are discontinued, this lease shall thereafter terminate at the end of the primary term or on the ninetieth day after discontinuance of all operations, whichever is the later date, unless on such later date either (1) Lessee is conducting operations or (2) the shut-in well provisions of paragraph 3 or the provisions of paragraph 9 are applicable. Whenever used in this lease the word "operations" shall mean operations for and any of the following: drilling, testing, completing, reworking, recompleting, deepening, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil or gas, or production of oil or gas in paying quantities.
7. **MINERAL USE:** Lessee shall have the use, free from royalty, of oil and gas produced from said land in all operations hereunder.
8. **NOTICE:** In the event Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. If this lease is canceled for any cause, it shall nevertheless remain in force and effect as to (1) sufficient acreage around each well as to which there are operations to constitute a drilling or maximum allowable unit under applicable governmental regulations, (but in no event less than forty acres), such acreage to be designated by Lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules require; and (2) any part of said land included in a pooled unit on which there are operations.
9. **FORCE MAJEURE:** If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and Lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be invalid) or (2) any other cause, whether similar or dissimilar, (except financial) beyond the reasonable control of Lessee, the primary term shall be extended until the first anniversary date hereof occurring ninety (90) or more days following the removal of such delaying cause, and this lease may be extended thereafter by operations as if such delay had not occurred.
10. **LESSER ESTATE CLAUSE:** If this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessors interest is herein specified or not), or no interest therein, then the royalties, and other monies accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease bears to the whole and undivided fee simple estate therein.
11. **ASSIGNMENTS:** This lease may be transferred at any time. All transfers must reference the lease by file number and must be recorded in the county where the land covered hereby is located, and the recorded transfer or a copy certified to by the County Clerk of the county where the transfer is recorded must be filed in the General Land Office within ninety (90) days of the execution date, as provided by N.R.C. Section 52.026, accompanied by the prescribed filing fee. Every transferee shall succeed to all rights and be subject to all obligations, liabilities, and penalties owed to the State by the original Lessee or any prior transferee of the lease, including any liabilities to the State for unpaid royalties.




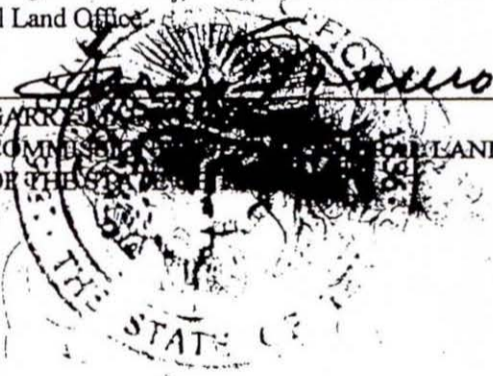
12. WELL INFORMATION: Lessee agrees to forthwith furnish Lessor, upon written request, with copies of all drilling logs, electrical logs, cores and core records and other information pertaining to all wells drilled by lessee either on the leased premises or acreage pooled therewith, when requested to do so. Said information shall remain confidential as required by statute.

13. SURFACE: Notwithstanding anything herein to the contrary, it is agreed that Lessee will not conduct any exploration or drilling on the surface of the leased premises or use the surface in the exercise of any rights herein granted. Any development of said land shall be by means of a directional well located off the leased premises, or by pooling of said land with other land, lease or leases as hereinabove provided.

14. COMPENSATORY ROYALTY: Lessee shall pay a compensatory royalty if this lease is not being held by production on the leased premises, by production from a pooled unit, or by payment of shut-in royalties in accordance with the terms of this lease, and if oil or gas is sold or delivered in paying quantities from a well located within 2500 feet of the leased premises and completed in a producible reservoir underlying the area leased hereunder or in any case in which drainage is occurring. Such compensatory royalty shall be paid at the royalty rate provided in this lease based on the value of production from the well as provided in the lease on which such well is located. The compensatory royalty shall be paid in the same proportion that the acreage of this lease has to the acreage of the proration unit surrounding the draining well plus the acreage of this lease. The compensatory royalty shall be paid monthly to the Commissioner of the General Land Office on or before the last day of the month after the month in which the oil or gas is sold and delivered from the well causing the drainage or from the well located within 2500 feet of the leased premises and completed in a producible reservoir under this lease. Notwithstanding anything herein to the contrary, compensatory royalty payable hereunder shall be no less than an amount equal to \$50.00, and shall maintain this lease in effect for so long as such payments are made as provided herein.

15. FORFEITURE: If Lessee shall fail or refuse to make payment of any sum within thirty (30) days after it becomes due, or if Lessee or an authorized agent should knowingly make any false return or false report concerning production or drilling, or if Lessee shall fail or refuse to drill any offset well or wells in good faith as required by law and the rules and regulations adopted by the Commissioner of the General Land Office, or if Lessee should fail to file reports in the manner required by law or fail to comply with rules and regulations promulgated by the General Land Office, or refuse the proper authority access to the records pertaining to operations, or if Lessee or an authorized agent should knowingly fail or refuse to give correct information to the proper authority, or knowingly fail or refuse to furnish the General Land Office a correct log of any well, or if this lease is pooled or assigned and the unit designation or assignment is not filed in the General Land Office as required by law, the rights acquired under this lease shall be subject to forfeiture by the Commissioner, and he shall forfeit same when sufficiently informed of the facts which authorize a forfeiture, and when forfeited the area shall again be subject to lease. However, nothing herein shall be construed as waiving the automatic termination of this lease by operations of law or by reason of any special limitation arising hereunder. Forfeitures may be set aside and this lease and all rights thereunder reinstated before the rights of another intervene upon satisfactory evidence to the Commissioner of the General Land Office of future compliance with the provisions of the law and of this lease and the rules and regulations that may be adopted relative hereto.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the General Land Office of the State of Texas, under the seal of the General Land Office.


GARRISON
COMMISSIONER OF THE GENERAL LAND OFFICE
OF THE STATE OF TEXAS


Approved:
Energy: PHD
Executive: SL

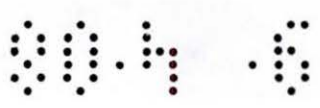


Exhibit "A"

ACREAGE TO BE LEASED FROM THE STATE OF TEXAS IN WASHINGTON COUNTY, BEING A PART OF KUYKENDALL ROAD F/K/A WASHINGTON COUNTY ROAD NO. 79, ALL OF FUELBURG-PEASE LANE F/K/A WASHINGTON COUNTY ROAD NO. 79B AND A PART OF STEINFELD LANE F/K/A WASHINGTON COUNTY ROAD NO. 79C.

14.26 acres of land, more or less, a part of the Abner Kuykendall One-Half League, A-70, Washington County, Texas, being further described as the following five tracts, to-wit:

TRACT ONE: 2.45 acres of land(calculated), more or less, being the same land described in that certain deed dated March 1, 1926 from Wm. Pohlmeier and wife, Mrs. W. Pohlmeier to Washington County, Texas and recorded in Volume 90, Page 154 of the Deed Records of Washington County, Texas.

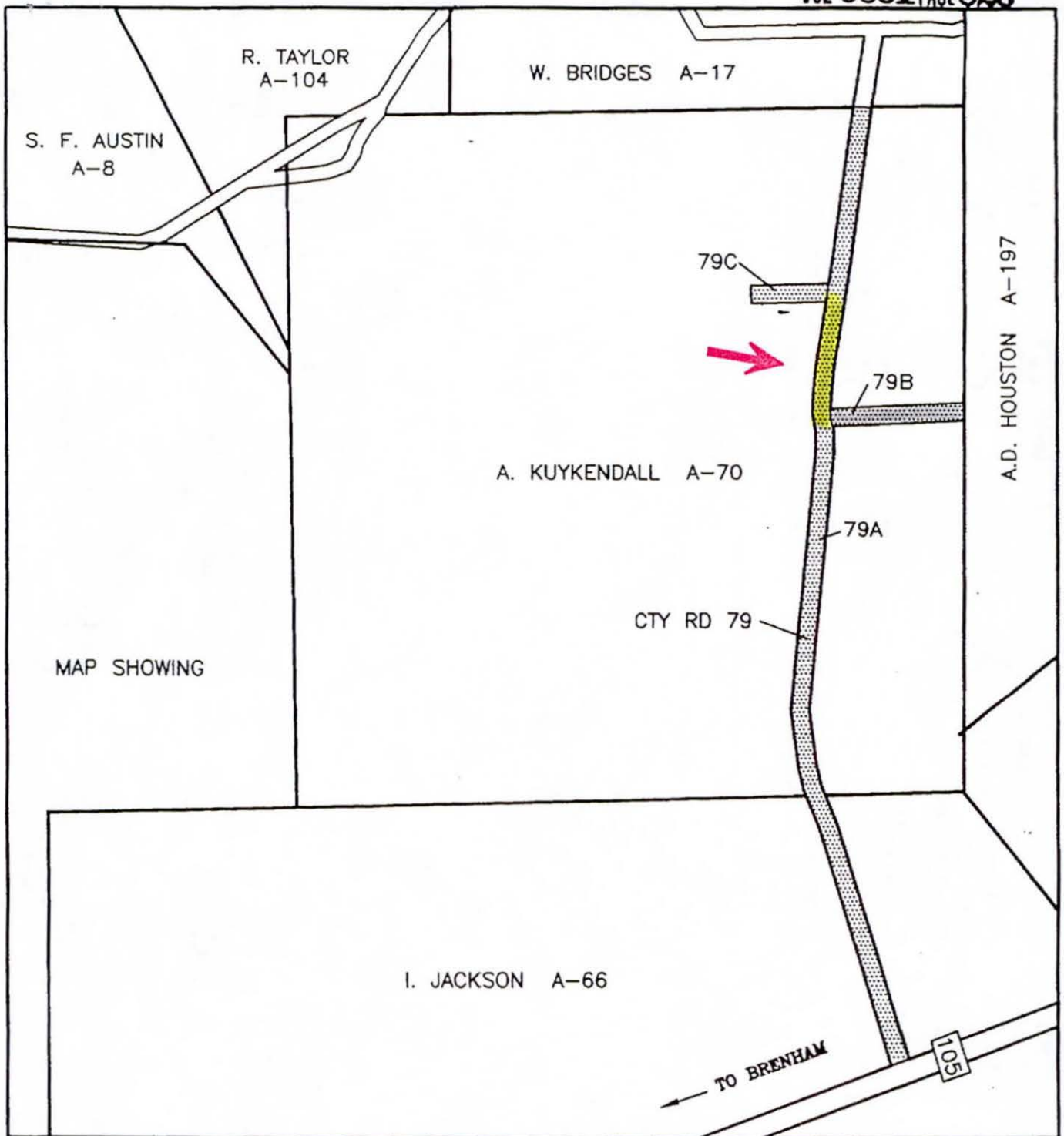
TRACT TWO: 4.66 acres of land (calculated), more or less, being the same land described in that certain deed dated March 1, 1926 from H. Hofschneider and wife, S. Hofschneider to Washington County, Texas and recorded in Volume 90, Page 154 of the Deed Records of Washington County, Texas.

TRACT THREE: 4 3/4 acres of land, more or less, being the same land described in that certain deed dated March 4, 1927 from Wm. Stegemoeller and wife, Minna Stegemoeller and William Lammert to S. D. W. Low, County Judge of Washington County, Texas and recorded in Volume 90, Page 152 of the Deed Records of Washington County, Texas.

TRACT FOUR: 1.9 acres of land, more or less, being the same land described in that certain deed dated December 8, 1928 from Wm. Pohlmeier and wife, Louisa Pohlmeier to S. D. W. Low, County Judge of Washington County, Texas and recorded in Volume 92, Page 214 of the Deed Records of Washington County, Texas.

TRACT FIVE: 0.50 acre of land, more or less, being the southern half of a one acre tract of land described in that certain deed dated August 15, 1931 from Wm. Stegemoeller to S. D. W. Low, County Judge of Washington County, Texas and recorded in Volume 105, Page 1 of the Deed Records of Washington County, Texas.





MAP SHOWING

COUNTY RD 79/79A/7-97

MAP SHOWING
 A PORTION OF COUNTY ROAD 79
 APPROXIMATELY 14.26 ACRES
 5 MILES NORTHEAST OF BRENHAM
 WASHINGTON COUNTY

STATE OF TEXAS
 COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

JAN 28 1998

FILED FOR RECORD
 WASHINGTON COUNTY, TEXAS

'98 JAN 27 PM 2 16

Beth A. Rothemel
 WASHINGTON CO. CLERK



Beth A. Rothemel
 Beth Rothemel, County Clerk
 Washington County, Texas



P.

File No. MT109434

Leases

Date Filed: 9/4/08
Jerry Patterson, Commissioner

By: [Signature]



2.45 Acres

31.753 ACRES

79.824 ACRES

Title: Walter R. Schultz, et ux 111.577-Acre Lease



3045

5.

File No. MF 109434

Stacy

Date Filed: 9/4/08

By: [Signature]
Seth Patterson, Commissioner



TEXAS



GENERAL LAND OFFICE

JERRY PATTERSON, COMMISSIONER

October 7th, 2008

Mr. C. Frank Robinson
Roger A. Soape, Inc.
450 Gears Rd., Suite 780
Houston, TX 77067

Dear Mr. Robinson,

Re: State of Texas HROW Lease # MF 109424

Enclosed you will find an original executed Highway Right-of-Way Lease in Washington County.

Please refer to this lease number with all future correspondence concerning this lease. Proof read your lease before filing of record.

Please have your client review Section 4c regarding pooling, and ensure the GLO receives a copy of any unit designation on this lease.

If you have any questions please feel free to contact my direct phone number, or email listed below, or You may contact Drew Reid at his direct number (512) 475-1534

Best regards,

Beverly Boyd
Energy Resources
Mineral Leasing
512-463-6521
beverly.boyd@glo.state.tx.us

Stephen F. Austin Building • 1700 North Congress Avenue • Austin, Texas 78701-1495

Post Office Box 12873 • Austin, Texas 78711-2873

512-463-5001 • 800-998-4GLO

www.glo.state.tx.us

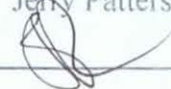
6.

File No. MF 109424

90 letter

Date Filed: 10/7/08

Jerry Patterson, Commissioner

By 

The State of Texas



5912

Austin, Texas

PAID-UP
OIL AND GAS LEASE NO. (109424)
GENERAL LAND OFFICE
AUSTIN, TEXAS

THIS AGREEMENT made and entered into by and between the Commissioner of the General Land Office of the State of Texas, whose address is Stephen F. Austin Building, 1700 North Congress, Austin, Texas, 78701, hereinafter called "Lessor", hereunto authorized by the School Land Board, pursuant to the provisions of Chapters 32 and 52 of the Natural Resources Code (hereinafter called N.R.C.), and amendments thereto, and all applicable rules promulgated by the School Land Board and **Roger A Soape, Inc.**, whose address is **450 Gears Rd., Suite 780, Houston, TX 77067** hereinafter called "Lessee".

1. Lessor, in consideration of **Four Hundred Ninety 00/100 (\$490.00)** receipt of which is hereby acknowledged, and of the covenants and agreements of Lessee hereinafter contained, does hereby grant, lease, and let unto Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, and all other hydrocarbons, produced from the land covered hereby. The land covered hereby, herein called "said land" is located in the County of **Washington** State of Texas, and is described as follows:

2.45 acres of land, more or less, known as, situated in said **Washington** County, Texas, more particularly described in Exhibit "A" attached hereto and made a part hereof together with a plat, attached hereto as Exhibit "B", depicting said right-of-way and surrounding area for purposes of illustration only.

For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain **2.45 acres**, whether actually containing more or less, and the above recital of acreage shall be deemed to be the true acreage thereof. Lessor accepts the bonus as lump sum consideration for this lease and all rights and options hereunder.

2. **PRIMARY TERM:** This lease, which is a "paid up" lease requiring no rentals, shall remain in force for a term of **two years, from October 7th, 2008** hereinafter called "primary term", and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.

3. **ROYALTIES:** As royalty Lessee covenants and agrees:

(a) To deliver to the credit of Lessor, in the pipe line to which Lessee may connect its well, the equal **22.5%** part of all oil produced and saved by Lessee from said land, or from time to time, at the option of Lessee, to pay Lessor the average posted market price of such **22.5%** part of such oil at the wells as of the day it is run to the pipe line or storage tanks, Lessor's interest, in either case, to bear none of the cost of treating oil to render it marketable pipe line oil;

(b) To pay Lessor on gas and casing head gas produced from said land (1) when sold by lessee **22.5%** of the amount realized by Lessee, computed at the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, the market value, at the mouth of the well, of **22.5%** of such gas and casing head gas.



(c) If, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred

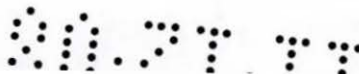
(d) Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, Lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be required to settle labor trouble or to market gas upon terms unacceptable to Lessee.

(e) If at any time or times after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period, lessee shall pay or tender, by check of lessee, as royalty, the sum of \$ 25.00. Lessee shall make like payments or tenders at or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing. Nothing herein shall impair lessee's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, severally as to acreage owned by each.

(f) All royalties not taken in kind shall be paid to the Commissioner of the General Land Office at Austin, Texas, in the following manner:

Royalty on oil is due and must be received in the General Land Office on or before the 5th day of the second month succeeding the month of production, and royalty on gas is due and must be received in the General Land Office on or before the 15th day of the second month succeeding the month of production, accompanied by the affidavit of the owner, manager, or other authorized agent, completed in the form and manner prescribed by the General Land Office and showing the gross amount and disposition of all oil and gas produced and the market value of the oil and gas, together with a copy of all documents, records or reports confirming the gross production, disposition and market value including gas meter readings, pipeline receipts, gas line receipts and other checks or memoranda of amount produced and put into pipelines, tanks, or pools and gas lines or gas storage, and any other reports or records which the General Land Office may require to verify the gross production, disposition and market value. In all cases the authority of a manager or agent to act for the Lessee herein must be filed in the General Land Office. Each royalty payment shall be accompanied by a check stub, schedule, summary or other remittance advice showing by the assigned General Land Office lease number the amount of royalty being paid on each lease. If Lessee pays his royalty on or before thirty (30) days after the royalty payment was due, the Lessee owes a penalty of 5% on the royalty or \$25.00, whichever is greater. A royalty payment which is over thirty (30) days late shall accrue a penalty of 10% of the royalty due or \$25.00, whichever is greater. In addition to a penalty, royalties shall accrue interest at a rate of 12% per year; such interest will begin accruing when the royalty is sixty (60) days overdue. Affidavits and supporting documents which are not filed when due shall incur a penalty in an amount set by the General Land Office administrative rule which is effective on the date when the affidavits or supporting documents were due. The Lessee shall bear all responsibility for paying or causing royalties to be paid as prescribed by the due date provided herein. Payment of the delinquency penalty shall in no way operate to prohibit the State's right of forfeiture as provided by law nor act to postpone the date on which royalties were originally due. The above penalty provisions shall not apply in cases of title dispute as to the State's portion of the royalty or to that portion of the royalty in dispute as to fair market value. The State shall have first lien upon all oil and gas produced from the area covered by this lease to secure the payment of all unpaid royalty and other sums of money that may become due to the State hereunder.

4. POOLING: (a) Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease with any other land covered by this lease, and/or with any other land, lease, or leases, as to any or all minerals or horizons. Units pooled for oil hereunder shall not exceed 160 acres each in area, and units pooled for gas hereunder shall not exceed in area 640 acres each plus a tolerance often percent (10%) thereof, unless oil or gas units of a greater size are allowed under or prescribed by rules of the Railroad Commission of Texas. A unit established hereunder shall be valid and effective for all purposes of this lease even though there may be mineral, royalty, or leasehold interests in lands within



the unit, which are not effectively pooled or unitized. Any operations conducted on any part of such unitized land shall be considered, for all purposes, except the payment of royalty, as operations conducted upon said land under this lease. There shall be allocated to the land covered by this lease within each such unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) the proportion of the total production of unitized minerals from the unit, after deducting any used in lease or unit operations, which the number of surface acres in such land (or in each such separate tract) covered by this lease within the unit bears to the total number of surface acres in the unit, and the production so allocated shall be considered for all purposes, including payment or delivery of royalty, overriding royalty and any other payments out of production, to be the entire production of unitized minerals from the land to which allocated in the same manner as though produced there from under the terms of this lease. The owner of the reversionary estate of any term royalty or mineral estate agrees that the accrual of royalties pursuant to this paragraph or of shut-in royalties from a well on the unit shall satisfy any limitation of term requiring production of oil or gas. The formation of any unit hereunder which includes land not covered by this lease shall not have the effect of exchanging or transferring any interest under this lease (including, without limitation, any shut-in royalty which may become payable under this lease) between parties owning interests in land covered by this lease and parties owning interests in land not covered by this lease. Neither shall it impair the right of Lessee to release as provided in paragraph 5 hereof, except that Lessee may not so release as to lands within a unit while there are operations thereon for unitized minerals unless all pooled leases are released as to lands within the unit. At any time while this lease is in force Lessee may dissolve any unit established hereunder by filing for record in the public office where this lease is recorded a declaration to that effect, if at that time no operations are being conducted thereon for unitized minerals. Subject to the provisions of this paragraph 4, a unit once established hereunder shall remain in force for so long as any lease subject thereto shall remain in force. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph 4 with consequent allocation of production as herein provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

(b) Neither unit production of oil or gas, nor unit operations, nor payment of shut-in royalties from a unit gas well, shall serve to hold the lease in force as to any area outside the unit, regardless of whether the production, maintenance of a shut-in gas well, or operations are actually located on the State tract or not.

(c) Lessee agrees to file with the General Land Office a copy of any unit designation, which this lease is included within ninety (90) days of such designation.

5. **RELEASE:** Lessee may relinquish the rights granted hereunder to the State at any time by recording the relinquishment in the county where this area is situated and filing the recorded relinquishment or certified copy of same in the General Land Office within ninety (90) days after its execution accompanied by the prescribed filing fee. Such relinquishment will not have the effect of releasing Lessee from any liability theretofore accrued in favor of the State.

6. **REWORK:** If at any time or times during the primary term operations are conducted on said land and if all operations are discontinued, this lease shall thereafter terminate at the end of the primary term or on the ninetieth day after discontinuance of all operations, whichever is the later date, unless on such later date either (1) Lessee is conducting operations or (2) the shut-in well provisions of paragraph 3 or the provisions of paragraph 9 are applicable. Whenever used in this lease the word "operations" shall mean operations for and any of the following: drilling, testing, completing, reworking, recompleting, deepening, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil or gas, or production of oil or gas in paying quantities.

7. **MINERAL USE:** Lessee shall have the use, free from royalty, of oil and gas produced from said land in all operations hereunder.

8. **NOTICE:** In the event Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all



or any part of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. If this lease is canceled for any cause, it shall nevertheless remain in force and effect as to (1) sufficient acreage around each well as to which there are operations to constitute a drilling or maximum allowable unit under applicable governmental regulations, (but in no event less than forty acres), such acreage to be designated by Lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules require; and (2) any part of said land included in a pooled unit on which there are operations.

9. **FORCE MAJEURE:** If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and Lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be invalid) or (2) any other cause, whether similar or dissimilar, (except financial) beyond the reasonable control of Lessee, the primary term shall be extended until the first anniversary date hereof occurring ninety (90) or more days following the removal of such delaying cause, and this lease may be extended thereafter by operations as if such delay had not occurred.

10. **LESSER ESTATE CLAUSE:** If this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessors interest is herein specified or not), or no interest therein, then the royalties, and other monies accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease bears to the whole and undivided fee simple estate therein.

11. **ASSIGNMENTS:** This lease may be transferred at any time. All transfers must reference the lease by file number and must be recorded in the county where the land covered hereby is located, and the recorded transfer or a copy certified to by the County Clerk of the county where the transfer is recorded must be filed in the General Land Office within ninety (90) days of the execution date, as provided by N.R.C. Section 52.026, accompanied by the prescribed filing fee. Every transferee shall succeed to all rights and be subject to all obligations, liabilities, and penalties owed to the State by the original Lessee or any prior transferee of the lease, including any liabilities to the State for unpaid royalties.

12. **WELL INFORMATION:** Lessee agrees to forthwith furnish Lessor, upon written request, with copies of all drilling logs, electrical logs, cores and core records and other information pertaining to all wells drilled by lessee either on the leased premises or acreage pooled therewith, when requested to do so. Said information shall remain confidential as required by statute.

13. **SURFACE:** Notwithstanding anything herein to the contrary, it is agreed that Lessee will not conduct any exploration or drilling on the surface of the leased premises or use the surface in the exercise of any rights herein granted. Any development of said land shall be by means of a directional well located off the leased premises, or by pooling of said land with other land, lease or leases as hereinabove provided.

14. **COMPENSATORY ROYALTY:** Lessee shall pay a compensatory royalty if this lease is not being held by production on the leased premises, by production from a pooled unit, or by payment of shut-in royalties in accordance with the terms of this lease, and if oil or gas is sold or delivered in paying quantities from a well located within 2,500 feet of the leased premises and completed in a producible reservoir underlying the area leased hereunder or in any case in which drainage is occurring. Such compensatory royalty shall be paid at the royalty rate provided in this lease based on the value of production from the well as provided in the lease on which such well is located. The compensatory royalty shall be paid in the same proportion that the acreage of this lease has to the acreage of the proration unit surrounding the draining well plus the acreage of this lease. The compensatory royalty shall be paid monthly to the Commissioner of the General Land Office on or before the last day of the month after the month in which the oil or gas is sold and delivered from the well






causing the drainage or from the well located within 2500 feet of the leased premises and completed in a producible reservoir under this lease. Notwithstanding anything herein to the contrary, compensatory royalty payable hereunder shall be no less than an amount equal to **double the shut-in royalty** and shall maintain this lease in effect for so long as such payments are made as provided herein.

15. **FORFEITURE:** If Lessee shall fail or refuse to make payment of any sum within thirty (30) days after it becomes due, or if Lessee or an authorized agent should knowingly make any false return or false report concerning production or drilling, or if Lessee shall fail or refuse to drill any offset well or wells in good faith as required by law and the rules and regulations adopted by the Commissioner of the General Land Office, or if Lessee should fail to file reports in the manner required by law or fail to comply with rules and regulations promulgated by the General Land Office, or refuse the proper authority access to the records pertaining to operations, or if Lessee or an authorized agent should knowingly fail or refuse to give correct information to the proper authority, or knowingly fail or refuse to furnish the General Land Office a correct log of any well, or if this lease is pooled or assigned and the unit designation or assignment is not filed in the General Land Office as required by law, the rights acquired under this lease shall be subject to forfeiture by the Commissioner, and he shall forfeit same when sufficiently informed of the facts which authorize a forfeiture, and when forfeited the area shall again be subject to lease. However, nothing herein shall be construed as waiving the automatic termination of this lease by operations of law or by reason of any special limitation arising hereunder. Forfeitures may be set aside and this lease and all rights there under reinstated before the rights of another intervene upon satisfactory evidence to the Commissioner of the General Land Office of future compliance with the provisions of the law and of this lease and the rules and regulations that may be adopted relative hereto.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the General Land Office of the State of Texas under the seal of the General Land Office.


JERRY E. PATTERSON
COMMISSIONER GENERAL LAND OFFICE

Approved:
ML: 
DC: 
CC: 

A CERTIFIED copy issued NOV - 6 2008
pg. 5 of 7
Beth Rothermel, County Clerk
Washington County, TX TK Deputy



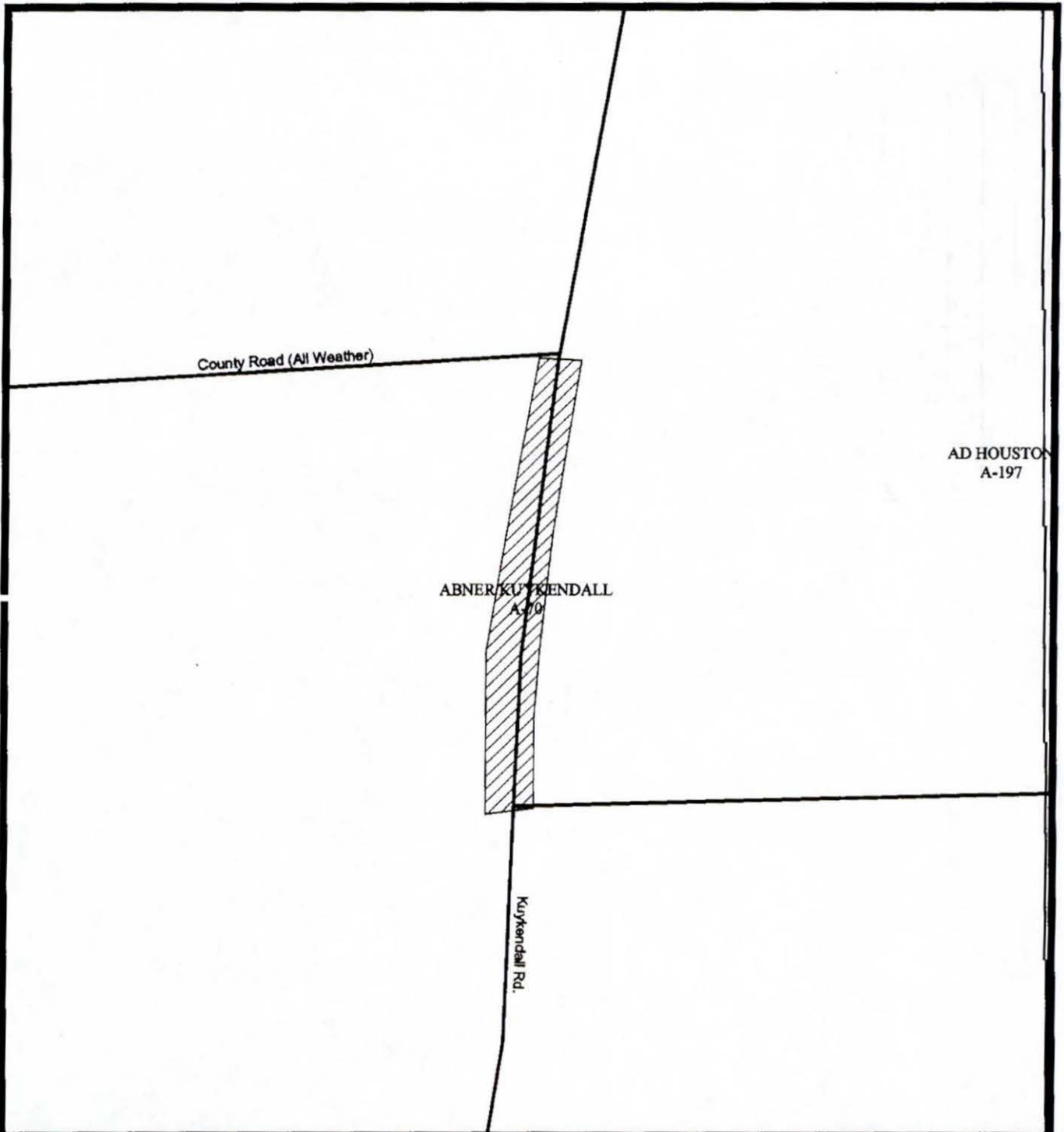
Exhibit "A"

Attached hereto and made a part of that certain Oil and Gas Lease dated October 7th, 2008, by and between the State of Texas, as lessor, and Roger A. Soape, Inc. as lessee, covering acreage to be leased in Washington County, Texas, being part of Kuykendall Road.

2.45 acres of land, more or less, situated in the A. Kuykendall Survey, A-70 in Washington County. Said land also being the same lands described in the following deed recorded in the Deeds of Records, Washington County.

Deed from William Pohlmeier et ux to Washington County, State of Texas
dated 3/1/1929 and recorded in Vol. 90
P. 154 of the Deed or Records, Washington County.





AD HOUSTON
A-197

Map showing
A portion of Kuykendall Rd.
2.45 acres
Washington County
zg 09/08

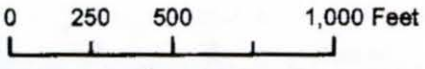
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GCS_North_American_1927



The Texas General Land Office makes no representations or warranties regarding the accuracy or completeness of the information depicted on the map or the data from which it was produced. This map is NOT suitable for navigational purposes and does not purport to depict or establish boundaries between private and public land.



Map Compiled By:
Zeke Gullen
Information Systems - GIS
October 7, 2008



FILED FOR RECORD
WASHINGTON COUNTY, TEXAS
2008 OCT 28 AM 10:15
BETH A. ROTHERMEL
WASHINGTON COUNTY CLERK

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

OCT 29 2008



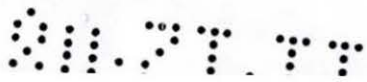
Beth A. Rothermel
Beth Rothermel, County Clerk
Washington County, Texas

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF WASHINGTON
The above is a full, true, and correct photographic copy of the original record now in my lawful custody and possession as the same is recorded in the OFFICIAL RECORDS in my office with volume and page number stamped thereon. I hereby certify on

pg 1 of 1 NOV - 6 2008



BETH ROTHERMEL
COUNTY CLERK
WASHINGTON COUNTY, TEXAS
By *Mica Lubman*
Deputy



7.

File No. MF 109424

Certified Copy of Record

Date Filed: 11/18/08

Jerry E. Patterson, Commissioner

By: [Signature]



By _____
 BETH ROTHERMEL
 COUNTY CLERK
 WASHINGTON COUNTY, TEXAS

Page number stamped thereon. I hereby certify on
 OFFICIAL RECORDS in my office with volume and
 and possession as the same is recorded in the
 copy of the original record now in my lawful custody
 The above is a full, true, and correct photographic
 COUNTY OF WASHINGTON
 STATE OF TEXAS
 CERTIFIED COPY CERTIFICATE





November 14, 2008

C. Frank Robinson
Roger A. Soape, Inc.
450 Gears Road, Suite 780.
Houston, TX 77067

RE: GLO Assignment ID # 6623

Dear Mr. Robinson,

The General Land Office received the following instrument(s) and has filed them in the appropriate files. Please see attached "Exhibit A" for reference.

Assignment of Oil and Gas Lease, executed October 31st, 2008
from Roger A. Soape, Inc., as Assignor, to EnerVest Energy
Institutional Fund XI-A, LP etal, as Assignee. MF109484, filed
in Washington Co. Vol. 1294, P. 058.

Filing fees of \$25.00 were received in connection with the above lease. If you have any questions, please feel free to call me at (800) 998-4GLO, or at my direct number at (512) 463-6521.

Sincerely,

Beverly Boyd
Mineral Leasing
Energy Resources
512-463-6521

Exhibit "A"

<i>GLO ID</i>	<i>County</i>	<i>Lease</i>
6623	Washington	MF109424

Friday, November 14, 2008

ROGER A. SOAPE, INC.

450 Gears Road
Suite 780
Houston, Texas 77067

November 10, 2008

VIA FEDERAL EXPRESS

Commissioner of the Texas General Land Office
1700 N. Congress Avenue
Stephen F. Austin State Office Building
Austin, Texas 78701-1495

State of Texas Oil and Gas Lease M-109424
Yegua No. 1
Washington County, Texas
Cervus File No. T2997

Gentlemen:

Enclosed is a certified copy of the subject Lease. Also enclosed is a certified copy of the recorded Assignment of the subject Lease to EnerVest Energy Institutional Fund XI-A, L.P., et al. Our check in the amount of \$25.00 for the Assignment fee is additionally enclosed.

In accordance with paragraph 11 of the Lease, we respectfully request the Texas General Land Office's approval for the transfer to the assignee of liability under the Lease. We will appreciate receiving consent by your execution and return of a copy of this letter (or otherwise).

Should you have any questions or require further information, please telephone.

Yours truly,

ROGER A. SOAPE, INC.

C. Frank Robinson

Enclosures

T:\EV\T2997 Yegua No.1\Correspondence\11-10-08 GLO ltr.wpd

cc: Mr. Brandon Harbaugh
EnerVest, Ltd.

Commissioner of the Texas General Land Office
November 10, 2008
Page 2

Approved this _____ day of _____, 2008.

TEXAS GENERAL LAND OFFICE

ROGGER A. SOAPE, INC. ✓

DETACH AND RETAIN THIS STATEMENT
THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW.
IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT DESIRED.

DELUXE BUSINESS FORMS 1+800-328-0304 www.deluxeforms.com

DELUXE - FORM WVCG-3 V-2

330044

DATE	DESCRIPTION	AMOUNT
11/10/2008	Assignment Fee Lease No. 109424 - Yegua No. 1 - Washington County, Texas Attn: Drew Reid	25.00 121 09004578

ASSIGNMENT OF OIL AND GAS LEASE
(YEGUA NO. 1 PROSPECT)

5994

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF WASHINGTON §

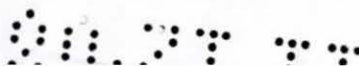
THAT, WHEREAS, the undersigned, **ROGER A. SOAPE, INC.** (hereinafter referred to as "Assignor"), whose address is 450 Gears Road, Suite 780, Houston, Texas 77067, is the Lessee in that certain Paid-Up Oil and Gas Lease No. (109424) dated October 7, 2008, executed by the Commissioner of the General Land Office of the State of Texas, as Lessor, recorded in Volume 1293, Page 743 of the Official Records of Washington County, Texas (the "Lease"), covering 2.45 acres, more or less, out of the A. Kuykendall Survey, A-70, Washington County, Texas, which lands are more particularly described on Exhibit "A" attached to the Lease; and

WHEREAS, Assignor desires to convey the Lease unto **ENERVEST ENERGY INSTITUTIONAL FUND XI-A, L.P., ENERVEST WACHOVIA CO-INVESTMENT PARTNERSHIP, L.P., ENERVEST ENERGY INSTITUTIONAL FUND XI-WI, L.P., EV PROPERTIES, L.P., ENERVEST ENERGY INSTITUTIONAL FUND X-WI, L.P., and ENERVEST ENERGY INSTITUTIONAL FUND X-A, L.P.**, (hereinafter collectively referred to as "Assignees"), whose mailing address is 1001 Fannin, Suite 800, Houston, Texas 77002-6708.

NOW, THEREFORE, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, Assignor has and does hereby GRANT, BARGAIN, SELL, TRANSFER, CONVEY, and ASSIGN unto Assignees all of Assignor's right, title and interest in and to the Lease, together with all rights and privileges, including surface rights and privileges, easements, rights-of-way, licenses, authorizations and similar rights and interests owned or exercised by Assignor on, over or pertaining to the Lease, in the following proportions:

35.4196%	EnerVest Energy Institutional Fund XI-A, L.P.
23.3333%	EnerVest Wachovia Co-Investment Partnership, L.P.
15.9138%	EnerVest Energy Institutional Fund XI-WI, L.P.
13.3333%	EV Properties, L.P.
7.2300%	EnerVest Energy Institutional Fund X-WI, L.P.
4.7700%	EnerVest Energy Institutional Fund X-A, L.P.
100.0000%	Total

A CERTIFIED copy issued NOV - 6 2008
pg. 1 of 2
Beth Rothermel, County Clerk
Washington County, TX TK Deputy



Assignees shall indemnify, defend and hold Assignor harmless against any claim, liability, loss or cost which may arise from or be attributable to Assignees' operations and activities on or relating to the lands covered by the Lease or lands pooled therewith. Assignees shall fully assume all the responsibilities and liabilities, if any, of the Lessee in each of the Lease just as if Assignees had originally been named as the Lessee therein.

EXECUTED AND DELIVERED, without warranty of title, express or implied, except as aforesaid this 31st day of October 2008.

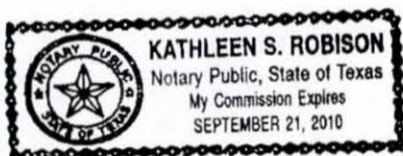
ROGER A. SOAPE, INC.

By: C. Frank Robinson
C. Frank Robinson, Vice President

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the 31st day of October 2008, by C. FRANK ROBINSON, Vice President of ROGER A. SOAPE, INC., a Texas corporation, on behalf of said corporation.

Kathleen S. Robison
Notary Public in and for the State of Texas



STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me or

NOV 04 2008



Beth A. Rothermel
Beth Rothermel, County Clerk
Washington County, Texas

FILED FOR RECORD
WASHINGTON COUNTY, TEXAS
2008 NOV - 3 AM 9:53
BETH A. ROTHERMEL
WASHINGTON COUNTY CLERK

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF WASHINGTON
The above is a full, true, and correct photographic copy of the original record now in my lawful custody and possession as the same is recorded in the OFFICIAL RECORDS in my office with volume and page number stamped thereon. I hereby certify on pg. 2 of 2

- 2 -



NOV - 6 2008
BETH ROTHERMEL
COUNTY CLERK
WASHINGTON COUNTY, TEXAS
By: Inicia Ruhlman
Deputy

RELEASE OF OIL AND GAS LEASE

5933

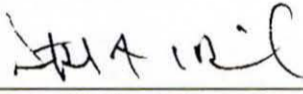
STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF
 WASHINGTON §

ENERVEST ENERGY INSTITUTIONAL FUND X-A, L.P., ENERVEST ENERGY INSTITUTIONAL FUND X-WI, L.P., ENERVEST ENERGY INSTITUTIONAL FUND XI-A, L.P., ENERVEST ENERGY INSTITUTIONAL FUND XI-WI, L.P., ENERVEST WACHOVIA CO-INVESTMENT PARTNERSHIP, L.P., and EV PROPERTIES, L.P., the current Lessee of the Lease having succeeded to the interest of Roger A. Soape, Inc., the original lessee, do hereby release, relinquish and surrender all of their right, title and interest in and to that certain Oil and Gas Lease described on EXHIBIT "A" attached hereto and made a part hereof.

20th IN WITNESS WHEREOF, this Release of Oil and Gas Lease is executed on the day of October, 2010.


**ENERVEST ENERGY INSTITUTIONAL FUND X-A, L.P.
ENERVEST ENERGY INSTITUTIONAL FUND X-WI, L.P.
ENERVEST ENERGY INSTITUTIONAL FUND XI-A, L.P.
ENERVEST ENERGY INSTITUTIONAL FUND XI-WI, L.P.
ENERVEST WACHOVIA CO-INVESTMENT PARTNERSHIP, L.P.**

By: EnerVest, Ltd., its General Partner
By: EnerVest Management GP, L.C., its General Partner

By: 
Stephen A. McDaniel
Senior Vice President and General Manager Western Division

EV PROPERTIES, L.P.

By: EV Properties GP, LLC, its General Partner

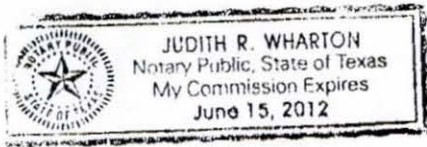
By: 
Mark A. Houser
President

NOV - 4 2010
A CERTIFIED copy issued _____
pg. 1 of 3
Beth Rothermel, County Clerk
Washington County, TX JW Deputy

ACKNOWLEDGMENTS

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

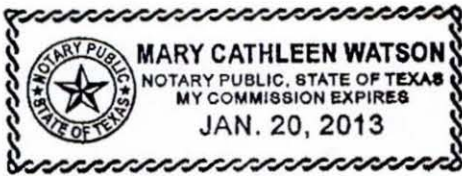
The foregoing instrument was acknowledged before me this 20th day of October, 2010, by Stephen A. McDaniel, as Senior Vice-President and General Manager - Western Division of EnerVest Management GP, L.C., in its capacity as general partner of **EnerVest, Ltd.**, in its capacity as general partner of **EnerVest Energy Institutional Fund X-A, L.P.**, of **EnerVest Energy Institutional Fund X-WI, L.P.**, of **EnerVest Energy Institutional Fund XI-A, L.P.**, of **EnerVest Energy Institutional Fund XI-WI, L.P.**, and **EnerVest Wachovia Co-Investment Partnership, L.P.**, all Delaware limited partnerships, on behalf of the limited partnerships.



Judith R. Wharton
Notary Public in and for
the State of Texas

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me this 20th day of October, 2010, by Mark A. Houser, as President of EV Properties GP, LLC, in its capacity as general partner of **EV Properties, L.P.**, a Delaware limited partnership, on behalf of said limited partnership.



Mary Cathleen Watson
Notary Public in and for
the State of Texas

NOV - 4 2010

A CERTIFIED copy issued _____
pg. 2 of 3
Beth Rothermel, County Clerk
Washington County, TX GW Deputy

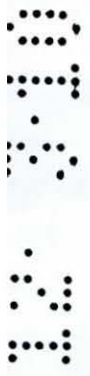


EXHIBIT "A"

Attached to and made part of Release of Oil and Gas Lease
Executed by EnerVest Energy Institutional Fund X-A, L.P., et al, dated October 20th, 2010

Deep Giddings Prospect
Washington County, Texas

Lease No. TX025-WAS007-000	Lessor/Grantor The State of Texas MF 109424	Lessee/Grantee Roger A. Soape, Inc.	Lease Date 10/07/2008	Book/Page 1293/743	Lands Released 2.45 acs, m/l, out of the Abner Kuykendall A-70
--------------------------------------	---	---	---------------------------------	------------------------------	---

FILED FOR RECORD
WASHINGTON COUNTY, TEXAS

2010 NOV -3 PM 12: 38

Beth A. Rothermel
WASHINGTON COUNTY CLERK

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on
the date and at the time affixed hereon by me and
was duly RECORDED in the volume and page of the
OFFICIAL RECORDS of Washington County, Texas, as
stamped hereon by me on

NOV 04 2010



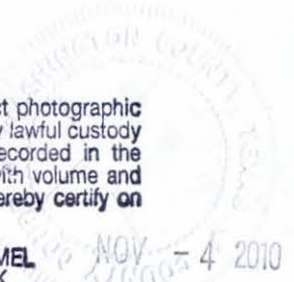
Beth A. Rothermel
Beth Rothermel, County Clerk
Washington County, Texas

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF WASHINGTON

The above is a full, true, and correct photographic
copy of the original record now in my lawful custody
and possession as the same is recorded in the
OFFICIAL RECORDS in my office with volume and
page number stamped thereon. I hereby certify on
pg 3 of 3



BETH ROTHERMEL
COUNTY CLERK
WASHINGTON COUNTY, TEXAS
By *Latasha Wied*
Deputy





December 1, 2010

Commissioner General Land
Office State of Texas
1700 N Congress Ave
Austin, TX 78701

Re: Release of Oil & Gas Lease No. MF 109424
EnerVest Lease No. TX025-WAS007-000
Dated: October 7, 2008
Washington Co., Texas

Gentlemen:

In accordance with the terms of the subject lease, enclosed herewith is a certified copy of the Release of Oil & Gas Lease recorded in Volume 1355, Page 607 of the records of Washington County, Texas.

Should you have further questions, please do not hesitate to contact the undersigned at 713/495-6526.

Very truly yours,

A handwritten signature in blue ink that reads 'Marilyn Zemlicka'.

Marilyn Zemlicka
Sr. Lease Analyst

/Enc.

ENERVEST OPERATING LLC

FIRST CITY BANK TOWER
 1001 FANNIN, SUITE 800
 HOUSTON, TX 77002-6708
 713-659-3500

11702961

PAYEE NAME	PAYEE NO.	CHECK DATE	CHECK NUMBER	AMOUNT
TEXAS STATE GENERAL LAND OFFICE	48099	Oct-28-2010	358016	***\$25.00*

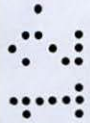
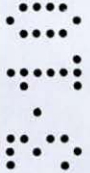
Reference Inv date Invoice No. Invoice Amt Prior Pmt Discount Amount Paid

1010-AP-6539 10/22/10 102210-CKRE 25.00 0.00 ~~25.00~~

Q-MZEMLICKA

FILING FEE OF \$25.00 PAYABLE TO STATE OF TEXAS FOR FILING CERTIFIED
 COPY OF RELEASE OF EV LEASE# TX025-WAS007-000 - THE STATE OF TEXAS MF
 109424 LEASE, WASHINGTON CO., TEXAS - WHICH EXPIRED ON 10/7/2010.

126



9

File No. 109424

Releasen

Date Filed: 12.7.10

Jerry E. Patterson, Commissioner

By *B. Boyd*

12 7 10