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MF110598

<i>State Lease</i> MF110598	<i>Control</i> 65-902205	<i>Base File</i>	<i>County</i> TARRANT
<p><b>EXPIRED</b> DATE <u>2/23/11</u> LEASING <u>SSD</u> MAPS _____ GIS <u>MC</u></p>		<p><i>Survey</i> <i>Block</i> <i>Block Name</i> <i>Township</i> <i>Section/Tract</i> <i>Land Part</i> <i>Part Description</i> <i>Acres</i> 13.1953 <i>Depth Below</i> 0 <i>Depth Above</i> 0 <i>Depth Other</i></p>	
<p><i>Leasing:</i> _____ <i>Analyst:</i> _____ <i>Maps:</i> _____ <i>GIS:</i> <u>B</u></p>		<p><i>Name</i> XTO ENERGY, INC. <i>Lease Date</i> 2/23/2010 <i>Primary Term</i> 1 yrs <i>Bonus (\$)</i> \$31,668.72 <i>Rental (\$)</i> \$0.00 <i>Lease Royalty</i> 0.2500</p>	
<i>TARRANT COUNTY ROADS</i>			



**CAUTION**

Documents in this file have been placed in Table of Contents order and scanned.

Please help keep documents in content order and let the ScanLab know when new documents are added to this file.

Thank you for your assistance.

*Archives and Records Staff*

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Scanned sm 7/23/13

Expired at Primary Term 2/23/11

replaced by MF 112078

scanned pf 11-14-14

# The State of Texas

HROW Lease  
Revised 8/06



## Austin, Texas

PAID-UP  
OIL AND GAS LEASE NO. (MF 110598)  
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 **XTO Energy, Inc.**, whose address is **810 Houston Street, Ft. Worth, TX 76102** hereinafter called "Lessee".

1. Lessor, in consideration of **Thirty One Thousand Six Hundred Sixty Eight 72/100 (\$ 31,668.72)** 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 **Tarrant** State of Texas, and is described as follows:

**13.1953 acres** of land, more or less, known as, situated in said **Tarrant** 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 **13.1953 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 year, from February 23, 2010** 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 **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 **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 casing head gas produced from said land (1) when sold by lessee **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 **1/4** 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 per acre**. 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: DB

DC: ccr

CC: [Signature]

**Lancaster Avenue TWU B:** The southern 125 feet of East Lancaster Avenue in the City of Fort Worth, Tarrant County, Texas, beginning at the intersection of the southern boundary line of E. Lancaster Ave. and the center point of Sargent Ave., lying due east of the northeast corner of Block A1, Lot 2A, of the Turner's Subdivision of the Beacon Hill Addition to the City of Fort Worth, Tarrant County, Texas, filed in Volume 388, Page 49, Plat Records, Tarrant County, Texas,

**THENCE** in a northerly direction, at 100 feet passing the northern boundary line of the old Fort Worth-Dallas Interurban right-of-way, to the centerline of the original right-of-way for The Fort Worth to Dallas Boulevard, now being called East Lancaster Avenue, a total of 125 feet,

**THENCE** westerly along the centerline of the original right-of-way for The Fort Worth to Dallas Boulevard, 4701 feet to a point south of the southeast corner of Lot 6, Block 3, Tandy Addition to the City of Fort Worth, Tarrant County, Texas, recorded in Volume 388, Page 31, Tarrant County Plat Records

**THENCE** in a southerly direction, at 25 feet passing the northern boundary line of the old Fort Worth-Dallas Interurban right-of-way, to a point in the southern boundary line of East Lancaster Avenue, a total of 125 feet,

**THENCE** easterly along the southern boundary line of East Lancaster Avenue, 4701 feet to the place of beginning and containing 13.1953 acres, more or less.

1.  
File No. MF 110598

Lease

Date Filed: 1/23/10

Jerry Patterson, Commissioner

By: 

**CARLA PETROLEUM, INC.**

**PETROLEUM LAND SERVICES**

16990 DALLAS PARKWAY, SUITE 126 • DALLAS, TEXAS 75248  
TEL 972-733-1934 FAX 972-733-1935

February 8, 2010

David Gross  
**GROSS & NELSON**  
12400 Hwy. 71 West, Suite 350-230  
Austin, Texas 78738

Re: XTO Energy Inc.  
Proposed TWU A and B Pooled Units, Tarrant County, Texas  
Newark, E. (Barnet Shale) Field (65280200)

Dear Mr. Gross,

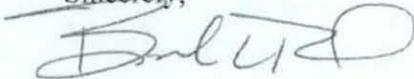
Per your request, the following is an update on Carla Petroleum, Inc.'s ("CPI") leasing efforts in XTO Energy Inc.'s ("XTO") TWU A and B units.

In early October 2009 CPI started by running title on all lots in both units to establish what was leased or unleased, what leases had been lost to title failure and what was double leased. Upon ascertaining that we had 271 unleased of 1309 tracts in both units CPI began door-to-door leasing. CPI also began extending XTO leases which will expire in 2010 by mailing extension letters in English and in Spanish to all expiring lessors and following up with phone calls and home visits.

On November 25, 2009 CPI mailed voluntary pooling offer letters to unleased tract owners in both units as required by Chapter 102 of the Texas Natural Resources Code. The pooling offers contained the required farmout, leasing and participation options. The offer letter lease was for 4 years at 25% royalty with a \$2,400 per acre lease signing bonus – terms the Railroad Commission of Texas has previously determined to be reasonable. CPI also began following up with phone calls and home visits utilizing four landmen.

CPI has contacted and is actively seeking leases to unleased tracts adjacent to Lancaster Avenue and Beach Street in these units and we will continue to do so until the Railroad Commission hearing regarding our MIPA application.

Sincerely,



Brad L. Rich



001001410  
IN PAYMENT OF BONUS/DELAY RENTAL/SHUT-IN ROYALTY/MIN. ROYALTY TO PARTY OR PARTIES NAMED BELOW PURSUANT TO THE TERMS OF LEASE IDENTIFIED HEREIN

LEASE NO.	EFFECTIVE DATE	COUNTY	STATE	RECORDED		RENTAL PERIOD		CHECK NO.
				BOOK	PAGE	MOS.	BEGINNING	
						One Time Only	01/27/2010	[REDACTED]

**PROPERTY DESCRIPTION:**

**PAYMENT MESSAGE:**

18.6648 GROSS ACRES ML IN THE EAST LANCASTER AVE TARRANT CO TEXAS  
PROSPECT-MEADOWBROOK TA (AS)

**PAYEE MESSAGE:**

**DEPOSIT TO CREDIT OF:**

TEXAS GENERAL LAND OFFICE  
1700 N CONGRESS AVE SUITE 600  
AUSTIN TX 78701-1495

**TOTAL AMOUNT:** \$45,467.45  
**PAYEE AMOUNT:** \$45,467.45  
**BANK CHARGE:** \$0.00

**ACCOUNT NO.**

**PAYABLE TO:**

TEXAS GENERAL LAND OFFICE  
1700 N CONGRESS AVE SUITE 600  
AUSTIN , TX 78701-1495

**XTO ENERGY INC.**  
810 HOUSTON ST., SUITE 2000 - FORT WORTH, TEXAS 76102  
RETAIN STUB FOR YOUR RECORDS

**THIS DOCUMENT FEATURES VISIBLE AND INVISIBLE FIBERS, A VOID BACKGROUND, MICROPRINTING AND A TRUE WATERMARK.**



XTO ENERGY INC.  
810 HOUSTON ST. - FORT WORTH, TEXAS 76102

JPMorgan Chase Bank, N.A.  
Columbus, OH

CHECK DATE	CHECK NO.
1/27/10	[REDACTED]
AMOUNT	
\$45,467.45	

**PAY EXACTLY** FORTY-FIVE THOUSAND FOUR HUNDRED SIXTY-SEVEN AND 45 / 100 DOLLARS

TO THE ORDER OF TEXAS GENERAL LAND OFFICE  
1700 N CONGRESS AVE SUITE 600  
AUSTIN , TX 78701-1495

LAND

XTO Energy Inc.  
LAND AND LEASE ACCOUNT

*[Signature]*  
AUTHORIZED SIGNATURE

MP  
AUTHORIZED SIGNATURE

SECURITY FEATURES INCLUDED. DETAILS ON BACK.

2,

File No. MF110598

Peter, bonus, & fee

Date Filed: 11/25/10

Jerry Patterson, Commissioner

By: [Signature]

**Drew Reid - XTO ROW Lease Applications - Attached letter from Brad Rich of Carla Petroleum, Inc. concerning efforts to lease owners of tracts adjoining the ROW**

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**From:** "David Gross" <dgross@grossandnelson.com>  
**To:** "Drew Reid" <drew.reid@glo.state.tx.us>  
**Date:** 2/9/2010 5:33 PM  
**Subject:** XTO ROW Lease Applications - Attached letter from Brad Rich of Carla Petroleum, Inc. concerning efforts to lease owners of tracts adjoining the ROW  
**CC:** <Robert.Hatter@glo.state.tx.us>, "Tracey Throckmorton"  
<Tracey.Throckmorton@glo.state.tx.us>, "Peter Boone"  
<Peter.Boone@glo.state.tx.us>, "Daryl Morgan" <Daryl.Morgan@glo.state.tx.us>, <Ladelle.Collier@glo.state.tx.us>  
**Attachments:** TWU Leasing Update ltr from Carla Petroleum, Inc..pdf

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Dear Drew,

Last week you requested a letter concerning XTO's efforts to locate and lease the owners of tracts adjoining the ROWs. Attached in pdf format is a letter from landman Brad L. Rich of Carla Petroleum concerning those efforts. Carla Petroleum is a land brokerage firm. XTO retained Carla Petroleum to assist in obtaining leases in both the TWU A and TWU B Units. Brad Rich is one of the landmen who has been involved in this effort. Carla Petroleum's team of landmen have made (and are continuing to make) exhaustive efforts to locate and lease all owners within these units.

Let me know if this letter is sufficient or if you need any additional information.

Thanks very much,

*David*

David Gross  
Gross & Nelson Attorneys  
12400 Highway 71 West, Suite 350-230  
Austin, Texas 78738

(512) 263-8046  
(512) 497-1111 (cell)  
(512) 263-2702 (fax)

This message and any attachments are intended for the use of the individual or entity to which it is addressed and may contain information that is confidential and protected from disclosure under applicable law. If the reader of this message is not the intended recipient and is not capable of delivering this message to the intended recipient, you are hereby notified that any dissemination or copying of this communication is strictly prohibited. If you received this communication in error, please notify us immediately by telephone at (512) 263-8046 and/or e-mail and delete the original message. Thank you.

3.

File No. MF 110598

Email

Date Filed: 2/9/10

Jerry Patterson, Commissioner

By [Signature]

# CARLA PETROLEUM, INC.

## PETROLEUM LAND SERVICES

16990 DALLAS PARKWAY, SUITE 126 • DALLAS, TEXAS 75248  
TEL 972-733-1934 FAX 972-733-1935

January 14, 2010

Via Certified LSO Airbill # Z5906573

Mr. David Gross  
GROSS AND NELSON, ATTORNEYS AT LAW  
12400 Highway 71 West, Suite 350-230  
Austin, Texas 78738

\$31,668.72  
Money Coming  
m- 110598  
2400.00  
1/4  
1 yr  
Shut in 25.00  
Per acre.

Re: Application for Highway Right-of-Way Lease – TWU-B Unit

Dear Mr. Gross:

Pursuant to the instructions of Tarah Angelidis with XTO Energy Inc., please submit this package for approval to Mr. Drew Reid at the General Land Office of Texas.

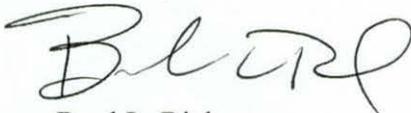
I have enclosed the following application materials for a 13.1953 acre Highway Right-of-Way lease with XTO Energy Inc. for the TWU-B Unit:

Lancaster Avenue  
Tarrant CO.

1. Plat
2. Tract Descriptions
3. Affidavit of Consideration
4. Copies of Adjacent Leases
5. Dale's Assignments to Chesapeake
6. Hollis R. Sullivan's Assignments to XTO
7. \$100 Processing Fee

Please let me know if you have any questions or need additional documentation.

Sincerely,



Brad L. Rich  
Contract Landman  
E-Mail: [BRich@CarlaPetroleum.com](mailto:BRich@CarlaPetroleum.com)  
Mobile: 214-457-8265

\* for the Feb 23rd SLB Meeting  
Leave date 1

- 1) Money Coming
- 2) Need to call or write  
Ltr. to RR

© 2005 INTUIT INC. # 614 1-800-433-8810

MEMO

TWU-A Processing Fee

[Redacted]

GENERAL LAND OFFICE

PAY TO THE ORDER OF GENERAL LAND OFFICE

\$ \*\*100.00

One Hundred and 00/100 \*\*\*\*\* DOLLARS

CARLA PETROLEUM, INC.  
16990 DALLAS PKWY., SUITE 126  
DALLAS, TX 75248  
(972) 733-1934

BANK OF AMERICA, NA  
DALLAS, TX 75211

1/13/2010

40799

40800

CARLA PETROLEUM, INC.  
16990 DALLAS PKWY., SUITE 126  
DALLAS, TX 75248  
(972) 733-1934

BANK OF AMERICA, NA  
DALLAS, TX 75211

1/13/2010

PAY TO THE ORDER OF GENERAL LAND OFFICE \$ \*\*100.00

One Hundred and 00/100 \*\*\*\*\* DOLLARS

GENERAL LAND OFFICE

MEMO

TWU-B Processing Fee

[Redacted]

*Carla F.* MP

© 2005 INTUIT INC. # 614 1-800-433-8810

001361418

IN PAYMENT OF BONUS/DELAY RENTAL/SHUT-IN ROYALTY/MIN ROYALTY TO PARTY OR PARTIES NAMED BELOW PURSUANT TO THE TERMS OF LEASE IDENTIFIED HEREIN

LEASE NO.	EFFECTIVE DATE	COUNTY	STATE	RECORDED		RENTAL PERIOD		CHECK NO.
				BOOK	PAGE	MOS.	BEGINNING	
						One Time Only	01/27/2010	9583180

**PROPERTY DESCRIPTION:**

**PAYMENT MESSAGE:**

13.1953 ACRES M/L OF EAST LANCASTER AVE TARRANT CO TEXAS  
PROSPECT-MEADOWBROOK  
TA (AS)

10704490

**PAYEE MESSAGE:**



**DEPOSIT TO CREDIT OF:**

TEXAS GENERAL LAND OFFICE  
1700 N CONGRESS AVE SUITE 600  
AUSTIN TX 78701-1495

<b>TOTAL AMOUNT:</b>	X	\$32,143.75
<b>PAYEE AMOUNT:</b>		\$32,143.75
<b>BANK CHARGE:</b>		\$0.00

**ACCOUNT NO.**

**PAYABLE TO:**

TEXAS GENERAL LAND OFFICE  
1700 N CONGRESS AVE SUITE 600  
AUSTIN , TX 78701-1495

121

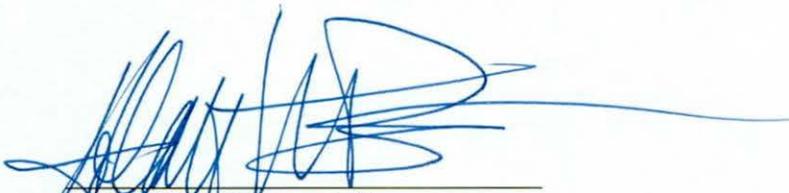
**XTO ENERGY INC.**  
810 HOUSTON ST., SUITE 2000 - FORT WORTH, TEXAS 76102  
RETAIN STUB FOR YOUR RECORDS



**AFFIDAVIT OF CONSIDERATION**

BEFORE ME, the undersigned authority, on this day personally appeared Hobart Key Burton, known to me to be a credible person, who, after being by me duly sworn, did depose and state as follows:

“I am over 18 years of age and am fully competent to make this affidavit. I am a consulting Petroleum Landman, employed by XTO Energy, Inc. As a result of my position, I am familiar with the Oil, Gas and Mineral Leases in that general area of the TWU B Unit (see Exhibit “A”) in Fort Worth, Tarrant County, Texas. In this urban setting, leases within a one (1) mile radius, more or less, are currently being acquired for bonus consideration of \$2,400.00 per net mineral acre.

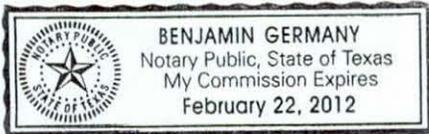


---

Hobart Key Burton, Affiant

STATE OF TEXAS  
COUNTY OF DALLAS

Sworn to and subscribed before me on this the 13th day of January, 2010 by  
Hobart Key Burton.



---

Notary Public's Signature

5.

File No. MF 110598

*Abdelawad*

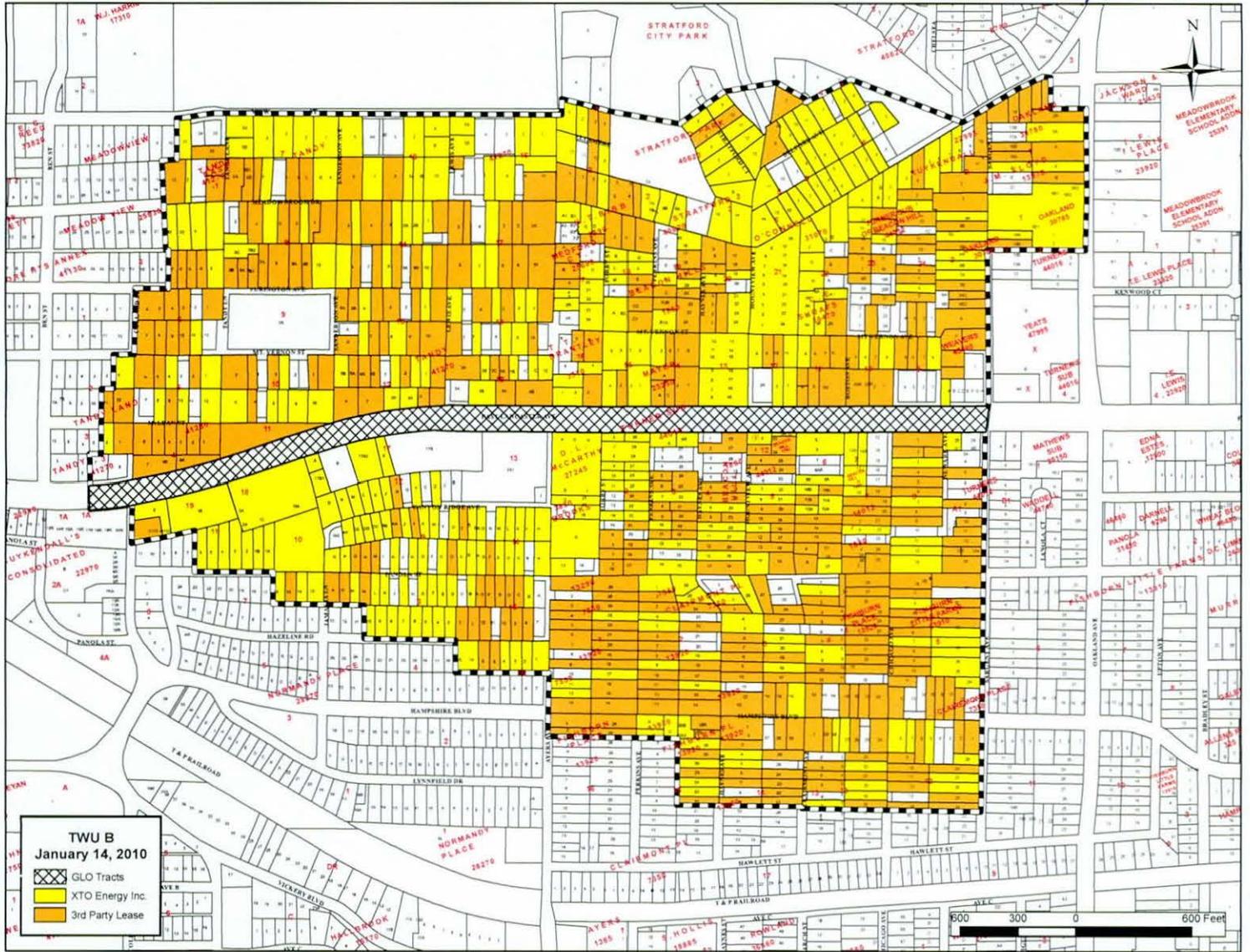
Date Filed: 7/10/10

Jerry Patterson, Commissioner

By: *[Signature]*



110598



6,

MF 110598

File No.

May 21/10

Date Filed:

Jerry Patterson, Commissioner

By 

225

CONVEYANCE

Dale Property Services, LLC (herein called "Grantor"), for Ten Dollars and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), subject to the exception and reservation set forth below, does hereby GRANT, BARGAIN, SELL, CONVEY, ASSIGN, TRANSFER, SET OVER, AND DELIVER unto Chesapeake Exploration, L.L.C., (herein called "Grantee"), whose address is 6100 North Western Avenue, Oklahoma City, Oklahoma 73118, all of Grantor's right, title and interest in and to the oil and gas leases described in Exhibit A attached hereto and made a part hereof (the "Leases").

There is hereby SAVED AND EXCEPTED from this Conveyance, and reserved to Grantor, an overriding royalty equal to 1% of 8/8ths of all oil, gas and other minerals produced, saved and marketed from the lands covered by the Leases (the "ORRI").

Except as provided herein to the contrary, the ORRI shall be paid or delivered to Grantor in the same manner, by the same method, at the same time, and under the same conditions as is provided in the Leases for the payment and delivery of royalty to the lessors under the applicable Lease.

The ORRI shall be free and clear of all cost, risk and expense of drilling for and production of oil, gas and other minerals produced from the Leases, but shall bear its proportion of all off lease post production costs, severance, production, or any other taxes now or hereafter applicable thereto or affecting same, and shall be computed only after deducting its proportionate share of all minerals used for operations upon the lands covered by the Leases, or upon any unit comprising all or any portion of same.

In the event the Leases, or any one of them, cover less than One Hundred Percent (100%) of mineral estate in and to the lands covered by such Lease(s), then the ORRI, as to the lands in which such Lease(s) do not cover such One Hundred Percent (100%), shall be reduced to the proportion thereof which the mineral interest percentage covered by such Lease(s) in such lands bears to One Hundred Percent (100%).

In the event Grantor owns less than One Hundred Percent (100%) interest in the Leases, or in any one of them, then the ORRI shall be reduced to the proportion thereof which the interest in such Lease(s) owned by Grantor bears to One Hundred Percent (100%).

Grantee shall have the right, at its election, to pool the Leases, or any of them, with each other or with other leases or lands, in the manner and with the same effect as authorized under the terms of the Leases as now constituted or as hereafter amended or as may be hereafter authorized by the lessor thereof. If pooling occurs, the ORRI attributable to production from such pooled unit shall be in the proportion that the amount of acreage subject to the ORRI included in such pooled unit bears to the total amount of acreage in such pooled unit.

331

After Recording Return To:

J. Matthew Perkins  
Land Department  
XTO Energy Inc.  
810 Houston Street  
Fort Worth, Texas 76102

FILED  
TARRANT COUNTY TEXAS

OCT -2 11:10:30

BY \_\_\_\_\_

Recorder's Use Only

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

**ASSIGNMENT AND BILL OF SALE**

This Assignment and Bill of Sale (the "Assignment") is from:

The "Seller":

Collectively, **HOLLIS R. SULLIVAN, INC.**, a Texas corporation with a mailing address of P.O. Box 9289, Wichita Falls, TX 76308 and the undersigned **OTHER SELLING OWNERS**

to:

The "Buyer":

**XTO ENERGY INC.**  
with a mailing address of:  
810 Houston Street, Fort Worth, Texas 76102

This Assignment is executed by Seller and delivered to Buyer in furtherance of a certain *Purchase and Sale Agreement* dated July 18, 2008 (the "Agreement"), between the Seller, Buyer, and others, providing for the sale and purchase of the Assets, as defined below.

In consideration of the Purchase Price paid by Buyer, and other obligations of the parties under the Agreement, the receipt and sufficiency of which is acknowledged, the Seller does hereby bargain, sell, transfer and assign to the Buyer all of the Seller's right, title, claim and undivided interest in and to the following (collectively the "Assets"):

1. The "Leases": the leasehold estates created by, and any rights or interests which are derived under the oil, gas and mineral leases described or referred to on Schedule 1, including, without limitation, any and all other leases, subleases or unit agreements covering, in whole or in part, the Lands, and any instrument executed in amendment, correction, modification, confirmation, renewal, extension or replacement of any of the foregoing, together with any rights held under any voluntary or compulsory pooling or unitization order of Governmental Authorities, concessions, licenses, or other rights authorizing the Seller to explore for, develop and produce oil, gas or other minerals from the Lands;

2. The "Wells": the oil or gas wells specifically identified on Schedule 2;
3. The "Lands": the land described in or covered by the Leases, together with any lands pooled, unitized or otherwise combined therewith, to the extent, and only to the extent, that Seller has made use of such lands in connection with the exploration or drilling for, or production of, hydrocarbons under the terms of the Leases;
4. The "Property Agreements": the Leases, pooling and unitization agreements, production purchase and sale contracts, joint venture agreements, farmouts, exploration agreements, joint operating agreements, surface leases, surface use agreements, water purchase agreements, permits, rights-of-way, easements, servitudes, licenses, professional services agreements, vendor agreements, the Trinidad Contracts, and other similar contracts or agreements: (i) to the extent relating to any Well or to the other Assets; or (ii) to the extent relating to the drilling, production, operating, storage, treatment, transportation, processing, sale or disposal of hydrocarbons, water or other minerals or substances produced therefrom or attributable thereto, including but not limited to those identified on Schedules 1 and 4;
5. The "Personal Property": all of the tangible personal property, fixtures and improvements now and as of the Effective Date on, appurtenant to or used solely in connection with the Assets or with the production, treatment, storage, sale or disposal of hydrocarbons, water or other minerals or substances produced from the Leases, including, without limitation, all Wells, wellhead equipment, fixtures, casing and tubing, all production, storage, treating, compression, dehydration, delivering, salt water disposal and pipeline fixtures, and other facilities of every kind, character and description, used or usable solely in connection with the production, treatment, storage, delivery, sale or disposal of hydrocarbons, water or other minerals or substances produced from the Assets, including but not limited to those identified on Schedule 5;
6. The "Pipelines": the Easements and other agreements and all pipe, valves, meters, compressors and other associated personal property, associated with the natural gas gathering system connected to the Wells upstream of all gas meters transferring custody of the gathered gas to third parties including but not limited to those identified on Schedule 11;
7. The "Production": the oil, gas, casinghead gas, condensate, distillate and other liquid and gaseous hydrocarbons produced from the Leases, products refined and manufactured therefrom and the accounts and proceeds from the sale thereof to the extent the Production has been produced, or accrued, or is held on the Leases or in the tanks on and after the Effective Date;
8. The "Suspense Funds": proceeds from the sale of production in Seller's possession attributable to the interests of third parties in the Wells which have not been paid by Seller to the owner(s) of the interests due to an uncertainty or dispute as to ownership of the interest and/or entitlement to the proceeds; and

9. The "Books and Records": all originals of books, records, files or copies thereof if originals are not available in whatever form or media expressed, in Seller's possession relating directly to the Assets, including, without limitation, geological, plats, surveys, maps, cross-sections, production records, electric logs, cuttings, cores, core data, pressure data, well files and all related matters, division of interest records, division orders, lease files, title opinions and abstracts, lease operating statements and other accounting information, gas marketing information and gas balancing information, but excluding all Tax Returns and excluding all geophysical and seismic records to the extent and only to the extent that the transfer of such geophysical or seismic records would violate existing licensing or other contractual restrictions on such transfer.

Notwithstanding anything provision or definition in this Assignment to the contrary, the Assets shall not include the Excluded Assets, which are not included in the conveyance made by this Assignment.

**TO HAVE AND TO HOLD** the Assets unto the Buyer, and the Buyer's legal representatives, successors and assigns, forever.

The Excluded Assets are excepted from this Assignment and reserved unto the Seller.

This Assignment is made subject to:

1. The Lease Burdens;
2. The Permitted Encumbrances;
3. The terms and provisions of the Agreement; and
4. The Assumed Liabilities, which Buyer expressly assumes and agrees to perform.

Seller, subject to the matters listed above, does hereby bind itself, its successors and assigns, to **WARRANT AND FOREVER DEFEND** title to the Assets unto Buyer, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof by, through or under Seller, but not otherwise, with the exception of Title Defects waived or deemed to have been waived by Assignee pursuant to the Agreement, and that the Working Interest and Net Revenue Interest in the Leases and Wells conveyed by this Assignment is not less than that which is set forth for the Leases and the Wells on Schedule 8. . Except for Seller's warranty immediately preceding this sentence, this Assignment is made and accepted without additional warranty of title of any kind, either express or implied, and any such additional warranty is expressly disclaimed by Seller.

Seller grants and transfers to Buyer, to the extent so transferable, the benefit of and the right to enforce the covenants and warranties, if any, which Seller is entitled to enforce with respect to the interests in the Assets herein conveyed against Seller's predecessors-in-title. Any references in this Assignment to claims, liens, encumbrances, burdens, interests and defects of title are for convenience only, and shall not be deemed to ratify or create any rights in third parties.

**THE SELLER AND BUYER STIPULATE AND AGREE THAT TO THE EXTENT REQUIRED TO BE OPERATIVE AND BINDING, THE FOLLOWING DISCLAIMERS OF WARRANTIES CONTAINED IN THIS ASSIGNMENT ARE CONSPICUOUS DISCLAIMERS UNDER APPLICABLE LAW:**

**EXCEPT AS SET FORTH IN THIS ASSIGNMENT OR IN THE AGREEMENT, THIS ASSIGNMENT IS MADE AND ACCEPTED UPON THE CONDITION THAT THE PERSONAL PROPERTY CONVEYED HEREBY IS SOLD TO AND ACCEPTED BY THE BUYER "AS IS, WHERE IS", IN ITS CURRENT CONDITION, WITHOUT ANY EXPRESS, IMPLIED OR STATUTORY WARRANTIES WHATSOEVER OF MARKETABILITY, QUALITY, CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, ALL OF WHICH WARRANTIES ARE EXPRESSLY DISCLAIMED. IN ADDITION, BY ACCEPTANCE OF THIS ASSIGNMENT, BUYER WAIVES THE PROVISIONS OF CHAPTER 17, SUBCHAPTER E, ' 17.41 THROUGH 17.63, INCLUSIVE, OF THE TEXAS BUSINESS & COMMERCE CODE.**

This Assignment is binding upon, and shall be for the benefit of, the Seller and the Buyer, and their respective heirs, legal representatives, successors and assigns.

Capitalized words and terms used but not defined in this Assignment shall have the same meaning as those set forth in the Agreement. All Schedules described or referred to in this Assignment are attached to this Assignment and are incorporated herein by reference for all legal purposes.

Except for the Excluded Assets, it is the intent hereof to convey to Buyer all of Seller's undivided interests in and to the Assets, whether the Schedules omit or incorrectly limit or incompletely describe the Lands, Wells, Pipelines or Seller's interests therein. Seller will execute and deliver all such other and additional instruments, notices, releases and other documents and will do all such other acts as may be necessary to more fully assign and convey to Buyer or its successors and assigns all of the respective rights and interests herein and hereby granted or intended to be granted.

For convenience in recording, various counterparts of this Assignment may be executed with the same effect as if all parties executed this Assignment, to which there may be attached one or more Schedules containing only the description of the Assets which are located in the county in which the particular counterpart is to be recorded. A complete, original counterpart of this Assignment to which there is attached one or more Schedules describing all of the Assets may be obtained from the Buyer. Each of the counterparts of this Assignment so executed shall, for all purposes, be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

Executed to be effective for all purposes at 12:01 a.m. Central Daylight Time on July 1, 2008 (the "Effective Date").

*[Signature Page Follows]*

LEASES

PROSPECT	LESSOR	LESSEE	LEASE DATE	EXPIRE DATE	RECORDING DATA		COUNT	STATE	ACRES	SHEETS	BOOK	PAGE	SHEETS	ACRES
					BOOK	PAGE								
RAM	ALFONSO MUNOZ	HOLLIS R. SULLIVAN, INC.	8/25/2007	8/25/2010	D207340505		TARRANT	TX	0.3385	0.3385	1.00	0.75		
RAM	MIGUEL ANGEL MUNOZ	HOLLIS R. SULLIVAN, INC.	10/27/2007	10/27/2010	D207400288		TARRANT	TX	0.1997	0.1997	1.00	0.75		
RAM	LAURA MURPHY AND GLORIA WALLACE	HOLLIS R. SULLIVAN, INC.	7/30/2007	7/30/2010	D207309077		TARRANT	TX	0.1991	0.1991	1.00	0.75		
RAM	FERNANDO AND BEATRICE NAJERA	HOLLIS R. SULLIVAN, INC.	3/28/2007	3/28/2010	D207158669		TARRANT	TX	0.2640	0.2640	1.00	0.75		
RAM	NATHAN P. NEWBERN	HOLLIS R. SULLIVAN, INC.	8/16/2007	8/16/2010	D207309053		TARRANT	TX	1.1157	1.1157	1.00	0.75		
RAM	NGAT THI NGUYEN	HOLLIS R. SULLIVAN, INC.	8/15/2007	8/15/2010	D207309056		TARRANT	TX	2.3150	2.3150	1.00	0.75		
RAM	LAURA NUNEZ	HOLLIS R. SULLIVAN, INC.	8/24/2007	8/24/2010	D207309067		TARRANT	TX	0.5244	0.5244	1.00	0.75		
RAM	RAYMOND PETER AND MARVEL T. O'BRIEN	HOLLIS R. SULLIVAN, INC.	3/23/2007	3/23/2010	D207158653		TARRANT	TX	0.1250	0.1250	1.00	0.75		
RAM	JUAN C. AND ANA B. OCAMPO	HOLLIS R. SULLIVAN, INC.	10/18/2007	10/18/2010	D207363400		TARRANT	TX	0.5393	0.5393	1.00	0.75		
RAM	ATANACIO AND LUCY J. O'CAMPO	HOLLIS R. SULLIVAN, INC.	7/9/2007	7/9/2010	D207272164		TARRANT	TX	0.1997	0.1997	1.00	0.75		
RAM	REINALDO AND MARIA OLMOS	HOLLIS R. SULLIVAN, INC.	7/8/2007	7/8/2010	D207272168		TARRANT	TX	0.1624	0.1624	1.00	0.75		
RAM	MARIA OLMOS	HOLLIS R. SULLIVAN, INC.	10/9/2007	10/9/2010	D207383393		TARRANT	TX	0.1784	0.1784	1.00	0.75		
RAM	JOSE MANUEL ONTIVEROS	HOLLIS R. SULLIVAN, INC.	9/13/2007	9/13/2010	D207340518		TARRANT	TX	0.2066	0.2066	1.00	0.75		
RAM	KENNETH R. ORR	HOLLIS R. SULLIVAN, INC.	6/19/2007	6/19/2010	D207236341		TARRANT	TX	1.9500	1.9500	1.00	0.75		
RAM	JOSE ANTONIO ORTIZ	HOLLIS R. SULLIVAN, INC.	3/9/2007	3/9/2010	D207113213		TARRANT	TX	0.1250	0.1250	1.00	0.75		
RAM	JILBERTO PADILLA	HOLLIS R. SULLIVAN, INC.	6/19/2007	6/19/2010	D207236352		TARRANT	TX	0.1250	0.1250	1.00	0.75		
RAM	ANTONIO M. PALACIOS	HOLLIS R. SULLIVAN, INC.	9/10/2007	9/10/2010	D207340521		TARRANT	TX	0.1309	0.1309	1.00	0.75		
RAM	DAVID PAPILLION	HOLLIS R. SULLIVAN, INC.	8/20/2007	8/20/2010	D207309061		TARRANT	TX	0.4277	0.4277	1.00	0.75		
RAM	PAUL C. PARKER	HOLLIS R. SULLIVAN, INC.	2/22/2007	2/22/2010	D207113224		TARRANT	TX	0.1250	0.1250	1.00	0.75		
RAM	CATHRYN PEARCY	HOLLIS R. SULLIVAN, INC.	3/12/2007	3/12/2010	D207113197		TARRANT	TX	0.2250	0.2250	1.00	0.75		
RAM	DENISE RENE PEARSON	HOLLIS R. SULLIVAN, INC.	2/27/2007	2/27/2010	D207113191		TARRANT	TX	0.1250	0.1250	1.00	0.75		
RAM	MICHAEL PEARSON	HOLLIS R. SULLIVAN, INC.	2/22/2007	2/22/2010	D207113225		TARRANT	TX	0.1250	0.1250	1.00	0.75		
RAM	SANDRA D. PECINA	HOLLIS R. SULLIVAN, INC.	9/24/2007	9/24/2010	D207383386		TARRANT	TX	0.1653	0.1653	1.00	0.75		
RAM	JUANA PEREZ	HOLLIS R. SULLIVAN, INC.	6/23/2007	6/23/2010	D207236340		TARRANT	TX	0.1250	0.1250	1.00	0.75		
RAM	CARLOS AND MARIA PEREZ	HOLLIS R. SULLIVAN, INC.	7/5/2007	7/5/2010	D207272173		TARRANT	TX	0.1864	0.1864	1.00	0.75		
RAM	ARTHUR PHILPOTT	HOLLIS R. SULLIVAN, INC.	4/20/2007	4/20/2010	D207158648		TARRANT	TX	0.1250	0.1250	1.00	0.75		
RAM	ROB PINDER	HOLLIS R. SULLIVAN, INC.	6/29/2007	6/29/2010	D207272176		TARRANT	TX	0.1997	0.1997	1.00	0.75		
RAM	WALTER A. PLEITEZ	HOLLIS R. SULLIVAN, INC.	7/30/2007	7/30/2010	D207273050		TARRANT	TX	0.2300	0.2300	1.00	0.75		
RAM	POLYTECHNIC UNITED METHODIST CHURCH	HOLLIS R. SULLIVAN, INC.	9/7/2007	9/7/2010	D207340535		TARRANT	TX	1.0765	1.0765	1.00	0.75		
RAM	VIJAY POUX	HOLLIS R. SULLIVAN, INC.	9/11/2007	9/11/2010	D207340526		TARRANT	TX	0.1453	0.1453	1.00	0.75		

**LEASES**

PROSPECT	LESSOR	LESSEE	LEASE DATE	EXPIRE DATE	RECORDING DATA		COUNTY	TX	ACRES			
					BOOK	PAGE						
RAM	ANH CHIEM	HOLLIS R. SULLIVAN, INC.	8/9/2007	8/9/2010	D207309047		TARRANT	TX	0.3994	0.3994	1.00	0.75
RAM	IN SUN CHON	HOLLIS R. SULLIVAN, INC.	8/22/2007	8/22/2010	D207340491		TARRANT	TX	0.2618	0.2618	1.00	0.75
RAM	CHURCH OF GOD PROPHECY	HOLLIS R. SULLIVAN, INC.	8/23/2007	8/23/2010	D207309065		TARRANT	TX	0.9170	0.9170	1.00	0.75
RAM	CITY VENDING COMPANY, INC.	HOLLIS R. SULLIVAN, INC.	11/20/2007	11/20/2010	D208008259		TARRANT	TX	0.6244	0.6244	1.00	0.75
RAM	BARBARA J. CLARK	HOLLIS R. SULLIVAN, INC.	7/13/2007	7/13/2010	D207273062		TARRANT	TX	0.1721	0.1721	1.00	0.75
RAM	DAVID STANLEY CLAYTON	HOLLIS R. SULLIVAN, INC.	3/1/2007	3/1/2010	D207113221		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	HAROLD L. AND PEGGY COLE	HOLLIS R. SULLIVAN, INC.	3/12/2007	3/12/2010	D207113216		TARRANT	TX	0.2230	0.2230	1.00	0.75
RAM	MARIBEL A. CONTRADO	HOLLIS R. SULLIVAN, INC.	7/24/2007	7/24/2010	D207309059		TARRANT	TX	0.1800	0.1800	1.00	0.75
RAM	JORGE AND PATRICIA CORTEZ	HOLLIS R. SULLIVAN, INC.	3/19/2007	3/19/2010	D207113210		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	MARY KATHERINE COSSLY C/O: CARL EDMOND KELLY	HOLLIS R. SULLIVAN, INC.	10/29/2007	10/29/2010	D207400270		TARRANT	TX	0.1309	0.0183	1.00	0.75
RAM	RICKEY L. CROW	HOLLIS R. SULLIVAN, INC.	7/12/2007	7/12/2010	D207273063		TARRANT	TX	0.5483	0.5483	1.00	0.75
RAM	PATSY CROWLEY	HOLLIS R. SULLIVAN, INC.	7/23/2007	7/23/2010	D207273060		TARRANT	TX	0.2040	0.2040	1.00	0.75
RAM	DORIS CURVEY	HOLLIS R. SULLIVAN, INC.	8/21/2007	8/21/2010	D207309058		TARRANT	TX	0.3399	0.0566	1.00	0.75
RAM	TERESO AND ALMA DAVILA	HOLLIS R. SULLIVAN, INC.	4/13/2007	4/13/2010	D207170440		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	GERALDO AND SILVIA DE LACRUZ	HOLLIS R. SULLIVAN, INC.	6/27/2007	6/27/2010	D207272178		TARRANT	TX	0.2066	0.2066	1.00	0.75
RAM	DANIEL DE ROBLES AND WIFE ISABELL DE ROBLES	HOLLIS R. SULLIVAN, INC.	3/5/2007	3/5/2010	D207113222		TARRANT	TX	0.2060	0.2060	1.00	0.75
RAM	RAUL AND BLANCA DELACRUZ	HOLLIS R. SULLIVAN, INC.	4/17/2007	4/17/2010	D207170428		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	PHILLIP DELANCY	HOLLIS R. SULLIVAN, INC.	5/16/2007	5/16/2010	D207272142		TARRANT	TX	0.2618	0.2618	1.00	0.75
RAM	RUBANE DIAZ	HOLLIS R. SULLIVAN, INC.	6/27/2007	6/27/2010	D207272184		TARRANT	TX	0.2290	0.2290	1.00	0.75
RAM	CLIFTON & ZONIA M. DOUGLAS	HOLLIS R. SULLIVAN, INC.	1/31/2007	1/31/2010	D207060863		TARRANT	TX	0.3873	0.3873	1.00	0.75
RAM	DSM INVESTMENT & MANAGEMENT	HOLLIS R. SULLIVAN, INC.	9/12/2007	9/12/2010	D207340523		TARRANT	TX	0.6882	0.6882	1.00	0.75
RAM	IGNACIO AND TERESA DURAN	HOLLIS R. SULLIVAN, INC.	3/12/2007	3/12/2010	D207113192		TARRANT	TX	0.0625	0.0625	1.00	0.75
RAM	RIGOBERTO AND MARIA DURAN	HOLLIS R. SULLIVAN, INC.	6/23/2007	6/23/2010	D207236348		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	RIGOBERTO AND MARIA GARCIA DURAN	HOLLIS R. SULLIVAN, INC.	8/1/2007	8/1/2010	D207309081		TARRANT	TX	0.5729	0.5729	1.00	0.75
RAM	BENJAMIN DURAN	HOLLIS R. SULLIVAN, INC.	8/29/2007	8/29/2010	D207340503		TARRANT	TX	0.1836	0.1836	1.00	0.75
RAM	SCOTT DYSON	HOLLIS R. SULLIVAN, INC.	3/8/2007	3/8/2010	D207113217		TARRANT	TX	0.1664	0.1664	1.00	0.75
RAM	AURORA ELIZONDO	HOLLIS R. SULLIVAN, INC.	3/8/2007	3/8/2010	D207113209		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	HECTOR AND LUZELUA ESPINOZA	HOLLIS R. SULLIVAN, INC.	4/12/2007	4/12/2010	D207170443		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	MARTIN AND MARIA ESPINOZA	HOLLIS R. SULLIVAN, INC.	4/11/2007	4/11/2010	D207170444		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	ELIGIO ESPINOZA	HOLLIS R. SULLIVAN, INC.	8/31/2007	8/31/2010	D207340493		TARRANT	TX	0.2367	0.2367	1.00	0.75

**LEASES**

PROSPECT	LESSOR	LESSEE	LEASE DATE	EXPIRE DATE	RECORDING DATA		COUNTY	STATE	ACRES			
					BOOK	PAGE						
RAM	MIGUEL MUNOZ TORREZ	HOLLIS R. SULLIVAN, INC.	8/23/2007	8/23/2010	D207309064		TARRANT	TX	0.5013	0.5013	1.00	0.75
RAM	KAY LYNN TUCK-DUBINSKY	HOLLIS R. SULLIVAN, INC.	3/6/2007	3/6/2010	D207113228		TARRANT	TX	1.9751	1.9751	1.00	0.75
RAM	JOE EDWARD TUCKER	HOLLIS R. SULLIVAN, INC.	9/28/2007	9/28/2010	D207383391		TARRANT	TX	0.1997	0.1997	1.00	0.75
RAM	FREDDIE AND KATHLEEN TURNER	HOLLIS R. SULLIVAN, INC.	7/25/2007	7/25/2010	D207272143		TARRANT	TX	0.2638	0.2638	1.00	0.75
RAM	DE WAYNE E. TUTTLE	HOLLIS R. SULLIVAN, INC.	3/20/2007	3/20/2010	D207113200		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	U.S. FINANCIAL & INVESTMENT SVC.	HOLLIS R. SULLIVAN, INC.	3/21/2007	3/21/2010	D207113188		TARRANT	TX	0.1988	0.1988	1.00	0.75
RAM	LEONILA VALDEZ	HOLLIS R. SULLIVAN, INC.	6/25/2007	6/25/2010	D207238344		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	LEONEL R. AND AMELIA VALENCIA	HOLLIS R. SULLIVAN, INC.	7/5/2007	7/5/2010	D207272172		TARRANT	TX	0.1990	0.1990	1.00	0.75
RAM	ALMA VALENCIANO	HOLLIS R. SULLIVAN, INC.	8/29/2007	8/29/2010	D207340501		TARRANT	TX	0.2377	0.2377	1.00	0.75
RAM	WILLIAM R. VANDAGRIFF	HOLLIS R. SULLIVAN, INC.	8/24/2007	8/24/2010	D207309044		TARRANT	TX	0.1343	0.1343	1.00	0.75
RAM	SERGIO O. VASQUEZ & OLGA LIDIA LEON	HOLLIS R. SULLIVAN, INC.	10/9/2007	10/9/2010	D207400257		TARRANT	TX	0.2300	0.2300	1.00	0.75
RAM	PORFIRIO AND JANETH VAZQUEZ	HOLLIS R. SULLIVAN, INC.	6/28/2007	6/28/2010	D207272175		TARRANT	TX	0.2200	0.2200	1.00	0.75
RAM	EVERADO AND EMILIA VELAZQUEZ	HOLLIS R. SULLIVAN, INC.	9/29/2007	9/29/2010	D207383390		TARRANT	TX	0.2324	0.2324	1.00	0.75
RAM	BELIA MARTINEZ VELDEZ AND AUDELIO MARTINEZ	HOLLIS R. SULLIVAN, INC.	9/18/2007	9/18/2010	D207340507		TARRANT	TX	0.2688	0.2688	1.00	0.75
RAM	LETICIA AND EMETERIO VIGIL II	HOLLIS R. SULLIVAN, INC.	10/22/2007	10/22/2010	D207400258		TARRANT	TX	0.1434	0.1434	1.00	0.75
RAM	ROBERTO G. AND GABRIELA VILLANUEVA	HOLLIS R. SULLIVAN, INC.	7/24/2007	7/24/2010	D207309075		TARRANT	TX	0.2717	0.2717	1.00	0.75
RAM	ALFONSO JR. AND ALFONSO AND NEREIDA VITELA	HOLLIS R. SULLIVAN, INC.	7/2/2007	7/2/2010	D207272182		TARRANT	TX	0.4132	0.4132	1.00	0.75
RAM	ALFONSO AND ROSA VITELA	HOLLIS R. SULLIVAN, INC.	7/2/2007	7/2/2010	D207272188		TARRANT	TX	0.2066	0.2066	1.00	0.75
RAM	EARL WADDELL, INC.	HOLLIS R. SULLIVAN, INC.	3/15/2007	3/15/2010	D207113190		TARRANT	TX	1.6000	1.6000	1.00	0.75
RAM	GLORIA WALLACE	HOLLIS R. SULLIVAN, INC.	4/16/2007	4/16/2010	D207158646		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	LINDA WASHINGTON	HOLLIS R. SULLIVAN, INC.	5/15/2007	5/15/2010	D207194986		TARRANT	TX	0.3399	0.0596	1.00	0.75
RAM	CALVIN J. WATSON	HOLLIS R. SULLIVAN, INC.	4/14/2007	4/14/2010	D207170429		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	MARY JEAN WEBB	HOLLIS R. SULLIVAN, INC.	7/11/2007	7/11/2010	D207272189		TARRANT	TX	0.1400	0.1400	1.00	0.75
RAM	TOMMY WHITE	HOLLIS R. SULLIVAN, INC.	3/6/2007	3/6/2010	D207113233		TARRANT	TX	1.0400	1.0400	1.00	0.75
RAM	TOMMY WHITE	HOLLIS R. SULLIVAN, INC.	6/28/2007	6/28/2010	D207272174		TARRANT	TX	0.3914	0.3914	1.00	0.75
RAM	DIANE L. WHITFIELD	HOLLIS R. SULLIVAN, INC.	3/7/2007	3/7/2010	D207113234		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	LINDA WHITNEY	HOLLIS R. SULLIVAN, INC.	3/13/2007	3/13/2010	D207113194		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	WILLARD & BARBARA WILLIAMS	HOLLIS R. SULLIVAN, INC.	3/9/2007	3/9/2010	D207113214		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	MAGGIE WILLIAMS	HOLLIS R. SULLIVAN, INC.	3/30/2007	3/30/2010	D207158672		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	ELLA L. WILLIAMS	HOLLIS R. SULLIVAN, INC.	7/13/2007	7/13/2010	D207273084		TARRANT	TX	0.2068	0.2068	1.00	0.75

**LEASES**

PROSPECT	LESSOR	LESSEE	LEASE DATE	EXPIRE DATE	RECORDING DATA		COUNTY	STATE	GROSS ALBER			
					BOOK	PAGE						
RAM	MIGUEL MUNOZ TORREZ	HOLLIS R. SULLIVAN, INC.	8/23/2007	8/23/2010	D207309064		TARRANT	TX	0.5013	0.5013	1.00	0.75
RAM	KAY LYNN TUCK-DUBINSKY	HOLLIS R. SULLIVAN, INC.	3/6/2007	3/6/2010	D207113228		TARRANT	TX	1.9751	1.9751	1.00	0.75
RAM	JOE EDWARD TUCKER	HOLLIS R. SULLIVAN, INC.	9/28/2007	9/28/2010	D207383391		TARRANT	TX	0.1997	0.1997	1.00	0.75
RAM	FREDDIE AND KATHLEEN TURNER	HOLLIS R. SULLIVAN, INC.	7/25/2007	7/25/2010	D207272143		TARRANT	TX	0.2638	0.2638	1.00	0.75
RAM	DE WAYNE E. TUTTLE	HOLLIS R. SULLIVAN, INC.	3/20/2007	3/20/2010	D207113200		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	U. S. FINANCIAL & INVESTMENT SVC.	HOLLIS R. SULLIVAN, INC.	3/21/2007	3/21/2010	D207113188		TARRANT	TX	0.1986	0.1986	1.00	0.75
RAM	LEONILA VALDEZ	HOLLIS R. SULLIVAN, INC.	6/25/2007	6/25/2010	D207238344		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	LEONEL R. AND AMELIA VALENCIA	HOLLIS R. SULLIVAN, INC.	7/5/2007	7/5/2010	D207272172		TARRANT	TX	0.1990	0.1990	1.00	0.75
RAM	ALMA VALENCIANO	HOLLIS R. SULLIVAN, INC.	8/29/2007	8/29/2010	D207340501		TARRANT	TX	0.2377	0.2377	1.00	0.75
RAM	WILLIAM R. VANDAGRIFF	HOLLIS R. SULLIVAN, INC.	8/24/2007	8/24/2010	D207309044		TARRANT	TX	0.1343	0.1343	1.00	0.75
RAM	SERGIO O. VASQUEZ & OLGA LIDIA LEON	HOLLIS R. SULLIVAN, INC.	10/9/2007	10/9/2010	D207400257		TARRANT	TX	0.2300	0.2300	1.00	0.75
RAM	PORFIRIO AND JANETH VAZQUEZ	HOLLIS R. SULLIVAN, INC.	6/28/2007	6/28/2010	D207272175		TARRANT	TX	0.2200	0.2200	1.00	0.75
RAM	EVERADO AND EMILIA VELAZQUEZ	HOLLIS R. SULLIVAN, INC.	9/29/2007	9/29/2010	D207383390		TARRANT	TX	0.2324	0.2324	1.00	0.75
RAM	BELIA MARTINEZ VELDEZ AND AUDELIO MARTINEZ	HOLLIS R. SULLIVAN, INC.	9/18/2007	9/18/2010	D207340507		TARRANT	TX	0.2686	0.2686	1.00	0.75
RAM	LETICIA AND EMETERIO VIGIL, II	HOLLIS R. SULLIVAN, INC.	10/22/2007	10/22/2010	D207400258		TARRANT	TX	0.1434	0.1434	1.00	0.75
RAM	ROBERTO G. AND GABRIELA VILLANUEVA	HOLLIS R. SULLIVAN, INC.	7/24/2007	7/24/2010	D207309075		TARRANT	TX	0.2717	0.2717	1.00	0.75
RAM	ALFONSO JR. AND ALFONSO AND NEREIDA VITELA	HOLLIS R. SULLIVAN, INC.	7/2/2007	7/2/2010	D207272182		TARRANT	TX	0.4132	0.4132	1.00	0.75
RAM	ALFONSO AND ROSA VITELA	HOLLIS R. SULLIVAN, INC.	7/2/2007	7/2/2010	D207272188		TARRANT	TX	0.2066	0.2066	1.00	0.75
RAM	EARL WADDELL, INC.	HOLLIS R. SULLIVAN, INC.	3/15/2007	3/15/2010	D207113190		TARRANT	TX	1.6000	1.6000	1.00	0.75
RAM	GLORIA WALLACE	HOLLIS R. SULLIVAN, INC.	4/16/2007	4/16/2010	D207158646		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	LINDA WASHINGTON	HOLLIS R. SULLIVAN, INC.	5/15/2007	5/15/2010	D207194986		TARRANT	TX	0.3399	0.0566	1.00	0.75
RAM	CALVIN J. WATSON	HOLLIS R. SULLIVAN, INC.	4/14/2007	4/14/2010	D207170429		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	MARY JEAN WEBB	HOLLIS R. SULLIVAN, INC.	7/11/2007	7/11/2010	D207272169		TARRANT	TX	0.1400	0.1400	1.00	0.75
RAM	TOMMY WHITE	HOLLIS R. SULLIVAN, INC.	3/6/2007	3/6/2010	D207113233		TARRANT	TX	1.0400	1.0400	1.00	0.75
RAM	TOMMY WHITE	HOLLIS R. SULLIVAN, INC.	6/28/2007	6/28/2010	D207272174		TARRANT	TX	0.3914	0.3914	1.00	0.75
RAM	DIANE L. WHITFIELD	HOLLIS R. SULLIVAN, INC.	3/7/2007	3/7/2010	D207113234		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	LINDA WHITNEY	HOLLIS R. SULLIVAN, INC.	3/13/2007	3/13/2010	D207113194		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	WILLARD & BARBARA WILLIAMS	HOLLIS R. SULLIVAN, INC.	3/9/2007	3/9/2010	D207113214		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	MAGGIE WILLIAMS	HOLLIS R. SULLIVAN, INC.	3/30/2007	3/30/2010	D207158672		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	ELLA L. WILLIAMS	HOLLIS R. SULLIVAN, INC.	7/13/2007	7/13/2010	D207273084		TARRANT	TX	0.2066	0.2066	1.00	0.75

**LEASES**

PROSPECT	LESSOR	LESSEE	LEASE DATE	EXPIRE DATE	RECORDING DATA		COUNT	FEES	SP/ISS/ACCESS			
					BOOK	PAGE						
RAM	ORALIA S. ANZALDUA	HOLLIS R. SULLIVAN, INC.	3/15/2007	3/15/2010	D207113201		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	MAGDALENA ARELLANO	HOLLIS R. SULLIVAN, INC.	7/24/2007	7/24/2010	D207273045		TARRANT	TX	0.2066	0.2066	1.00	0.75
RAM	FIDEL R. & MARTA ARENAS	HOLLIS R. SULLIVAN, INC.	8/27/2007	8/27/2010	D207309073		TARRANT	TX	0.1962	0.1962	1.00	0.75
RAM	LUIS SAUL AND ANGELINA ARROYO	HOLLIS R. SULLIVAN, INC.	6/28/2007	6/28/2010	D207272179		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	JOSE D. AND PABLA AVELAR	HOLLIS R. SULLIVAN, INC.	6/25/2007	6/25/2010	D207272186		TARRANT	TX	0.1790	0.1790	1.00	0.75
RAM	JOSE D. AND PABLA B. AVELAR	HOLLIS R. SULLIVAN, INC.	6/25/2007	6/25/2010	D207272187		TARRANT	TX	0.1990	0.1990	1.00	0.75
RAM	BALLARD SALES COMPANY	HOLLIS R. SULLIVAN, INC.	8/14/2007	8/14/2009	D207309051		TARRANT	TX	1.0600	1.0600	1.00	0.75
RAM	JOSEPH E. BALLEW	HOLLIS R. SULLIVAN, INC.	4/24/2007	4/24/2010	D207170424		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	AUBREY J. BARREE	HOLLIS R. SULLIVAN, INC.	3/1/2007	3/1/2010	D207113226		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	ANTONIO RODRIGUEZ BARRON	HOLLIS R. SULLIVAN, INC.	10/27/2007	10/27/2010	D207400268		TARRANT	TX	0.1438	0.1438	1.00	0.75
RAM	NORMA BENITEZ	HOLLIS R. SULLIVAN, INC.	9/7/2007	9/7/2010	D207340517		TARRANT	TX	0.1609	0.1609	1.00	0.75
RAM	PLAYBOUN BOUDTAROTH	HOLLIS R. SULLIVAN, INC.	7/27/2007	7/27/2010	D207273047		TARRANT	TX	0.2066	0.2066	1.00	0.75
RAM	CONSTANCE THERESA BROWNE	HOLLIS R. SULLIVAN, INC.	6/27/2007	6/27/2010	D207236342		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	BILLY J. BUNCH, III	HOLLIS R. SULLIVAN, INC.	10/11/2007	10/11/2010	D207383399		TARRANT	TX	0.1435	0.1435	1.00	0.75
RAM	JUAN A. AND CRUZ N. BURCIAGA	HOLLIS R. SULLIVAN, INC.	3/19/2007	3/19/2010	D207113206		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	HORACIO E. BURCIAGA	HOLLIS R. SULLIVAN, INC.	3/27/2007	3/27/2010	D207158860		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	OLIVIA G. BYRD	HOLLIS R. SULLIVAN, INC.	9/4/2007	9/4/2010	D207340494		TARRANT	TX	0.1343	0.1343	1.00	0.75
RAM	ROBERT M. AND BARBARA CAGLE	HOLLIS R. SULLIVAN, INC.	3/12/2007	3/12/2010	D207113195		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	EDGAR GARCIA & MARIA C. CAMACHO	HOLLIS R. SULLIVAN, INC.	8/22/2007	8/22/2010	D207309063		TARRANT	TX	0.1434	0.1434	1.00	0.75
RAM	ENRIQUE CANALES	HOLLIS R. SULLIVAN, INC.	4/20/2007	4/20/2010	D207158851		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	DOLORES CANALES	HOLLIS R. SULLIVAN, INC.	8/9/2007	8/9/2010	D207309040		TARRANT	TX	0.1340	0.1340	1.00	0.75
RAM	HILARIO CARREON	HOLLIS R. SULLIVAN, INC.	8/1/2007	8/1/2010	D207309080		TARRANT	TX	0.1684	0.0832	1.00	0.75
RAM	LUIS & MARIA CARRILLO	HOLLIS R. SULLIVAN, INC.	9/5/2007	9/5/2010	D207340489		TARRANT	TX	0.2840	0.2840	1.00	0.75
RAM	JUAN PABLO CASTANEDA AND VERONICA LEGARDA	HOLLIS R. SULLIVAN, INC.	3/19/2007	3/19/2010	D207113207		TARRANT	TX	0.1250	0.1250	1.00	0.75
RAM	SERGIO GRANADOS CASTILLO	HOLLIS R. SULLIVAN, INC.	8/16/2007	8/16/2010	D207309041		TARRANT	TX	0.1434	0.1434	1.00	0.75
RAM	CENTURY MOTEL, LLC	HOLLIS R. SULLIVAN, INC.	8/3/2007	8/3/2010	D207309079		TARRANT	TX	2.5253	2.5253	1.00	0.75
RAM	RICHARD N. CHAMPAGNE	HOLLIS R. SULLIVAN, INC.	2/1/2007	2/1/2010	D207113235		TARRANT	TX	0.2618	0.2618	1.00	0.75
RAM	CHAPEL HEIGHTS PROPERTIES, LP	HOLLIS R. SULLIVAN, INC.	12/27/2007	12/27/2010	D208008264		TARRANT	TX	0.1435	0.1435	1.00	0.75
RAM	JESUS MANUEL CHAVEZ	HOLLIS R. SULLIVAN, INC.	9/18/2007	9/18/2010	D207340509		TARRANT	TX	0.1435	0.1435	1.00	0.75
RAM	JOSE L. AND MAGDALIA CHAVEZ	HOLLIS R. SULLIVAN, INC.	10/12/2007	10/12/2010	D208008262		TARRANT	TX	0.2582	0.2582	1.00	0.75

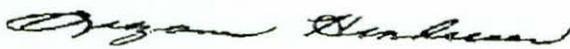
7.

File No. MF110598

Conveyance

Date Filed: 2/10/10  
Jerry Patterson, Commissioner

By: 



PGS 3 \$24.00

**NOTICE OF CONFIDENTIALITY RIGHTS: A NATURAL PERSON MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION BEFORE IT IS FILED IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.**

XTO REV PROD 88 (7-69) PAID UP (04/17/07)B

**OIL, GAS AND MINERAL LEASE**

THIS AGREEMENT made this 25th day of November 2009, between L Squared Properties Inc., Lessor (whether one or more), whose address is: PO Box 9677, Fort Worth, TX 76147-2677 and XTO Energy Inc., whose address is: 810 Houston St., Fort Worth, Texas 76102, Lessee, WITNESSETH:

1. Lessor, in consideration of ten dollars and other valuable consideration, 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, 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 TARRANT, State of Texas, and is described as follows:

For a description of the land being herein leased, see the Exhibit "A" attached hereto and made a part hereof:

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, after-acquired title 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 1.89179602 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 4 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 25% 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 25% 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 25% 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, 25% 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 25% 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 such bank as directed by Lessor, 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 permitted or 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 permitted or 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. Such unit shall become effective as of the date provided for in said instrument or instruments but if said instrument or instruments make no such provision, then such unit shall become effective on the date such instrument or instruments are so filed of record. 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 operations or 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 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 there is no unitized minerals being produced from such unit. Any unit formed may be amended, re-formed, reduced or enlarged by Lessee at its election at any time and from time to time after the original forming thereof by filing an appropriate instrument of record in the public office in which the pooled acreage is located. 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/or any of the following: drilling, testing, completing, reworking, recompleting, deepening, sidetracking, 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 sixty (60) 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 and shall not be required to move or remove any existing surface facilities necessary or convenient for current operations.

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.

12. Lessor agrees that this lease covers and includes any and all of Lessor's rights in and to any existing well(s) and/or wellbore(s) on said land, other than existing water wells, and for all purposes of this lease the re-entry and use by Lessee of any existing well and/or wellbore shall be deemed the same as the drilling of a new well.

13. Notwithstanding anything to the contrary contained in this lease, at the option of Lessee, which may be exercised by Lessee giving notice to Lessor, a well which has been drilled and Lessee intends to frac shall be deemed a well capable of producing in paying quantities and the date such well is shut-in shall be when the drilling operations are completed.

14. As a result of land development in the vicinity of said land, governmental rules or ordinances regarding well sites, and/or surface restrictions as may be set forth in this lease and/or other leases in the vicinity, surface locations for well sites in the vicinity may be limited and Lessee may encounter difficulty securing surface location(s) for drilling, reworking or other operations. Therefore, since drilling, reworking or other operations are either restricted or not allowed on said land or other leases in the vicinity, it is agreed that any such operations conducted at a surface location off of said land or off of lands with which said land are pooled in accordance with this lease, provided that such operations are associated with a directional well for the purpose of drilling, reworking, producing or other operations under said land or lands pooled therewith, shall for purposes of this lease be deemed operations conducted on said land. Nothing contained in this paragraph is intended to modify any surface restrictions or pooling provisions or restrictions contained in this lease, except as expressly stated.

15. This is a non-development Oil, Gas and Mineral Lease, whereby Lessee, its successors or assigns, shall not conduct any operations, as defined herein, on the surface of said lands. However, Lessee shall have the right to pool or unitize said lands, or part thereof, with other lands to comprise an oil and/or gas development unit.

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

LESSOR(S):

Lessor: L Squared Properties Inc.

BY: J. Luis Aguilar  
President

Title:

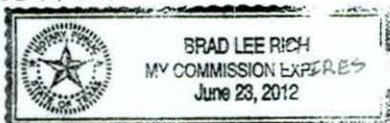
Acknowledgment

STATE OF Texas )  
COUNTY OF Tarrant ) ss.

This instrument was acknowledged before me on the 10<sup>th</sup> day of December, 2009 by L Squared Properties Inc... acknowledged  
by J. Luis Aguilar, as President, on behalf Signature Brad Lee Rich  
of said corporation. Notary Public  
Printed Brad L. Rich

My commission expires:

Seal:



R.A.S.

RAM

Notice of Confidentiality Rights: If you are a natural person, you may remove or strike any 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.

**MEMORANDUM OF OIL, GAS AND MINERAL LEASE**

STATE OF TEXAS }

COUNTY OF TARRANT }

Notice is hereby given that, effective August 24th 2007, an Oil, Gas and Mineral Lease ("Lease") was made between Laura Nunez ("Lessor"), whose address is 4171 Carolyn Road, Fort Worth, Texas 76109, and Hollis R. Sullivan, Inc. ("Lessee"), whose address is P.O. Box 9289, Wichita Falls, Texas 76308.

This lease covers the following:

Lot A, Block 17, Normandy Place Addition, including any interests under adjacent roadways, if any, out of the J. Ringer Survey, A-1287, Tarrant County, Texas, being more particularly described in that certain Warranty Deed dated September 28, 2005, from Sandra Silva to Laura Nunez, recorded in D205290558, Official Public Records of Tarrant County, Texas.

Lot 17B1, Block 17, Normandy Place Addition, including any interests under adjacent roadways, if any, out of the J. Ringer Survey, A-1287, Tarrant County, Texas, being more particularly described in that certain Warranty Deed with Vendor's Lien dated September 28, 2005, from Sandra Silva to Laura Nunez, recorded in D205290558, Official Public Records of Tarrant County, Texas.

4010

Lot X, Block 17, Normandy Place Addition, including any interests under adjacent roadways, if any, out of the J. Ringer Survey, A-1287, Tarrant County, Texas, being more particularly described in that certain Warranty Deed with Vendor's Lien dated December 22, 2004, from S&D Rubin, Carl R. Chatman, Mortin O. Rubin, Susan R K Ballew, Robert J. Ruben, Sherwin B. Rubin to Laura Nunez, recorded in D204398532, Official Public Records of Tarrant County, Texas.

The Lease has a primary term of Three (3) years.

Reference is made to the terms and provisions of the Lease for all purposes.

IN WITNESS WHEREOF, this instrument is executed to be effective as of August 24th 2007

LESSOR:  
[Signature]  
Laura Nunez

THE STATE OF TEXAS  
COUNTY OF Tarrant

This instrument was acknowledged before me on this 24th day of August, 2007, by Laura Nunez.

[Signature]  
Notary Public - State of Texas

LESSEE:  
HOLLIS R. SULLIVAN, INC.  
By: [Signature]  
Name: Hollis R. Sullivan  
Title: President

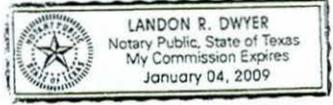


THE STATE OF TEXAS  
COUNTY OF Tarrant

This instrument was acknowledged before me on this 28 day of August, 2007, by Hollis R. Sullivan, as President of Hollis R. Sullivan Inc., a Texas Corporation, on behalf of said corporation.

[Signature]  
Notary Public, State of Texas

After Recording Return To:  
Norwood Land Services, LLC  
6421 Camp Bowie Blvd, Suite 401  
Fort Worth, Texas 76116





NORWOOD LAND SERVICES LLC  
6421 CAMP BOWIE BLVD STE 401

FT WORTH TX 76116

Submitter: NORWOOD LAND SERVICES

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SUZANNE HENDERSON  
TARRANT COUNTY CLERK  
TARRANT COUNTY COURTHOUSE  
100 WEST WEATHERFORD  
FORT WORTH, TX 76196-0401

**DO NOT DESTROY**  
**WARNING - THIS IS PART OF THE OFFICIAL RECORD.**

Filed For Registration: 08/30/2007 01:20 PM  
Instrument #: D207309067  
LSEM 2 PGS \$16.00

By: \_\_\_\_\_



**D207309067**

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE  
OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR  
RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

**OIL AND GAS LEASE**

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

STATE OF TEXAS                   §  
  §  
COUNTY OF TARRANT       §

This Oil and Gas Lease is entered into this 24th day of August, 2007, by and between Laura Nunez ("Lessor"), whose address is 4171 Carolyn Road, Fort Worth, Texas 76109, and Hollis R. Sullivan, Inc. ("Lessee"), whose address is P.O. Box 9289, Wichita Falls, Texas 76308.

1. FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and provisions contained herein, Lessor does hereby LEASE exclusively unto Lessee the land described below herein referred to as the "Leased Premises" for the purposes of exploring and drilling for, producing, storing, treating, transporting and marketing oil and gas and all substances produced therewith, conferring all rights and easements reasonably necessary or useful for Lessee's operations hereunder. The Leased Premises is described as follows:

Lot A, Block 17, Normandy Place Addition, including any interests under adjacent roadways, if any, out of the J. Ringer Survey, A-1287, Tarrant County, Texas, being more particularly described in that certain Warranty Deed dated September 28, 2005 from Sandra Silva to Laura Nunez, recorded in D205290558, Official Public Records of Tarrant County, Texas.

Lot 17B1, Block 17, Normandy Place Addition, including any interests under adjacent roadways, if any, out of the J. Ringer Survey, A-1287, Tarrant County, Texas, being more particularly described in that certain Warranty Deed with Vendor's Lien dated 9/28/2005 from Sandra Silva to Laura Nunez, recorded in D205290558, Official Public Records of Tarrant County, Texas.

Lot X, Block 17, Normandy Place Addition, including any interests under adjacent roadways, if any, out of the J. Ringer Survey, A-1287, Tarrant County, Texas, being more particularly described in that certain Warranty Deed with Vendor's Lien dated 12/22/2004 from S&D Rubin, Carl R. Chatman, Mortin O. Rubin, Susan R K Ballew, Robert J. Ruben, Sherwin B. Rubin to Laura Nunez, recorded in D204398532, Official Public Records of Tarrant County, Texas.

2. This is a Paid Up Lease. Subject to the other provisions contained herein, this Lease shall remain in force for a term of Three (3) years from the date shown above, hereafter called the "Primary Term" and as long thereafter as oil or gas is produced from the Leased Premises or operations are conducted thereon as herein provided.

3. As royalty, Lessee covenants and agrees: (a) to deliver to the credit of Lessor, in the pipeline to which Lessee may connect its wells or in the absence of pipeline connection, into Lessee's storage facilities the equal to twenty percent (20%) part of all oil produced and saved by Lessee from the Leased Premises, Lessor's interest to bear the same percent of the costs of treating oil to render it marketable; (b) to pay Lessor on gas and casinghead gas produced from the Leased Premises (1) when sold by Lessee, twenty percent (20%) of the amount realized by Lessee, computed at the mouth of the well, or (2) when used by Lessee off of the Leased Premises or in the manufacture of gasoline or other products, the market value, at the mouth of well of the same percent of such gas and casinghead gas. If gas or other substances is delivered to the purchaser off the Leased Premises, Lessor and Lessee shall each bear its proportionate share of the costs to deliver such gas, including charges for compression, transportation, marketing or otherwise. However, in no event will Lessor ever be required to pay for or incur any out of pocket cost or expense relating to any of Lessee's drilling, development or production operations under this Lease.

4. Notwithstanding any other provision of this Lease to the contrary, this Lease will cover only oil, gas and associated hydrocarbons and shall not cover any other substances or minerals.

5. 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 320 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 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, 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, 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, with consequent allocation of production as herein provided. As used in this paragraph, 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.

6. If at any time there is a well on the Leased Premises capable of producing gas, but the well has stopped being produced for a lack of a market or other good cause and this Lease is not being continued in force by some other provision hereof, then it shall nevertheless continue in force for a period of ninety (90) days from the date such well is shut-in or the date this Lease ceases to be continued in force by some other provision hereof, whichever is the later date, and prior to the expiration of such ninety (90) day period and annually thereafter, Lessee may pay or tender to Lessor an advance royalty called "Shut-In Gas Royalty" in an amount equal to \$5.00 per acre for the acreage then held under this Lease by such well and so long as such payments or tenders are so made this Lease shall continue in force and effect and it shall be considered that gas is being produced from the Leased Premises within the meaning of paragraph 2 of this lease.

7. If at the expiration of the Primary Term oil or gas is not being produced from the Leased Premises or lands pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon or shall have completed a well, either as a producer or a dry hole, within 90 days prior to the end of the Primary Term, this Lease shall remain in force so long as operations are continued in good faith and with reasonable diligence and not more than ninety (90) days shall elapse between the completion or abandonment of a well and the commencement of operations to drill a subsequent well and, if such operations result in the production of oil or gas, so long thereafter as oil and gas is produced from the Leased Premises.

8. If oil or gas is produced from the Leased Premises or lands pooled therewith and production thereof should cease for any reason after the expiration of the Primary Term, Lessee shall have the right at any time within ninety (90) days from the date of cessation of production to commence reworking or additional drilling operations in an effort to resume production, in which event this Lease shall remain in force so long as such operations are conducted in good faith and with reasonable diligence with no cessation of operations of more than 90 consecutive days and if such operations result in the production of oil or gas, so long thereafter as oil or gas is produced from the Leased Premises or lands pooled therewith.

9. The rights of either party hereunder may be assigned, in whole or in part, and the provisions hereof shall extend to their heirs, personal representatives, successors, and assigns; however, no change in the ownership of the land, rentals or royalty or the division thereof however accomplished shall operate to enlarge the obligations or diminish the rights of Lessee. No change in the ownership or the division of the land or royalties shall be binding upon the Lessee for any purpose until thirty (30) days after Lessee shall have been furnished the instrument or instruments or recorded copies thereof resulting in such change.

10. Lessor hereby warrants and agrees to defend title to said land against the claims of all persons whomsoever. Lessor agrees that Lessee shall have the right at any time to pay or reduce for Lessor either before or after maturity any mortgage, taxes or other liens or interests and other charges against the Leased Premises not subordinated to this Lease and to be subordinated to the rights of the holder thereof and to deduct the amounts so paid from royalties or other amounts due or which may become due to Lessor under this Lease. If Lessor owns less interest in the mineral estate in the Leased Premises than the entire and undivided fee simple estate, or no interest therein, then the lease bonus, royalties and other payments herein provided shall be paid to Lessor only in the proportion which Lessor's interest, if any, bears to the whole and undivided fee simple estate. In the event it is determined that the bonus amount paid by Lessee to Lessor is other than the amount due Lessor then, Lessor agrees to refund anything in excess of the true amount due to Lessor.

11. All Lessee's operations on the Leased Premises will be subject to and will be conducted in compliance with all federal, state, county, city and other laws, rules, ordinances, regulations and requirements. Lessee will assume all costs of insuring that its operations comply with all applicable laws. This Lease shall not be terminated in whole or in part, nor Lessee held liable for damages for failure to comply with the terms herein set forth, if compliance is prevented by or such failure is a result of any law, order, rule or regulation of applicable federal, state, county or other governmental authority or deed restriction and if not otherwise being maintained herein, 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 and/or production as provided herein as if such delay had not occurred.

12. Whether or not this Lease is executed by all parties named herein as Lessor, this Lease shall be binding upon and inure to the benefit of all parties who execute it (whether or not named herein) and all parties from whom each Lessor has authority to execute this Lease.

13. Lessee indemnifies and holds Lessor harmless from and against any claims, costs and liabilities such Lessor may suffer whether for injury or death to any person, injury or damage to any property, failure to adhere to or comply with any applicable laws, rules or regulations or demand for monetary damages (collectively the "Claims") to the extent that such Claims relate to or arises from Lessee's operations under this Lease or Lessee's breach of its obligations under this Lease.

14. No waiver by a party hereto of any breach of a term, condition or covenant of this Lease will be deemed to be a waiver of any other breach of the same or any other term, condition or covenant contained herein.

15. In the event any provision of this Lease is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity shall not affect any other provision thereof and this Lease shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

16. In the event of any legal action or proceeding between the parties seeking to enforce the terms of this Lease, the prevailing party in such action shall be entitled to recover, in addition to all remedies available to it at law, all of its costs and expenses in connection therewith, including attorney's fees and costs.

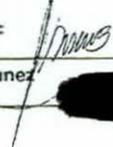
17. This Lease contains the entire agreement of the parties regarding the subject matter hereof and supercedes any and all prior agreements, arrangements or understandings between the parties regarding such subject matter. This Lease cannot be changed orally and may be amended only by an instrument in writing executed by the parties.

18. This Lease may be executed in one or more executed and acknowledged counterparts or ratifications hereof each of which shall be deemed to be acceptable and all of which together shall constitute one and the same document.

19. Any notice required or permitted to be given hereunder must be in writing and must be sent to the parties via personal delivery or certified mail only at their addresses set forth in this Lease or at another address upon prior written notice of the same.

20. NO SURFACE OPERATIONS: Notwithstanding anything herein contained to the contrary, it is understood and agreed that Lessee, its successors or assigns, shall not enter upon nor use the leased premises for conducting any surface or drilling operations hereunder. Any production from the leased premises shall be by way of pooling and/or unitization as provided herein, or by directional drilling from a surface location on other lands and bottomed under the leased premises.

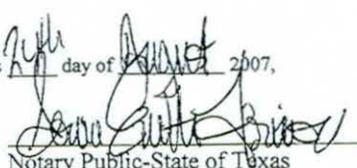
LESSOR:

  
\_\_\_\_\_  
Laura Nunez

SSN 

STATE OF TEXAS  
COUNTY OF Tarrant

This instrument was acknowledged before me on this 17th day of August, 2007,  
by Laura Nunez.

  
Notary Public-State of Texas



Notice of Confidentiality Rights: If you are a natural person, you may remove or strike any 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.

**MEMORANDUM OF OIL, GAS AND MINERAL LEASE**

STATE OF TEXAS }

COUNTY OF TARRANT }

Notice is hereby given that, effective SEPTEMBER 12TH <sup>2007</sup>, an Oil, Gas and Mineral Lease ("Lease") was made between DSM Investment and Management ("Lessor"), whose address is 3408 Heatherbrook Drive, Arlington, Texas 76001, and Hollis R. Sullivan, Inc. ("Lessee"), whose address is P.O. Box 9289, Wichita Falls, Texas 76308.

This lease covers the following:

Lot 17B2, Block 17, Normandy Place Addition, including any interests under adjacent roadways, if any, out of the J. Ringer Survey, A-1287, Tarrant County, Texas, being more particularly described in that certain Special Warranty Deed with Vendor's Lien dated August 5, 2004, from Robert L. Baker to DSM Investment and Management, recorded in D204245783, Official Public Records of Tarrant County, Texas.

The Lease has a primary term of Three (3) years.

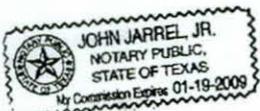
Reference is made to the terms and provisions of the Lease for all purposes.

IN WITNESS WHEREOF, this instrument is executed to be effective as of SEPTEMBER 12TH <sup>2007</sup>

LESSOR:  
DSM Investment and Management  
By: Shawn Karami  
Its: Partner

THE STATE OF TEXAS  
COUNTY OF TARRANT

This instrument was acknowledged before me on this 12TH day of SEPTEMBER, 2007, by SHAWN KARAMI as PARTNER of DSM Investment and Management, a PARTNERSHIP on behalf of said PARTNERSHIP.



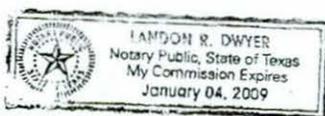
[Signature]  
Notary Public - State of Texas

LESSEE:  
HOLLIS R. SULLIVAN, INC.  
By: [Signature]  
Name: Hollis R. Sullivan  
Title: President

THE STATE OF TEXAS  
COUNTY OF TARRANT

This instrument was acknowledged before me on this 23 day of September, 2007, by Hollis R. Sullivan, as President of Hollis R. Sullivan Inc., a Texas Corporation, on behalf of said corporation.

[Signature]  
Notary Public, State of Texas



After Recording Return To:  
Norwood Land Services, LLC  
6421 Camp Bowie Blvd, Suite 401  
Fort Worth, Texas 76116



NORWOOD LAND SERVICES LLC  
6421 CAMP BOWIE BLVD STE 401

FT WORTH TX 76116

Submitter: NORWOOD LAND SERVICES LLC

---

SUZANNE HENDERSON  
TARRANT COUNTY CLERK  
TARRANT COUNTY COURTHOUSE  
100 WEST WEATHERFORD  
FORT WORTH, TX 76196-0401

**DO NOT DESTROY**  
**WARNING - THIS IS PART OF THE OFFICIAL RECORD.**

Filed For Registration: 09/24/2007 03:06 PM  
Instrument #: D207340523  
LSEM 2 PGS \$16.00

By: \_\_\_\_\_



**D207340523**

**ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE  
OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR  
RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.**

**EXHIBIT "A"**

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL, GAS AND MINERAL LEASE DATED NOVEMBER 25, 2009 FROM L SQUARED PROPERTIES INC. , AS LESSOR, TO XTO ENERGY INC., AS LESSEE.

BEING 1.89179602 acres, of land more or less, and being described in ONE TRACT(S) as follows:

Being 1.89179602 acres of land, more or less, and being Mc Carthy, D L Subdivision, Lots E Thru H & J, an Addition to the City of Fort Worth, Tarrant County, Texas and being more particularly described as a Deed recorded on 4/26/1978 and recorded at Instrument #D178528269 of the Public Records of Tarrant County, Texas.

The 2008 Tarrant County Appraisal District Geo-Reference Number for the above described property is 27245--E.

Lessor(s):

L Squared Properties Inc.

BY:  J. A.

Title: President

**MEMORANDUM OF OIL AND GAS LEASE**

**State:** Texas  
**County:** Tarrant  
**Lessor:** See Schedule I (s) attached  
**Lessor's Address:** See Schedule I (s) attached  
**Lessee:** XTO Energy Inc.  
**Lessee's Address:** 810 Houston Street, Fort Worth, Texas 76102  
**Effective Date:** April 1, 2008

FILED  
TARRANT COUNTY TEXAS  
2008 APR 18 PM 2:55  
SUZANNE HARRISON  
COUNTY CLERK

For adequate consideration, Lessor, named above, has granted, leased, and let to Lessee, named above, for the purpose of investigating, exploring, prospecting, drilling, mining for, and producing oil, gas, and other minerals, laying pipelines, building roads, tanks, power stations, telephone lines and other structures, and producing, saving, take care of, treating, transporting, and owning oil, gas, and other minerals, all on or from the following lands (the "Lands") in the county and state named above:

**See Schedule I attached to and made a part hereof for complete description:**

The Oil and Gas Lease (the "Lease") is for a primary term of Five (5) years from the Effective Date stated above, and is effective as long thereafter as oil, gas, or other minerals are produced in paying quantities from the Lands, or other lands pooled with the Lands, according to and by the terms and provisions of the Lease between Lessor and Lessee. The Lease, with all of its terms, covenants, and other provisions, is referred to and incorporated into this Memorandum of Oil and Gas Lease for all purposes. This Memorandum is placed of record for the purpose of giving notice of the Lease. The original of the Lease is maintained in the office of the Lessee.

This Memorandum of Oil and Gas lease may be corrected or amended or supplemented at the discretion of the Lessee to correct the erroneous inclusion or omission or subsequent addition of any leases. Additionally, this Memorandum of Oil and Gas lease may be corrected or amended or supplemented at the discretion of the Lessee to correct the erroneous inclusion or omission or subsequent addition of any part of the Lands.

This Memorandum of Oil and Gas Lease is signed by Lessor as of the date of acknowledgment of their signatures, but is effective for all purposes as of the Effective Date stated above.

**Lessor(s):**

See Schedule I attached hereto:

\_\_\_\_\_

**After Recording Return To:**  
**XTO Energy Inc.**  
**810 Houston Street**  
**Fort Worth, Texas 76102**

**SCHEDULE I**

ATTACHED HERETO AND MADE A PART OF THAT CERTAIN MEMORANDUM OF GREATER MEADOWBROOK COMMUNITY OIL AND GAS LEASE DATED APRIL 1, 2008 BETWEEN THE UNDERSIGNED, AS LESSOR, AND XTO ENERGY, INC., AS LESSEE.

**DESCRIPTION OF LAND BEING LEASED**

Being 0.3769 acres, more or less, and being further described as follows:

Blk 2 Lot 30, Turner Subdivision Beacon Hill, an Addition to the City of Fort Worth, Tarrant County, Texas, and being the same land described in that certain deed dated 10/17/2006 and recorded as Instrument #D206348659 Official Public Records of Tarrant County, Texas.

The 2008 Tarrant County Appraisal District Geo-Reference Number for the above described property is 44012-2-30.

**LESSOR(S):**

X Summer Sides X \_\_\_\_\_  
Summer Sides  
2841 Manorwood Trl  
Fort Worth, TX 76109-5559

**ACKNOWLEDGMENT**

STATE OF Texas County of Tarrant

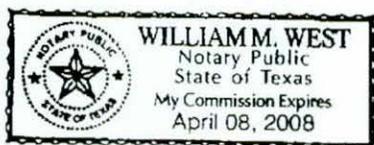
This instrument was acknowledged before me on the 29th day of March, 2008 by Summer Sides.

Signature William M West  
Notary Public

Printed William M West

My commission expires:

Seal:



**MEMORANDUM OF OIL AND GAS LEASE**

**State:** Texas  
**County:** Tarrant  
**Lessor:** See Schedule I (s) attached  
**Lessor's Address:** See Schedule I (s) attached  
**Lessee:** XTO Energy Inc.  
**Lessee's Address:** 810 Houston Street, Fort Worth, Texas 76102  
**Effective Date:** April 1, 2008

FILED  
TARRANT COUNTY TEX.  
2008 APR 18 PM 2:55  
SUZANNE HENNINGSON  
COUNTY CLERK  
BY \_\_\_\_\_

For adequate consideration, Lessor, named above, has granted, leased, and let to Lessee, named above, for the purpose of investigating, exploring, prospecting, drilling, mining for, and producing oil, gas, and other minerals, laying pipelines, building roads, tanks, power stations, telephone lines and other structures, and producing, saving, take care of, treating, transporting, and owning oil, gas, and other minerals, all on or from the following lands (the "Lands") in the county and state named above:

**See Schedule I attached to and made a part hereof for complete description:**

The Oil and Gas Lease (the "Lease") is for a primary term of Five (5) years from the Effective Date stated above, and is effective as long thereafter as oil, gas, or other minerals are produced in paying quantities from the Lands, or other lands pooled with the Lands, according to and by the terms and provisions of the Lease between Lessor and Lessee. The Lease, with all of its terms, covenants, and other provisions, is referred to and incorporated into this Memorandum of Oil and Gas Lease for all purposes. This Memorandum is placed of record for the purpose of giving notice of the Lease. The original of the Lease is maintained in the office of the Lessee.

This Memorandum of Oil and Gas lease may be corrected or amended or supplemented at the discretion of the Lessee to correct the erroneous inclusion or omission or subsequent addition of any leases. Additionally, this Memorandum of Oil and Gas lease may be corrected or amended or supplemented at the discretion of the Lessee to correct the erroneous inclusion or omission or subsequent addition of any part of the Lands.

This Memorandum of Oil and Gas Lease is signed by Lessor as of the date of acknowledgment of their signatures, but is effective for all purposes as of the Effective Date stated above.

**Lessor(s):**

See Schedule I attached hereto:

\_\_\_\_\_

**After Recording Return To:  
XTO Energy Inc.  
810 Houston Street  
Fort Worth, Texas 76102**

**SCHEDULE I**

ATTACHED HERETO AND MADE A PART OF THAT CERTAIN MEMORANDUM OF GREATER MEADOWBROOK COMMUNITY OIL AND GAS LEASE DATED APRIL 1, 2008 BETWEEN THE UNDERSIGNED, AS LESSOR, AND XTO ENERGY, INC., AS LESSEE.

**DESCRIPTION OF LAND BEING LEASED**

Being 0.4819 acres, more or less, and being further described as follows:

Blk 3 W125' Lot A, Beacon Hill Addition, an Addition to the City of Fort Worth, Tarrant County, Texas, and being the same land described in that certain deed dated 4/26/2006 and recorded as Instrument #D206126727 Official Public Records of Tarrant County, Texas.

The 2008 Tarrant County Appraisal District Geo-Reference Number for the above described property is 44012-3-A-B.

**LESSOR(S):**

X Summer Sides X \_\_\_\_\_  
Summer Sides  
2841 Manorwood Trl  
Fort Worth, TX 76109-5559

**ACKNOWLEDGMENT**

STATE OF Texas County of Tarrant

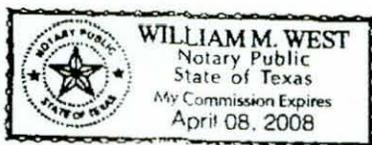
This instrument was acknowledged before me on the 29th day of march, 2008 by Summer Sides.

Signature William M. West  
Notary Public

Printed William M West

My commission expires:

Seal:



The ORRI shall apply to any new lease, renewal or extension of any of the Leases that may be acquired by Grantee, its successors or assigns, within one (1) year after the expiration of such Lease. For the purposes of this provision "extension" is defined as an amendment to any of the Leases extending the term of such Lease and "new lease" or "renewal" are defined as a new lease acquired by Grantee covering all or any portion of the same mineral rights and interests now covered by any of the Leases.

TO HAVE AND TO HOLD the Leases unto Grantee, and its successors and assigns, forever.

**GRANTOR AGREES TO WARRANT AND FOREVER DEFEND TITLE TO THE LEASES UNTO GRANTEE AND ITS SUCCESSORS AND ASSIGNS, AGAINST THE CLAIMS AND DEMANDS OF ALL PERSONS CLAIMING, OR TO CLAIM THE SAME, OR ANY PART THEREOF BY, THROUGH OR UNDER GRANTOR, BUT NOT OTHERWISE. THE EXPRESS WARRANTY OF TITLE SET FORTH ABOVE IS EXCLUSIVE, AND IN LIEU OF ALL OTHER REPRESENTATIONS AND WARRANTIES, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AND GRANTOR EXPRESSLY DISCLAIMS ANY AND ALL SUCH OTHER REPRESENTATIONS AND WARRANTIES.**

By acceptance of this Conveyance, Grantee has agreed (i) to assume, and to timely pay and perform, all duties, obligations and liabilities relating to the ownership and/or operation of the Leases and (ii) to indemnify and hold Grantor, its affiliates, and its and their respective directors, officers, employees, attorneys, contractors and agents harmless from and against any and all claims, actions, causes of action, liabilities, damages, losses, costs or expenses (including, without limitation, court costs and attorneys' fees) of any kind or character arising out of or otherwise relating to the ownership and/or operation of the Leases. **THE FOREGOING ASSUMPTIONS AND INDEMNIFICATIONS SHALL APPLY WHETHER OR NOT SUCH DUTIES, OBLIGATIONS OR LIABILITIES, OR SUCH CLAIMS, ACTIONS, CAUSES OF ACTION, LIABILITIES, DAMAGES, LOSSES, COSTS OR EXPENSES ARISE OUT OF (i) NEGLIGENCE (INCLUDING SOLE NEGLIGENCE, SINGLE NEGLIGENCE, CONCURRENT NEGLIGENCE, ACTIVE OR PASSIVE NEGLIGENCE, BUT EXPRESSLY NOT INCLUDING GROSS NEGLIGENCE OR WILLFUL MISCONDUCT) OF GRANTOR OR ANY OTHER INDEMNIFIED PARTY, OR (ii) STRICT LIABILITY.**

The terms and provisions of this Conveyance shall be binding on and inure to the benefit of Grantor and Grantee and their respective legal representatives, successors and assigns.

IN WITNESS WHEREOF this Conveyance is executed by the parties hereto on the dates of their respective acknowledgments, but made effective for all purposes as of the date of each Lease as set forth on Exhibit "A" or, if applicable, such later date on which such lease or interest therein was acquired by Assignor.

DALE PROPERTY SERVICES, LLC

By:   
Name: Brandon Buford  
Its: Manager

PAM

OIL AND GAS LEASE

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

STATE OF TEXAS           §  
  §  
COUNTY OF TARRANT   §

This Oil and Gas Lease is entered into this 06 day of MARCH, 2007, by and between Kay Lynn Tuck-Dubinsky ("Lessor"), whose address is 6929 Canyon Springs Road, Fort Worth, Texas 76132, and Hollis R. Sullivan, Inc. ("Lessee"), whose address is P.O. Box 9289, Wichita Falls, Texas 76308.

1. FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and provisions contained herein, Lessor does hereby LEASE exclusively unto Lessee the land described below herein referred to as the "Leased Premises" for the purposes of exploring and drilling for, producing, storing, treating, transporting and marketing oil and gas and all substances produced therewith, conferring all rights and easements reasonably necessary or useful for Lessee's operations hereunder. The Leased Premises is described as follows:

Lot 1R, Block 19, Normandy Place Addition, including any interests under adjacent roadways, if any, out of the W. R. McFaddin Survey, A-1076, Tarrant County, Texas, being more particularly described in that certain Warranty Deed dated November 19, 1993, from David Tuck, trustee, for Tuck Family Trust to Kay Lynn Tuck-Dubinsky, recorded in Volume 11337, Page 1829, Official Public Records of Tarrant County, Texas.

Lot 2, Block 19, Normandy Place Addition, including any interests under adjacent roadways, if any, out of the W. R. McFaddin Survey, A-1076, Tarrant County, Texas, being more particularly described in that certain Warranty Deed dated November 19, 1993, from David Tuck, trustee, for Tuck Family Trust to Kay Lynn Tuck-Dubinsky, recorded in Volume 11337, Page 1821, Official Public Records of Tarrant County, Texas.

2. This is a Paid Up Lease. Subject to the other provisions contained herein, this Lease shall remain in force for a term of Three (3) years from the date shown above, hereafter called the "Primary Term" and as long thereafter as oil or gas is produced from the Leased Premises or operations are conducted thereon as herein provided.

3. As royalty, Lessee covenants and agrees: (a) to deliver to the credit of Lessor, in the pipeline to which Lessee may connect its wells or in the absence of pipeline connection, into Lessee's storage facilities the equal to twenty-two percent (22%) part of all oil produced and saved by Lessee from the Leased Premises, Lessor's interest to bear the same percent of the costs of treating oil to render it marketable; (b) to pay Lessor on gas and casinghead gas produced from the Leased Premises (1) when sold by Lessee, twenty-two percent (22%) of the amount realized by Lessee, computed at the mouth of the well, or (2) when used by Lessee off of the Leased Premises or in the manufacture of gasoline or other products, the market value, at the mouth of well of the same percent of such gas and casinghead gas. If gas or other substances is delivered to the purchaser off the Leased Premises, Lessor and Lessee shall each bear its proportionate share of the costs to deliver such gas, including charges for compression, transportation, marketing or otherwise. However, in no event will Lessor ever be required to pay for or incur any out of pocket cost or expense relating to any of Lessee's drilling, development or production operations under this Lease.

4. Notwithstanding any other provision of this Lease to the contrary, this Lease will cover only oil, gas and associated hydrocarbons and shall not cover any other substances or minerals.

5. 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 320 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

After recording return to:

Hollis R. Sullivan, Inc.  
P.O. Box 9289

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, 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, 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, with consequent allocation of production as herein provided. As used in this paragraph, 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.

6. If at any time there is a well on the Leased Premises capable of producing gas, but the well has stopped being produced for a lack of a market or other good cause and this Lease is not being continued in force by some other provision hereof, then it shall nevertheless continue in force for a period of ninety (90) days from the date such well is shut-in or the date this Lease ceases to be continued in force by some other provision hereof, whichever is the later date, and prior to the expiration of such ninety (90) day period and annually thereafter, Lessee may pay or tender to Lessor an advance royalty called "Shut-In Gas Royalty" in an amount equal to \$5.00 per acre for the acreage then held under this Lease by such well and so long as such payments or tenders are so made this Lease shall continue in force and effect and it shall be considered that gas is being produced from the Leased Premises within the meaning of paragraph 2 of this lease.

7. If at the expiration of the Primary Term oil or gas is not being produced from the Leased Premises or lands pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon or shall have completed a well, either as a producer or a dry hole, within 90 days prior to the end of the Primary Term, this Lease shall remain in force so long as operations are continued in good faith and with reasonable diligence and not more than ninety (90) days shall elapse between the completion or abandonment of a well and the commencement of operations to drill a subsequent well and, if such operations result in the production of oil or gas, so long thereafter as oil and gas is produced from the Leased Premises.

8. If oil or gas is produced from the Leased Premises or lands pooled therewith and production thereof should cease for any reason after the expiration of the Primary Term, Lessee shall have the right at any time within ninety (90) days from the date of cessation of production to commence reworking or additional drilling operations in an effort to resume production, in which event this Lease shall remain in force so long as such operations are conducted in good faith and with reasonable diligence with no cessation of operations of more than 90 consecutive days and if such operations result in the production of oil or gas, so long thereafter as oil or gas is produced from the Leased Premises or lands pooled therewith.

9. The rights of either party hereunder may be assigned, in whole or in part, and the provisions hereof shall extend to their heirs, personal representatives, successors, and assigns; however, no change in the ownership of the land, rentals or royalty or the division thereof however accomplished shall operate to enlarge the obligations or diminish the rights of Lessee. No change in the ownership or the division of the land or royalties shall be binding upon the Lessee for any purpose until thirty (30) days after Lessee shall have been furnished the instrument or instruments or recorded copies thereof resulting in such change.

10. Lessor hereby warrants and agrees to defend title to said land against the claims of all persons whomsoever. Lessor agrees that Lessee shall have the right at any time to pay or reduce for Lessor either before or after maturity any mortgage, taxes or other liens or interests and other charges against the Leased Premises not subordinated to this Lease and to be subordinated to the rights of the holder thereof and to deduct the amounts so paid from royalties or other amounts due or which may become due to Lessor under this Lease. If Lessor owns less interest in the mineral estate in the Leased Premises than the entire and undivided fee simple estate, or no interest therein, then the lease bonus, royalties and other payments herein provided shall be paid to Lessor only in the proportion which Lessor's interest, if any, bears to the whole and undivided fee simple estate. In the event it is determined that the bonus amount paid by Lessee to Lessor is other than the amount due Lessor then, Lessor agrees to refund anything in excess of the true amount due to Lessor.

11. All Lessee's operations on the Leased Premises will be subject to and will be conducted in compliance with all federal, state, county, city and other laws, rules, ordinances, regulations and requirements. Lessee will assume all costs of insuring that its operations comply with all applicable laws. This Lease shall not be terminated in whole or in part, nor Lessee held liable for damages for failure to comply with the terms herein set forth, if compliance is prevented by or such failure is a result of any law, order, rule or regulation of applicable federal, state, county or other governmental authority or deed restriction and if not otherwise being maintained herein, 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 and/or production as provided herein as if such delay had not occurred.

12. Whether or not this Lease is executed by all parties named herein as Lessor, this Lease shall be binding upon and inure to the benefit of all parties who execute it (whether or not named herein) and all parties from whom each Lessor has authority to execute this Lease.

13. Lessee indemnifies and holds Lessor harmless from and against any claims, costs and liabilities such Lessor may suffer whether for injury or death to any person, injury or damage to any property, failure to adhere to or comply with any applicable laws, rules or regulations or demand for monetary damages (collectively the "Claims") to the extent that such Claims relate to or arises from Lessee's operations under this Lease or Lessee's breach of its obligations under this Lease.

14. No waiver by a party hereto of any breach of a term, condition or covenant of this Lease will be deemed to be a waiver of any other breach of the same or any other term, condition or covenant contained herein.

15. In the event any provision of this Lease is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity shall not affect any other provision thereof and this Lease shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

16. In the event of any legal action or proceeding between the parties seeking to enforce the terms of this Lease, the prevailing party in such action shall be entitled to recover, in addition to all remedies available to it at law, all of its costs and expenses in connection therewith, including attorney's fees and costs.

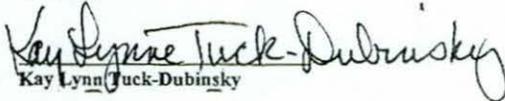
17. This Lease contains the entire agreement of the parties regarding the subject matter hereof and supercedes any and all prior agreements, arrangements or understandings between the parties regarding such subject matter. This Lease cannot be changed orally and may be amended only by an instrument in writing executed by the parties.

18. This Lease may be executed in one or more executed and acknowledged counterparts or ratifications hereof each of which shall be deemed to be acceptable and all of which together shall constitute one and the same document.

19. Any notice required or permitted to be given hereunder must be in writing and must be sent to the parties via personal delivery or certified mail only at their addresses set forth in this Lease or at another address upon prior written notice of the same.

20. NO SURFACE OPERATIONS: Notwithstanding anything herein contained to the contrary, it is understood and agreed that Lessee, its successors or assigns, shall not enter upon nor use the leased premises for conducting any surface or drilling operations hereunder. Any production from the leased premises shall be by way of pooling and/or unitization as provided herein, or by directional drilling from a surface location on other lands and bottomed under the leased premises.

LESSOR:

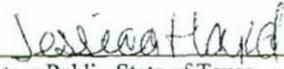
  
Kay Lynn Tuck-Dubinsky

SSN

STATE OF TEXAS

COUNTY OF Tarrant

This instrument was acknowledged before me on this 6 day of March 2007,  
by Kay Lynn Tuck-Dubinsky.

  
Notary Public-State of Texas





XTO ENERGY INC  
J MATTHEW PERKINS  
810 HOUSTON ST  
FT WORTH TX 76102

Submitter: -KUBA

---

SUZANNE HENDERSON  
TARRANT COUNTY CLERK  
TARRANT COUNTY COURTHOUSE  
100 WEST WEATHERFORD  
FORT WORTH, TX 76196-0401

**DO NOT DESTROY**  
**WARNING - THIS IS PART OF THE OFFICIAL RECORD.**

Filed For Registration: 10/02/2008 10:29 AM  
Instrument #: D208378421  
U 332 \$1,336.00  
PGS

By: \_\_\_\_\_



**D208378421**

**ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE  
OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR  
RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.**

Printed by: MC

**MEMORANDUM OF OIL AND GAS LEASE**

**State:** Texas  
**County:** Tarrant  
**Lessor:** See Schedule I (s) attached  
**Lessor's Address:** See Schedule I (s) attached  
**Lessee:** XTO Energy Inc.  
**Lessee's Address:** 810 Houston Street, Fort Worth, Texas 76102  
**Effective Date:** April 1, 2008

For adequate consideration, Lessor, named above, has granted, leased, and let to Lessee, named above, for the purpose of investigating, exploring, prospecting, drilling, mining for, and producing oil, gas, and other minerals, laying pipelines, building roads, tanks, power stations, telephone lines and other structures, and producing, saving, take care of, treating, transporting, and owning oil, gas, and other minerals, all on or from the following lands (the "Lands") in the county and state named above:

**See Schedule I attached to and made a part hereof for complete description:**

The Oil and Gas Lease (the "Lease") is for a primary term of Five (5) years from the Effective Date stated above, and is effective as long thereafter as oil, gas, or other minerals are produced in paying quantities from the Lands, or other lands pooled with the Lands, according to and by the terms and provisions of the Lease between Lessor and Lessee. The Lease, with all of its terms, covenants, and other provisions, is referred to and incorporated into this Memorandum of Oil and Gas Lease for all purposes. This Memorandum is placed on record for the purpose of giving notice of the Lease. The original of the Lease is maintained in the office of the Lessee.

This Memorandum of Oil and Gas lease may be corrected or amended or supplemented at the discretion of the Lessee to correct the erroneous inclusion or omission or subsequent addition of any leases. Additionally, this Memorandum of Oil and Gas lease may be corrected or amended or supplemented at the discretion of the Lessee to correct the erroneous inclusion or omission or subsequent addition of any part of the Lands.

This Memorandum of Oil and Gas Lease is signed by Lessor as of the date of acknowledgment of their signatures, but is effective for all purposes as of the Effective Date stated above.

**Lessor(s):**

See Schedule I attached hereto:

After Recording Return To:  
Eddie Cornelius  
C/o Carla Petroleum, Inc.  
16990 Dallas Parkway, #126  
Dallas, Texas 75248

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

Producers 88 (4/76) Revised Paid Up  
With 640 Acres Pooling Provision

OIL, GAS AND MINERAL LEASE  
(NO SURFACE USE)

THIS AGREEMENT made this 23<sup>rd</sup> day of September, 2007, between John Nguyen, a single person and Cuong Van Ngo, a single person, Lessor (whether one or more), whose address is 5786 Walnut Creek Drive, Fort Worth, Texas 76157, and Dale Property Services, LLC, 2100 Ross Avenue, Suite 1870, LB-9, Dallas, TX 75201, Lessee, WITNESSETH:

1. Lessor in consideration of Ten and No/100-----Dollars (\$10.00), in hand paid, of the royalties herein provided, and of the agreements of Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, conducting exploration, geologic and geophysical surveys by seismograph, core test, gravity and magnetic methods, injecting gas, water and other fluids, and air into subsurface strata, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon and on, over and across lands owned or claimed by Lessor adjacent and contiguous thereto, to produce, save, take care of, treat, transport and own said products, and housing its employees, the following described land in Tarrant County, Texas, to-wit:

0.371 acres of land, more or less, being Lot(s) 2, 27 and 28, Block 4, of the Turner Subdivision Beverly Hill Addition, an addition to the City of Fort Worth, Tarrant County, Texas, according to that certain plat recorded in Volume 388, Page 49, of the Plat Records of Tarrant County, Texas.

This lease also covers and includes all land owned or claimed by Lessor adjacent or contiguous to the land particularly described above, whether the same be in said survey or surveys or in adjacent surveys, although not included within the boundaries of the land particularly described above.

2. This is a paid up lease and subject to the other provisions herein contained, this lease shall be for a term of Five (5) years from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or land with which said land is pooled hereunder.

3. As royalty, lessee covenants and agrees: (a) To deliver to the credit of lessor, in the pipelines to which lessee may connect its wells, the equal twenty-five percent (25%) 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 twenty-five percent (25%) 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 twenty-five percent (25%) of the cost of treating oil to render it marketable pipeline oil; (b) to pay lessor for gas and casinghead gas produced from said land (1) when sold by lessee twenty-five percent (25%) 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 twenty-five percent (25%) of the amount realized from the sale of gasoline or other products extracted therefrom and twenty-five percent (25%) of the amount realized from the sale of residue gas after deducting the amount used for plant fuel and/or compression; (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 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 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 owners of this lease, severally as to acreage owned by each.

4. Lessee shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that a larger unit may be formed for an oil well or gas well or horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms 'oil well' and 'gas well' shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, 'oil well' means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and 'gas well' means a well with an initial gas-oil ratio of 100,000 cubic feet or more per barrel, based on a 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and the term 'horizontal completion' means an oil or gas well in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical component thereof. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and stating the effective date of pooling. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises shall be treated as if it were production, drilling or reworking operations on the leased premises, except that the production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder. Any unit so formed may be amended, increased in size, decreased in size, or changed in configuration, at the election of Lessee, at any time and from time to time, and Lessee may vacate and dissolve any unit by instrument in writing filed for record in said county at any time when there is no unutilized substance being produced from such unit. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit by filing of record a written declaration describing the unit and stating the date of termination. Pooling hereunder shall not constitute a cross-conveyance of interests.

5. If at the expiration of the primary term, oil, gas, or other mineral is not being produced on said land, or from the land pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon, or shall have completed a dry hole thereon within 60 days prior to the end of the primary term, the lease shall remain in force so long as operations on said well or for drilling or reworking of any additional well are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. If, after the expiration of the primary term of this lease and after oil, gas, or other mineral is produced from said land, or



from land pooled therewith, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences operations for drilling or reworking within 60 days after the cessation of such production, but shall remain in force and effect so long as such operations are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas, or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. Any pooled unit designated by Lessee in accordance with the terms hereof, may be dissolved by Lessee by instrument filed for record in the appropriate records of the county in which the leased premises are situated at any time after the completion of a dry hole or the cessation of production on said unit. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within 330 feet of and draining the leased premises, or land pooled therewith, Lessee agrees to drill such offset well or wells as a reasonably prudent operator would drill under the same or similar circumstances. Lessee may at any time execute and deliver to Lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

6. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by Lessor, Lessee will bury all pipe lines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said land without Lessor's consent.

7. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns; but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee; and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U.S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.

8. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part. No obligation reasonably to develop the leased premises shall arise during the primary term. Should oil, gas or other mineral in paying quantities be discovered on said premises, then after the expiration of the primary term, Lessee shall develop the acreage retained hereunder as a reasonably prudent operator, but in discharging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained hereunder and capable of producing oil in paying quantities and one well per 640 acres plus an acreage tolerance not to exceed 10% of 640 acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities. If after the expiration of the primary term, Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument.

9. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in event of failure of title, it is agreed that 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 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. All royalty interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty herein provided. Should any one or more of the parties named above as Lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

10. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing any oil, gas or other minerals therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, and Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended, and Lessee shall not be liable in damages for failure to comply therewith; and this lease shall be extended while and so long as Lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas from the lease premises; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

11. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface easements shall run with the land and survive any termination of this lease.

12. Notwithstanding anything contained herein to the contrary, Lessee does not by virtue of this lease acquire any rights whatsoever to conduct any operations on the surface of the lease premises without first obtaining the prior written consent of Lessor, however, Lessee may recover oil, gas and associated hydrocarbons from the lease premises by directional or horizontal drilling, pooling, unitization or any other method provided in this lease.

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

By: John Nguyen

By: Cuong Van Ngo

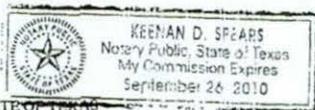
ACKNOWLEDGMENTS

STATE OF TEXAS

COUNTY OF TARRANT

This instrument was acknowledged before me on the 2nd day of October, 2007.

by John Nguyen



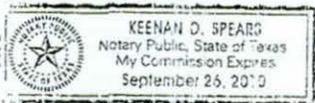
Keenan D. Spears  
Notary Public, State of Texas  
Notary's name (printed):  
Notary's commission expires:

STATE OF TEXAS

COUNTY OF TARRANT

This instrument was acknowledged before me on the 2nd day of October, 2007.

by Cuong Van Ngo



Keenan D. Spears  
Notary Public, State of Texas  
Notary's name (printed):  
Notary's commission expires:

PAM

OIL AND GAS LEASE

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

STATE OF TEXAS           §  
  §  
COUNTY OF TARRANT   §

This Oil and Gas Lease is entered into this 06 day of MARCH, 2007, by and between Kay Lynn Tuck-Dubinsky ("Lessor"), whose address is 6929 Canyon Springs Road, Fort Worth, Texas 76132, and Hollis R. Sullivan, Inc. ("Lessee"), whose address is P.O. Box 9289, Wichita Falls, Texas 76308.

1. FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and provisions contained herein, Lessor does hereby LEASE exclusively unto Lessee the land described below herein referred to as the "Leased Premises" for the purposes of exploring and drilling for, producing, storing, treating, transporting and marketing oil and gas and all substances produced therewith, conferring all rights and easements reasonably necessary or useful for Lessee's operations hereunder. The Leased Premises is described as follows:

Lot 1R, Block 19, Normandy Place Addition, including any interests under adjacent roadways, if any, out of the W. R. McFaddin Survey, A-1076, Tarrant County, Texas, being more particularly described in that certain Warranty Deed dated November 19, 1993, from David Tuck, trustee, for Tuck Family Trust to Kay Lynn Tuck-Dubinsky, recorded in Volume 11337, Page 1829, Official Public Records of Tarrant County, Texas.

Lot 2, Block 19, Normandy Place Addition, including any interests under adjacent roadways, if any, out of the W. R. McFaddin Survey, A-1076, Tarrant County, Texas, being more particularly described in that certain Warranty Deed dated November 19, 1993, from David Tuck, trustee, for Tuck Family Trust to Kay Lynn Tuck-Dubinsky, recorded in Volume 11337, Page 1821, Official Public Records of Tarrant County, Texas.

2. This is a Paid Up Lease. Subject to the other provisions contained herein, this Lease shall remain in force for a term of Three (3) years from the date shown above, hereafter called the "Primary Term" and as long thereafter as oil or gas is produced from the Leased Premises or operations are conducted thereon as herein provided.

3. As royalty, Lessee covenants and agrees: (a) to deliver to the credit of Lessor, in the pipeline to which Lessee may connect its wells or in the absence of pipeline connection, into Lessee's storage facilities the equal to twenty-two percent (22%) part of all oil produced and saved by Lessee from the Leased Premises, Lessor's interest to bear the same percent of the costs of treating oil to render it marketable; (b) to pay Lessor on gas and casinghead gas produced from the Leased Premises (1) when sold by Lessee, twenty-two percent (22%) of the amount realized by Lessee, computed at the mouth of the well, or (2) when used by Lessee off of the Leased Premises or in the manufacture of gasoline or other products, the market value, at the mouth of well of the same percent of such gas and casinghead gas. If gas or other substances is delivered to the purchaser off the Leased Premises, Lessor and Lessee shall each bear its proportionate share of the costs to deliver such gas, including charges for compression, transportation, marketing or otherwise. However, in no event will Lessor ever be required to pay for or incur any out of pocket cost or expense relating to any of Lessee's drilling, development or production operations under this Lease.

4. Notwithstanding any other provision of this Lease to the contrary, this Lease will cover only oil, gas and associated hydrocarbons and shall not cover any other substances or minerals.

5. 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 320 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

After recording return to:  
Hollis R. Sullivan, Inc.  
P.O. Box 9289

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, 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, 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, with consequent allocation of production as herein provided. As used in this paragraph, 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.

6. If at any time there is a well on the Leased Premises capable of producing gas, but the well has stopped being produced for a lack of a market or other good cause and this Lease is not being continued in force by some other provision hereof, then it shall nevertheless continue in force for a period of ninety (90) days from the date such well is shut-in or the date this Lease ceases to be continued in force by some other provision hereof, whichever is the later date, and prior to the expiration of such ninety (90) day period and annually thereafter, Lessee may pay or tender to Lessor an advance royalty called "Shut-In Gas Royalty" in an amount equal to \$5.00 per acre for the acreage then held under this Lease by such well and so long as such payments or tenders are so made this Lease shall continue in force and effect and it shall be considered that gas is being produced from the Leased Premises within the meaning of paragraph 2 of this lease.

7. If at the expiration of the Primary Term oil or gas is not being produced from the Leased Premises or lands pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon or shall have completed a well, either as a producer or a dry hole, within 90 days prior to the end of the Primary Term, this Lease shall remain in force so long as operations are continued in good faith and with reasonable diligence and not more than ninety (90) days shall elapse between the completion or abandonment of a well and the commencement of operations to drill a subsequent well and, if such operations result in the production of oil or gas, so long thereafter as oil and gas is produced from the Leased Premises.

8. If oil or gas is produced from the Leased Premises or lands pooled therewith and production thereof should cease for any reason after the expiration of the Primary Term, Lessee shall have the right at any time within ninety (90) days from the date of cessation of production to commence reworking or additional drilling operations in an effort to resume production, in which event this Lease shall remain in force so long as such operations are conducted in good faith and with reasonable diligence with no cessation of operations of more than 90 consecutive days and if such operations result in the production of oil or gas, so long thereafter as oil or gas is produced from the Leased Premises or lands pooled therewith.

9. The rights of either party hereunder may be assigned, in whole or in part, and the provisions hereof shall extend to their heirs, personal representatives, successors, and assigns; however, no change in the ownership of the land, rentals or royalty or the division thereof however accomplished shall operate to enlarge the obligations or diminish the rights of Lessee. No change in the ownership or the division of the land or royalties shall be binding upon the Lessee for any purpose until thirty (30) days after Lessee shall have been furnished the instrument or instruments or recorded copies thereof resulting in such change.

10. Lessor hereby warrants and agrees to defend title to said land against the claims of all persons whomsoever. Lessor agrees that Lessee shall have the right at any time to pay or reduce for Lessor either before or after maturity any mortgage, taxes or other liens or interests and other charges against the Leased Premises not subordinated to this Lease and to be subordinated to the rights of the holder thereof and to deduct the amounts so paid from royalties or other amounts due or which may become due to Lessor under this Lease. If Lessor owns less interest in the mineral estate in the Leased Premises than the entire and undivided fee simple estate, or no interest therein, then the lease bonus, royalties and other payments herein provided shall be paid to Lessor only in the proportion which Lessor's interest, if any, bears to the whole and undivided fee simple estate. In the event it is determined that the bonus amount paid by Lessee to Lessor is other than the amount due Lessor then, Lessor agrees to refund anything in excess of the true amount due to Lessor.

11. All Lessee's operations on the Leased Premises will be subject to and will be conducted in compliance with all federal, state, county, city and other laws, rules, ordinances, regulations and requirements. Lessee will assume all costs of insuring that its operations comply with all applicable laws. This Lease shall not be terminated in whole or in part, nor Lessee held liable for damages for failure to comply with the terms herein set forth, if compliance is prevented by or such failure is a result of any law, order, rule or regulation of applicable federal, state, county or other governmental authority or deed restriction and if not otherwise being maintained herein, 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 and/or production as provided herein as if such delay had not occurred.

12. Whether or not this Lease is executed by all parties named herein as Lessor, this Lease shall be binding upon and inure to the benefit of all parties who execute it (whether or not named herein) and all parties from whom each Lessor has authority to execute this Lease.

13. Lessee indemnifies and holds Lessor harmless from and against any claims, costs and liabilities such Lessor may suffer whether for injury or death to any person, injury or damage to any property, failure to adhere to or comply with any applicable laws, rules or regulations or demand for monetary damages (collectively the "Claims") to the extent that such Claims relate to or arises from Lessee's operations under this Lease or Lessee's breach of its obligations under this Lease.

14. No waiver by a party hereto of any breach of a term, condition or covenant of this Lease will be deemed to be a waiver of any other breach of the same or any other term, condition or covenant contained herein.

15. In the event any provision of this Lease is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity shall not affect any other provision thereof and this Lease shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

16. In the event of any legal action or proceeding between the parties seeking to enforce the terms of this Lease, the prevailing party in such action shall be entitled to recover, in addition to all remedies available to it at law, all of its costs and expenses in connection therewith, including attorney's fees and costs.

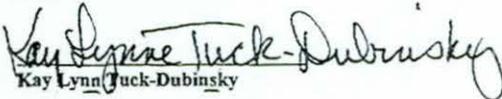
17. This Lease contains the entire agreement of the parties regarding the subject matter hereof and supercedes any and all prior agreements, arrangements or understandings between the parties regarding such subject matter. This Lease cannot be changed orally and may be amended only by an instrument in writing executed by the parties.

18. This Lease may be executed in one or more executed and acknowledged counterparts or ratifications hereof each of which shall be deemed to be acceptable and all of which together shall constitute one and the same document.

19. Any notice required or permitted to be given hereunder must be in writing and must be sent to the parties via personal delivery or certified mail only at their addresses set forth in this Lease or at another address upon prior written notice of the same.

20. NO SURFACE OPERATIONS: Notwithstanding anything herein contained to the contrary, it is understood and agreed that Lessee, its successors or assigns, shall not enter upon nor use the leased premises for conducting any surface or drilling operations hereunder. Any production from the leased premises shall be by way of pooling and/or unitization as provided herein, or by directional drilling from a surface location on other lands and bottomed under the leased premises.

LESSOR:

  
Kay Lynn Tuck-Dubinsky

SSN

STATE OF TEXAS  
COUNTY OF Tarrant

This instrument was acknowledged before me on this 6 day of March, 2007,  
by Kay Lynn Tuck-Dubinsky.



  
Notary Public-State of Texas

RAM

ZAM

Notice of Confidentiality Rights: If you are a natural person, you may remove or strike any 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.

**MEMORANDUM OF OIL, GAS AND MINERAL LEASE**

STATE OF TEXAS }

COUNTY OF TARRANT }

Notice is hereby given that, effective August 3<sup>rd</sup>, 2007, an Oil, Gas and Mineral Lease ("Lease") was made by and between Century Motel, LLC ("Lessor"), whose address is 2223 Clearspring Drive North, Irving, Texas 75063, and Hollis R. Sullivan, Inc. ("Lessee"), whose address is P.O. Box 9289, Wichita Falls, Texas 76308.

This lease covers the following:

Lots 1C, 2A and 3A Block 11, all of Block 10A, and all of Block 18, Normandy Place Addition, including any interests under adjacent roadways, if any, out of the W.R. McFaddin Survey, A-1076, Tarrant County, Texas, being more particularly described in that certain Special Warranty Deed dated April 3<sup>rd</sup>, 2007, from Amritlal Vallabhbai Patel and Ramanlal Vallabhbai Patel to Century Motel, LLC, recorded at D207120224, Official Public Records of Tarrant County, Texas.

The Lease has a primary term of Three (3) years.

Reference is made to the terms and provisions of the Lease for all purposes.

IN WITNESS WHEREOF, this instrument is executed to be effective as of August 3<sup>rd</sup> 2007.

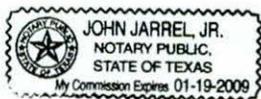
LESSOR:

Century Motel, LLC

Ramanlal V Patel  
By: RAMAN LAL V PATEL  
Title: MANAGING PARTNER

STATE OF TEXAS  
COUNTY OF TARRANT

This instrument was acknowledged before me on this 3<sup>rd</sup> day of August, 2007, by RAMAN LAL V. PATEL, MANAGING PARTNER of Century Motel, LLC, on behalf of said limited liability company.



[Signature]  
Notary Public, State of Texas

LESSEE:

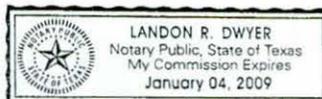
HOLLIS R. SULLIVAN, INC.  
By: [Signature]  
Name: Hollis R. Sullivan  
Title: President

THE STATE OF TEXAS  
COUNTY OF Tarrant

This instrument was acknowledged before me on this 14 day of August, 2007, by Hollis R. Sullivan, as President of Hollis R. Sullivan Inc., a Texas Corporation, on behalf of said corporation.

[Signature]  
Notary Public, State of Texas

After Recording Return To:  
Norwood Land Services, LLC  
6421 Camp Bowie Blvd, Suite 401  
Fort Worth, Texas 76116



RAM

OIL AND GAS LEASE

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

STATE OF TEXAS                   §  
  §  
COUNTY OF TARRANT         §

This Oil and Gas Lease is entered into this 32<sup>nd</sup> day of AUGUST, 2007, by and between Century Motel, LLC ("Lessor"), whose address is 2223 Clearspring Drive North, Irving, Texas 75063, and **Hollis R. Sullivan, Inc.** ("Lessee"), whose address is P.O. Box 9289, Wichita Falls, Texas 76308.

1. FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and provisions contained herein, Lessor does hereby **LEASE** exclusively unto Lessee the land described below herein referred to as the "Leased Premises" for the purposes of exploring and drilling for, producing, storing, treating, transporting and marketing oil and gas and all substances produced therewith, conferring all rights and easements reasonably necessary or useful for Lessee's operations hereunder. The Leased Premises is described as follows:

Lots 1C, 2A and 3A Block 11, all of Block 10A, and all of Block 18, Normandy Place Addition, including any interests under adjacent roadways, if any, out of the W.R. McFaddin Survey, A-1076, Tarrant County, Texas, being more particularly described in that certain Special Warranty Deed dated April 3<sup>rd</sup>, 2007, from Amritlal Vallabhbhai Patel and Ramanlal Vallabhbhai Patel to Century Motel, LLC, recorded at D207120224, Official Public Records of Tarrant County, Texas.

2. This is a Paid Up Lease. Subject to the other provisions contained herein, this Lease shall remain in force for a term of Three (3) years from the date shown above, hereafter called the "Primary Term" and as long thereafter as oil or gas is produced from the Leased Premises or operations are conducted thereon as herein provided.

3. As royalty, Lessee covenants and agrees: (a) to deliver to the credit of Lessor, in the pipeline to which Lessee may connect its wells or in the absence of pipeline connection, into Lessee's storage facilities the equal to twenty-two percent (22%) part of all oil produced and saved by Lessee from the Leased Premises, Lessor's interest to bear the same percent of the costs of treating oil to render it marketable; (b) to pay Lessor on gas and casinghead gas produced from the Leased Premises (1) when sold by Lessee, twenty-two percent (22%) of the amount realized by Lessee, computed at the mouth of the well, or (2) when used by Lessee off of the Leased Premises or in the manufacture of gasoline or other products, the market value, at the mouth of well of the same percent of such gas and casinghead gas. If gas or other substances is delivered to the purchaser off the Leased Premises, Lessor and Lessee shall each bear its proportionate share of the costs to deliver such gas, including charges for compression, transportation, marketing or otherwise. However, in no event will Lessor ever be required to pay for or incur any out of pocket cost or expense relating to any of Lessee's drilling, development or production operations under this Lease.

4. Notwithstanding any other provision of this Lease to the contrary, this Lease will cover only oil, gas and associated hydrocarbons and shall not cover any other substances or minerals.

5. 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 320 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 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, 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, 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, with consequent allocation of production as herein provided. As used in this paragraph, 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.

6. If at any time there is a well on the Leased Premises capable of producing gas, but the well has stopped being produced for a lack of a market or other good cause and this Lease is not being continued in force by some other provision hereof, then it shall nevertheless continue in force for a period of ninety (90) days from the date such well is shut-in or the date this Lease ceases to be continued in force by some other provision hereof, whichever is the later date, and prior to the expiration of such ninety (90) day period and annually thereafter, Lessee may pay or tender to Lessor an advance royalty called "Shut-In Gas Royalty" in an amount equal to \$5.00 per acre for the acreage then held under this Lease by such well and so long as such payments or tenders are so made this Lease shall continue in force and effect and it shall be considered that gas is being produced from the Leased Premises within the meaning of paragraph 2 of this lease.

7. If at the expiration of the Primary Term oil or gas is not being produced from the Leased Premises or lands pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon or shall have completed a well, either as a producer or a dry hole, within 90 days prior to the end of the Primary Term, this Lease shall remain in force so long as operations are continued in good faith and with reasonable diligence and not more than ninety (90) days shall elapse between the completion or abandonment of a well and the commencement of operations to drill a subsequent well and, if such operations result in the production of oil or gas, so long thereafter as oil and gas is produced from the Leased Premises.

8. If oil or gas is produced from the Leased Premises or lands pooled therewith and production thereof should cease for any reason after the expiration of the Primary Term, Lessee shall have the right at any time within ninety (90) days from the date of cessation of production to commence reworking or additional drilling operations in an effort to resume production, in which event this Lease shall remain in force so long as such operations are conducted in good faith and with reasonable diligence with no cessation of operations of more than 90 consecutive days and if such operations result in the production of oil or gas, so long thereafter as oil or gas is produced from the Leased Premises or lands pooled therewith.

9. The rights of either party hereunder may be assigned, in whole or in part, and the provisions hereof shall extend to their heirs, personal representatives, successors, and assigns; however, no change in the ownership of the land, rentals or royalty or the division thereof however accomplished shall operate to enlarge the obligations or diminish the rights of Lessee. No change in the ownership or the division of the land or royalties shall be binding upon the Lessee for any purpose until thirty (30) days after Lessee shall have been furnished the instrument or instruments or recorded copies thereof resulting in such change.

10. Lessor hereby warrants and agrees to defend title to said land against the claims of all persons whomsoever. Lessor agrees that Lessee shall have the right at any time to pay or reduce for Lessor either before or after maturity any mortgage, taxes or other liens or interests and other charges against the Leased Premises not subordinated to this Lease and to be subordinated to the rights of the holder thereof and to deduct the amounts so paid from royalties or other amounts due or which may become due to Lessor under this Lease. If Lessor owns less interest in the mineral estate in the Leased Premises than the entire and undivided fee simple estate, or no interest therein, then the lease bonus, royalties and other payments herein provided shall be paid to Lessor only in the proportion which Lessor's interest, if any, bears to the whole and undivided fee simple estate. In the event it is determined that the bonus amount paid by Lessee to Lessor is other than the amount due Lessor then, Lessor agrees to refund anything in excess of the true amount due to Lessor.

11. All Lessee's operations on the Leased Premises will be subject to and will be conducted in compliance with all federal, state, county, city and other laws, rules, ordinances, regulations and requirements. Lessee will assume all costs of insuring that its operations comply with all applicable laws. This Lease shall not be terminated in whole or in part, nor Lessee held liable for damages for failure to comply with the terms herein set forth, if compliance is prevented by or such failure is a result of any law, order, rule or regulation of applicable federal, state, county or other governmental authority or deed restriction and if not otherwise being maintained herein, 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 and/or production as provided herein as if such delay had not occurred.

12. Whether or not this Lease is executed by all parties named herein as Lessor, this Lease shall be binding upon and inure to the benefit of all parties who execute it (whether or not named herein) and all parties from whom each Lessor has authority to execute this Lease.

13. Lessee indemnifies and holds Lessor harmless from and against any claims, costs and liabilities such Lessor may suffer whether for injury or death to any person, injury or damage to any property, failure to adhere

to or comply with any applicable laws, rules or regulations or demand for monetary damages (collectively the "Claims") to the extent that such Claims relate to or arises from Lessee's operations under this Lease or Lessee's breach of its obligations under this Lease.

14. No waiver by a party hereto of any breach of a term, condition or covenant of this Lease will be deemed to be a waiver of any other breach of the same or any other term, condition or covenant contained herein.

15. In the event any provision of this Lease is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity shall not affect any other provision thereof and this Lease shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

16. In the event of any legal action or proceeding between the parties seeking to enforce the terms of this Lease, the prevailing party in such action shall be entitled to recover, in addition to all remedies available to it at law, all of its costs and expenses in connection therewith, including attorney's fees and costs.

17. This Lease contains the entire agreement of the parties regarding the subject matter hereof and supercedes any and all prior agreements, arrangements or understandings between the parties regarding such subject matter. This Lease cannot be changed orally and may be amended only by an instrument in writing executed by the parties.

18. This Lease may be executed in one or more executed and acknowledged counterparts or ratifications hereof each of which shall be deemed to be acceptable and all of which together shall constitute one and the same document.

19. Any notice required or permitted to be given hereunder must be in writing and must be sent to the parties via personal delivery or certified mail only at their addresses set forth in this Lease or at another address upon prior written notice of the same.

20. NO SURFACE OPERATIONS: Notwithstanding anything herein contained to the contrary, it is understood and agreed that Lessee, its successors or assigns, shall not enter upon nor use the leased premises for conducting any surface or drilling operations hereunder. Any production from the leased premises shall be by way of pooling and/or unitization as provided herein, or by directional drilling from a surface location on other lands and bottomed under the leased premises.

LESSOR:

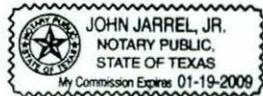
Century Motel, LLC

*Ramanlal V Patel*  
By: RAMANLAL V. PATEL  
Title: Managing Partner

Tax ID

STATE OF TEXAS  
COUNTY OF TARRANT

This instrument was acknowledged before me on this 3<sup>RD</sup> day of AUGUST 2007,  
by RAMANLAL V. PATEL, MANAGING PARTNER of Century Motel, LLC, on behalf of  
said limited liability company.



*John Jarrel, Jr.*  
Notary Public - State of Texas

**MEMORANDUM OF OIL AND GAS LEASE**

**State:** Texas  
**County:** Tarrant  
**Lessor:** See Schedule I (s) attached  
**Lessor's Address:** See Schedule I (s) attached  
**Lessee:** XTO Energy Inc.  
**Lessee's Address:** 810 Houston Street, Fort Worth, Texas 76102  
**Effective Date:** April 1, 2008

For adequate consideration, Lessor, named above, has granted, leased, and let to Lessee, named above, for the purpose of investigating, exploring, prospecting, drilling, mining for, and producing oil, gas, and other minerals, laying pipelines, building roads, tanks, power stations, telephone lines and other structures, and producing, saving, take care of, treating, transporting, and owning oil, gas, and other minerals, all on or from the following lands (the "Lands") in the county and state named above:

**See Schedule I attached to and made a part hereof for complete description:**

The Oil and Gas Lease (the "Lease") is for a primary term of Five (5) years from the Effective Date stated above, and is effective as long thereafter as oil, gas, or other minerals are produced in paying quantities from the Lands, or other lands pooled with the Lands, according to and by the terms and provisions of the Lease between Lessor and Lessee. The Lease, with all of its terms, covenants, and other provisions, is referred to and incorporated into this Memorandum of Oil and Gas Lease for all purposes. This Memorandum is placed of record for the purpose of giving notice of the Lease. The original of the Lease is maintained in the office of the Lessee.

This Memorandum of Oil and Gas lease may be corrected or amended or supplemented at the discretion of the Lessee to correct the erroneous inclusion or omission or subsequent addition of any leases. Additionally, this Memorandum of Oil and Gas lease may be corrected or amended or supplemented at the discretion of the Lessee to correct the erroneous inclusion or omission or subsequent addition of any part of the Lands.

This Memorandum of Oil and Gas Lease is signed by Lessor as of the date of acknowledgment of their signatures, but is effective for all purposes as of the Effective Date stated above.

**Lessor(s):**

See Schedule I attached hereto: \_\_\_\_\_

\_\_\_\_\_

After Recording Return To:  
Eddie Cornelius  
C/o Carla Petroleum, Inc.  
16990 Dallas Parkway, #126  
Dallas, Texas 75248

**MEMORANDUM OF OIL AND GAS LEASE**

**State:** Texas  
**County:** Tarrant  
**Lessor:** See Schedule I (s) attached  
**Lessor's Address:** See Schedule I (s) attached  
**Lessee:** XTO Energy Inc.  
**Lessee's Address:** 810 Houston Street, Fort Worth, Texas 76102  
**Effective Date:** April 1, 2008

FILED  
TARRANT COUNTY TEXAS  
2008 APR 18 PM 2:58  
SUZANNE HENDERSON  
COUNTY CLERK  
BY \_\_\_\_\_

For adequate consideration, Lessor, named above, has granted, leased, and let to Lessee, named above, for the purpose of investigating, exploring, prospecting, drilling, mining for, and producing oil, gas, and other minerals, laying pipelines, building roads, tanks, power stations, telephone lines and other structures, and producing, saving, take care of, treating, transporting, and owning oil, gas, and other minerals, all on or from the following lands (the "Lands") in the county and state named above:

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**Lessor(s):**

See Schedule I attached hereto:

\_\_\_\_\_

**After Recording Return To:  
XTO Energy Inc.  
810 Houston Street  
Fort Worth, Texas 76102**

**MEMORANDUM OF OIL AND GAS LEASE**

**State:** Texas  
**County:** Tarrant  
**Lessor:** See Schedule I (s) attached  
**Lessor's Address:** See Schedule I (s) attached  
**Lessee:** XTO Energy Inc.  
**Lessee's Address:** 810 Houston Street, Fort Worth, Texas 76102  
**Effective Date:** April 1, 2008

For adequate consideration, Lessor, named above, has granted, leased, and let to Lessee, named above, for the purpose of investigating, exploring, prospecting, drilling, mining for, and producing oil, gas, and other minerals, laying pipelines, building roads, tanks, power stations, telephone lines and other structures, and producing, saving, take care of, treating, transporting, and owning oil, gas, and other minerals, all on or from the following lands (the "Lands") in the county and state named above:

**See Schedule I attached to and made a part hereof for complete description:**

The Oil and Gas Lease (the "Lease") is for a primary term of Five (5) years from the Effective Date stated above, and is effective as long thereafter as oil, gas, or other minerals are produced in paying quantities from the Lands, or other lands pooled with the Lands, according to and by the terms and provisions of the Lease between Lessor and Lessee. The Lease, with all of its terms, covenants, and other provisions, is referred to and incorporated into this Memorandum of Oil and Gas Lease for all purposes. This Memorandum is placed of record for the purpose of giving notice of the Lease. The original of the Lease is maintained in the office of the Lessee.

This Memorandum of Oil and Gas lease may be corrected or amended or supplemented at the discretion of the Lessee to correct the erroneous inclusion or omission or subsequent addition of any leases. Additionally, this Memorandum of Oil and Gas lease may be corrected or amended or supplemented at the discretion of the Lessee to correct the erroneous inclusion or omission or subsequent addition of any part of the Lands.

This Memorandum of Oil and Gas Lease is signed by Lessor as of the date of acknowledgment of their signatures, but is effective for all purposes as of the Effective Date stated above.

**Lessor(s):**

See Schedule I attached hereto: \_\_\_\_\_  
\_\_\_\_\_

*After Recording Return to:  
E. E. Cornelius III  
C/o Carla Petroleum, Inc.  
16990 Dallas Parkway, #126  
Dallas, Texas 75248*

**Electronically Recorded**

Official Public Records

Tarrant County Texas

2008 Aug 21 02:10 PM

**D208329196**

Fee: \$ 84.00

Submitter: SIMPLIFILE

18 Pages

*Suzanne Henderson*

Suzanne Henderson

**MEMORANDUM OF OIL AND GAS LEASE**

**State:** Texas  
**County:** Tarrant  
**Lessor:** See Schedule I (s) attached  
**Lessor's Address:** See Schedule I (s) attached  
**Lessee:** XTO Energy Inc.  
**Lessee's Address:** 819 Houston Street, Fort Worth, Texas 76102  
**Effective Date:** April 1, 2008

For adequate consideration, Lessor, named above, has granted, leased, and let to Lessee, named above, for the purpose of investigating, exploring, prospecting, drilling, mining for, and producing oil, gas, and other minerals, laying pipelines, building roads, tanks, power stations, telephone lines and other structures, and producing, saving, take care of, treating, transporting, and owning oil, gas, and other minerals, all on or from the following lands (the "Lands") in the county and state named above:

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This Memorandum of Oil and Gas Lease is signed by Lessor as of the date of acknowledgment of their signatures, but is effective for all purposes as of the Effective Date stated above.

**Lessor(s):**

See Schedule I attached hereto:

\_\_\_\_\_

After Recording Return to:  
 E. E. Cornelius III  
 C/o Carla Petroleum, Inc.  
 16990 Dallas Parkway, #126  
 Dallas, Texas 75248

D208329196



Suzanne Henderson

**NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON YOU MAY REMOVE OR STRIKE ANY 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.**

Texas Form 88  
Revised 8/05

**OIL AND GAS LEASE  
(PAID UP)**

AGREEMENT, Made and entered into this 2<sup>nd</sup> day of November, 2007 by and between David K. Terry, dealing in his sole and separate property, whose address is 6216 Glengarry Court, North Richland Hills, Texas 76180, Party of the first part, hereinafter called Lessor (whether one or more), and Paloma Barnett, LLC, whose address is 1021 Main Street, Suite 2600, Houston, Texas 77002, Party of the second part, hereinafter called Lessee.

1. WITNESSETH. That the said Lessor, for and in consideration of ONE OR MORE DOLLARS, cash in hand paid, receipt of which is hereby acknowledged and of the covenants and agreements hereinafter contained on the part of Lessee to be paid, kept and performed, has granted, demised, leased and let and by these presents does grant, demise, lease and let unto the said Lessee, for the purpose of investigating, exploring, by geophysical or other means, prospecting, drilling, and operating for and producing oil and all gas of whatsoever nature or kind, including all associated hydrocarbons produced in a liquid or gaseous form, also including sulphur produced in association with oil or gas, hereinafter sometimes collectively referred to as "oil and gas", injecting gas, waters, other fluids, air and other gaseous substances into subsurface strata, laying pipelines, storing oil, building tanks, power stations, telephone lines and other structures and things hereon to produce, save, take care of, treat, process, store and transport said oil and gas and other products manufactured therefrom, the following described land, together with any reversionary rights, riparian rights and after-acquired interest, therein situated; in the County of Tarrant, State of Texas,

0.6379 acres, more or less, out of the P. Anderson Survey, Abstract No. 32, Tarrant County, Texas and being also known as Lots 1 and 2, Block 8, of Turner's Subdivision Beacon Hill, an Addition to the City of Fort Worth, Tarrant County, Texas, and being those same lands more particularly described in a Special Warranty Deed dated December 3, 2001 and recorded in Volume 15424, Page 344, of the Deed Records, Tarrant County, Texas, and amendments thereof, including streets, easements, and alleyways adjacent thereto, and any riparian rights.

This is a non-development Oil & Gas Lease, whereby Lessee, its successors or assigns, shall not conduct any operations, as defined herein, on the surface of said lands. However, Lessee shall have the right to pool or unitize said lands, or part thereof, with other lands to comprise an oil and/or gas development unit. This clause shall take precedence over any reference of the surface operations contained within the preprinted portion of this lease.

and containing 0.6379 acres, more or less

It is agreed that this lease shall remain in force for a term of 5 years from date (herein called primary term) and as long thereafter as oil and gas, or either of them, is produced or capable of being produced from said land by the Lessee. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, in the pipeline to which it may connect its wells, 25 % part of all oil (including but not limited to condensate and distillate) produced and saved from the leased premises. Lessor's interest to bear its proportionate cost of treating oil to render it marketable pipeline oil.

2nd. To pay Lessor for gas (including casinghead gas) and all other substances covered hereby, a royalty of 25 % of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of the production, severance and other excise taxes and the cost incurred by lessee in delivering, processing, compressing, transporting, or otherwise making such gas or other substances merchantable, said payments to be made monthly. If gas from any well or wells on the premises capable of producing gas in commercial quantities is not sold or used off the premises or in the manufacture of gas for a period of one (1) year or more, during which time there is no other production from the leased premises, then Lessee shall pay or tender as royalty for such annual period a sum of one dollar (\$1.00) per net acre within ninety (90) days after the end of such annual period.

If, at the expiration of the primary term, Lessee is conducting operations for drilling, completing or reworking a well, this lease nevertheless shall continue as long as such operations are prosecuted or additional operations are commenced and prosecuted (whether on the same or successive wells) with no cessation of more than 90 days, and if production is discovered, this lease shall continue as long thereafter as oil or gas, are produced. In addition, if at any time or times after the primary term, there is a total cessation of all production, for any cause (subject to the force majeure provisions), this lease shall not terminate if Lessee commences or resumes any drilling or reworking operations, or production, within ninety (90) days after such cessation. Drilling operations or mining operations shall be deemed to be commenced when the first material is placed on the leased premises or when the first work, other than surveying or staking the location, is started thereon which is necessary for such operations.

Lessee is hereby granted the right at any time and from time to time to unitize the leased premises or any portion or portions thereof, as to all strata or any stratum or strata, with any other lands as to all strata or any stratum or strata, for the production primarily of oil or primarily of gas with or without distillate. However, no unit for the production primarily of oil shall embrace more than 160 acres, or for the production primarily of gas with or without distillate more than 640 acres; provided that if any governmental regulation shall prescribe a spacing pattern for the development of the field or allocate a producing allowable based on acreage per well, then any such unit may embrace as much additional acreage as may be so prescribed or as may be used in such allocation of allowable. In the absence of governmentally prescribed spacing, Lessee shall file written unit designations in the county in which the leased premises are located. Operations upon and production from the unit shall be treated as if such operations were upon or such production was from the leased premises whether or not the well or wells are located thereon. The entire acreage within a unit shall be treated for all purposes as if it were covered by and included in this lease except that the royalty on production the unit shall be as below provided, and except that in calculating the amount of any shut in gas royalties, only the part of the acreage originally leased and then actually embraced by this lease shall be counted. In respect to production from the unit, Lessee shall pay Lessor, in lieu of other royalties thereon, only such proportion of the royalties stipulated herein as the amount of this acreage placed in the unit, or his royalty interest therein on an acreage basis, bears to the total acreage in the unit.

If said Lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, whether stated hereinabove as whole or partial interest, then the royalties herein provided shall be paid to the Lessor only in the proportion which his interest bears to the whole undivided fee. In addition, the Lessee shall have a right to issue a replacement draft for any draft that was tendered for bonus, royalty or other payment, which payment was based on Lessor's ownership interest in the above described lands. In the event it is determined by Lessee that Lessor owns a lesser interest in such land than the amount on which such royalty, bonus or other payment was based and in the event a draft has already been paid prior to the discovery of Lessor's lesser interest, then Lessee shall have a right to be reimbursed for such overpayment upon making written request, and shall also have rights of setoff against other or future royalty or other payments in order to recover such overpayment, it being understood and agreed by the parties that Lessor's payments of bonus, royalty or other payments that are based on Lessor's net mineral acre ownership shall be adjusted to reflect Lessor's true net mineral acre ownership.

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operations thereon, except water from wells of Lessor. When requested by the Lessor, lessee shall bury his pipelines below plow depth. No well shall be

D208030973

drilled nearer than 200 feet, or the minimum distance required by the municipality, to the house or barn now on said premises, without the written consent of the Lessor. Lessee shall pay for all damages caused by its operations to growing crops on said land.

Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

Any structures and facilities placed on the lease premises by Lessee for operations hereunder and any well or wells on the leased premises drilled or used for the injection of salt water or other fluids may also be used for Lessee's operations on other lands in the same area.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns. However, no change or division in ownership of the land or royalties shall enlarge the obligations or diminish the rights of Lessee. No change in ownership of the land or royalties shall be binding on the Lessee until after the Lessee has been furnished with a written transfer or assignment or a true copy thereof. In case Lessee assigns this lease, in whole or in part, Lessee shall be relieved of all obligations with respect to the assigned portion arising subsequent to the date of assignment.

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 herein, 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.

This lease shall be effective as to each Lessor on execution hereof as to his or her interest and shall be binding on those signing, notwithstanding some of the Lessor's above named may not join in the execution hereof. The word "Lessor" as used in this lease means the party or parties who execute this lease as Lessor, whether or not named above.

Lessee may at any time and from time to time, surrender this lease as to any part or parts of the leased premises by delivering or mailing a release thereof to Lessor, or by placing a release of record in the proper County.

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor, and be subrogated to the rights of the holder thereof.

This is a paid-up lease. In consideration of the cash payment acknowledged above, Lessor agrees that Lessee is not obligated to commence or continue any operations during the primary term.

In addition to the other rights granted herein, Lessor hereby grants to Lessee a continuing, perpetual pipeline right-of-way, under the terms and conditions hereinafter set forth. Lessor grants to Lessee the right, privilege and easement to construct, reconstruct, operate, maintain, inspect, test repair, replace, remove, alter and abandon an initial pipeline, and any additional pipeline, for the transportation of any or all of gas, gas constituents, oil or oil constituents, together with the right of ingress and egress over the land leased hereunder and the right to use such surface or subsurface areas as may be reasonably needed for the exercise of the rights, privileges and easements herein granted. The term "pipeline" as used in this paragraph includes such surface or subsurface pipeline appurtenances and facilities (including, without limitation, any metering equipment and dehydration facilities and connections to any wells located on said land). This pipeline right-of-way is not limited to pipeline for the use of production from the lands leased under this Lease, and such pipeline right-of-way is without regard to whether such gas, gas constituents, oil or oil constituents are produced from the land leased hereunder or from any other lands, and further without regard to whether such lands are pooled or unitized with the land leased hereunder or not. If the Lessee desires to exercise the rights, privileges or easements granted by this paragraph by commencing construction of an initial pipeline, then upon completion Lessee shall pay to Lessor a sum equal to One Dollar per lineal foot for each lineal foot of pipeline installed, and upon completion shall pay a sum equal to Fifty Dollars for any meter installation, dehydration station, or well connection installed, and the Lessee shall have the continuing rights, privileges and easements granted in this paragraph with respect to any additional pipeline that Lessee desires to install thereafter. If the Lessee fails to commence construction of any initial pipeline during the term of this lease, (as such term may be extended by option, agreement, production, gas storage, or in any other manner), then after receipt of written request from the Lessor, the Lessee agrees to provide to Lessor a written document canceling this pipeline right of way. If any initial pipeline construction is commenced during the term of this lease, then all of the rights, privileges and easements granted in this paragraph to the Lessee shall continue, after expiration of this lease, until such time as the Lessee shall release such rights, privileges and easements by an instrument in writing, duly recorded. Notwithstanding anything in the foregoing to the contrary, however, if pipeline is constructed pursuant to Paragraph one (1) of this lease, for the purpose of transporting gas, gas constituents, oil or oil constituents produced from the lands leased under this lease, or from lands pooled with the lands leased under this lease (collectively, the "leasehold production pipeline"), then the Lessee shall not be required to pay any sums to Lessor in respect of such leasehold production pipeline and Lessee's rights with regard to such leasehold production pipeline shall be as set forth in Paragraph one (1) of this lease.

This lease may, at Lessee's option, be extended as to all or part of the lands covered hereby for an additional primary term of (2) years commencing on the date that this lease would have expired but for the extension. Lessee may exercise its option by paying or tendering to Lessor an extension payment of \$ 5,000.00 per net mineral acre for the land then covered by the extended lease. Said bonus is to Lessor at Lessor's address above or last known address. If Lessee exercises this option, the primary term of this lease shall be considered to be continuous, commencing on the date of the lease and continuing from that date to the end of the extended primary term. Lessor hereby grants any such extensions of this lease without necessity of an amendment to said lease.

As a result of land development in the vicinity of the lease premises, governmental rules or ordinances regarding well sites, and/or surface restrictions as may be set forth in this lease and/or other leases in the vicinity, surface locations for well sites in the vicinity may be limited and Lessee may encounter difficulty securing surface location(s) for drilling, reworking or other operations. Therefore, since drilling, reworking or other operations are either restricted or not allowed on the lease premises or other leases in the vicinity, it is agreed that any such operations conducted at a surface location off of the lease premises or off of lands with which the lease premises are pooled in accordance with this lease, provided that such operations are associated with a directional well for the purpose of drilling, reworking, producing or other operations under the lease premises or lands pooled therewith, shall for purposes of this lease be deemed operations conducted on the lease premises. Nothing contained in this paragraph is intended to modify any surface restrictions or pooling provisions or restrictions contained in this lease, except as expressly stated.

In the event that Lessor, during the primary term or extension of this lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer.

In the event Lessor considers that the Lessee has failed to comply with any obligation hereunder, express or implied, Lessor shall notify Lessee in writing, specifying in what respect Lessor claims Lessee has breached this lease. The service of such notice and elapse of sixty (60) days without Lessee meeting or commencing to meet the alleged breaches shall be a condition precedent to any action by Lessor for any cause. If, within sixty (60) days after the receipt of such notice Lessee shall meet or commence to meet the breaches alleged by Lessor, Lessee shall not be deemed to be in default hereunder.

Notwithstanding anything to the contrary contained in this lease, at the option of Lessee, which may be exercised by Lessee giving notice to Lessor, a well which has been drilled and Lessee intends to frac shall be deemed a well capable of producing in paying quantities and the date such well is shut-in shall be when the drilling operations are completed.

Notwithstanding anything to the contrary contained in this lease, should a shut-in royalty payment not be properly made in a timely manner as provided for in this lease, Lessor may, at Lessor's option, elect to terminate the applicable portion of this lease by sending written notice to Lessee by certified mail; provided that, Lessee shall then have thirty (30) days from the date of receipt of such

written notice in which to avoid termination of the applicable portion this lease by making or causing to be made the proper shut-in royalty payment. If such shut-in royalty payment is not made on or before the expiration of said 30 day period, Lessor may elect to terminate the applicable portion of this lease by filing a Notice of Termination with the County Clerk in the county where the lease premises are located. The effective date of said termination shall be the date said Notice of Termination is filed with the said County Clerk.

It is hereby understood and agreed by and between Lessor and Lessee that any and all fees required by lienholders for the purpose of obtaining a subordination are the responsibility of Lessee, its successors and assigns and all monies applicable to said fees will be paid by Lessee.

IN TESTIMONY WHEREOF, we sign this the 2 day of ~~November~~, 2007

*David Terry*

David Terry

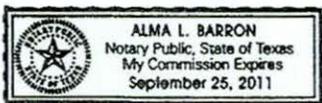
STATE OF TEXAS)

(ACKNOWLEDGMENT FOR INDIVIDUAL)

COUNTY OF TARRANT)

Before me, the undersigned, a Notary Public, in and for said County and State, on this 2 day of ~~NOVEMBER~~ 2007, personally appeared DAVID TERRY to me known to be the identical person who executed the within foregoing instrument, and acknowledged to me that HE executed the same as HIS free and voluntary act and deed, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my official signature and affixed my official seal the day and year first above written.



*Alma L. Barron*  
Notary Public

My commission expires: SEPT. 25, 2011

File No. MF 110598

8

Lease

Date Filed: 7/10/10  
Jerry Patterson, Commissioner

By 



March 4, 2010

David Gross  
Gross & Nelson  
12400 Hwy. 71 West, Suite 350-230  
Austin, Texas 78738

Re: Railroad Commission of Texas Oil & Gas Docket No. 09-0264211; Application of XTO Energy Inc. Pursuant to the Mineral Interest Pooling Act for its TWU "A" Unit, Newark, E. (Barnett Shale) Field, Tarrant County, Texas.

Railroad Commission of Texas Oil & Gas Docket No. 09-0264210; Application of XTO Energy Inc. Pursuant to the Mineral Interest Pooling Act for its TWU "B" Unit, Newark, E. (Barnett Shale) Field, Tarrant County, Texas.

Dear Mr. Gross:

I am writing to you in your capacity as Counsel for XTO Energy Inc. ("XTO"), Applicant in the two referenced Mineral Interest Pooling Act ("MIPA") pooling applications, which are pending before the Texas Railroad Commission ("Commission").

In the TWU "A" application XTO proposes the formation of a 232.01 acre involuntarily pooled unit. The "A" unit would include 18.6648 acres of State of Texas right of way. The proposed TWU "B" involuntarily pooled unit would consist of a total of 319.15 acres. The "B" Unit would include 13.1953 acres of State of Texas right of way.

MIPA § 102.004(d) provides that lands in which the State of Texas owns an interest can only be pooled with the approval or consent of the Commissioner of the General Land Office or any board having jurisdiction. On behalf of XTO you requested that the School Land Board ("Board") consent to MIPA pooling of the two rights of way mentioned above into the proposed TWU "A" and "B" pooled units.

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

Post Office Box 12873 • Austin, Texas 78711-2873

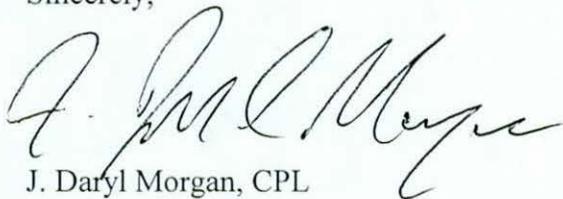
512-463-5001 • 800-998-4GLO

[www.glo.state.tx.us](http://www.glo.state.tx.us)

At the February 23, 2010 meeting of the Board, GLO Staff presented your MIPA pooling consent requests as regular agenda items. The Board granted its consent to MIPA involuntary pooling of these two rights of way into the TWU "A" and "B" units, as they are described above and in the two referenced Commission dockets. This letter will constitute proof of the Board's consent to MIPA pooling of these rights of way.

Please contact me if I can provide you with any additional information. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Daryl Morgan". The signature is fluid and cursive, with a large initial "J" and "M".

J. Daryl Morgan, CPL  
Energy Resources Division  
(512) 305-9106

9.

File No. BF 110598

210 letter

Date Filed: 3/4/10

Jerry Patterson, Commissioner

By [Signature]

GROSS & NELSON

ATTORNEYS AT LAW

12400 Hwy. 71 West  
Suite 350-230  
Austin, Texas 78738

(512) 263-8046

FAX (512) 263-2702

CELL: (512) 497-1111

dgross@grossandnelson.com

WRITER'S DIRECT DIAL NUMBER IS (512) 263-8046

April 14, 2010

**VIA FACSIMILE (512) 463-6989**

Marshall Enquist, Hearings Examiner  
Office of General Counsel  
Railroad Commission of Texas  
1701 N. Congress Avenue  
Austin, Texas 78711-2967

Re: Oil & Gas Docket No. 09-0264210; Application of XTO Energy  
Inc. Pursuant to the Mineral Interest Pooling Act for the Proposed  
TWU B Pooled Unit, Newark, E. (Barnett Shale) Field, Tarrant  
County, Texas (Set: April 23, 2010). *M-110598*

Dear Examiner Enquist:

This letter is written to you on behalf of XTO Energy Inc. ("XTO"), Applicant in the referenced Mineral Interest Pooling Act ("MIPA") Application. XTO hereby withdraws the TWU B MIPA Application. XTO will mail a copy of this letter tomorrow to all persons on the service list to advise them that the application has been withdrawn and that consequently there will be no hearing on April 23<sup>rd</sup>. Those persons who requested a postponement of the hearing have been copied as well.

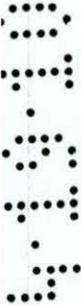
If you have any questions please let me know. Thank you very much for your attention to this matter.

Respectfully submitted,



David Gross  
Attorney for  
XTO Energy Inc.

GROSS & NELSON ATTORNEYS



cc: Tammy-Jo Parker  
3620 View Street  
Fort Worth, TX 76103

Chuck Ambrus  
3608 View St.  
Fort Worth, TX 76103

Don & Debora Young  
3512 View Street  
Fort Worth, TX 76103

Eduard E. Aguilar, Sr. and Estela Aguilar  
3417 Meadowbrook Drive  
Fort Worth, TX 76103-2519

Tarah Angelidis (Via Facsimile 817/885-1872)

All Persons on the Service List

10

File No. M-110598  
Ltr. From Div. of G1655

Date Filed: 4/19/10  
Jerry E. Patterson, Commissioner

By: Daryl Morgan

4330



# MEMORANDUM

Texas General Land Office • Jerry Patterson • Commissioner

---

**DATE:** February 23, 2010

**TO:** School Land Board

**FROM:** Peter A. Boone

**SUBJECT:** Request by XTO Energy Inc. to proceed at the Railroad Commission under the Mineral Interest Pooling Act to include the State Lease MF110598, 13.1953 acres of Lancaster Avenue, Block A1, Lot 2A, Turner's Subdivision of the Beacon Hill Addition, City of Ft. Worth, Tarrant County, Texas, in the proposed TWU B Pooled Unit.

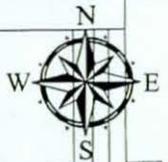
XTO Energy Inc. is requesting School Land Board permission under the Texas Natural Resources Code Chapter 102, the Mineral Interest Pooling Act (MIPA), to proceed at the Railroad Commission to include 13.1953 acres of Lancaster Avenue, Block A1, Lot 2A, Turner's Subdivision of the Beacon Hill Addition, City of Ft. Worth, Tarrant County, Texas, in the proposed TWU B Pooled Unit.

Texas Natural Resources Code §102.004 (d) states: "With the approval or consent first obtained, or at the instance of the Commissioner of the General Land Office, or any board or agency having jurisdiction, the land in which the State of Texas has an interest as described in this chapter may be pooled under the provisions of this chapter."

At this time there are leases on 768 tracts which together make up 245.3846 acres of the proposed 319.15 acre TWU B Unit. The remaining 172 tracts are unleased. XTO has extended fair and reasonable voluntary pooling offers to the owners of all unleased and/or unpooled interests within the unit. Those owners have refused to voluntarily pool their interests or have not responded to those pooling offers.

RECOMMENDATION:

Staff recommends Board approval of the request by XTO to pursue, under the Mineral Interest Pooling Act, inclusion of State Lease MF110598 into the proposed TWU B Pooled Unit.



A-852  
ENOCH S  
JOHNSON

A-471  
WILLIAM  
EDWARDS

A-1076  
WILLIAM R  
MCFADIN

A-1228  
J L  
PURVIS

Drill Site

A-1287  
JOHN RINGER

A-1409  
J W SUBLETT

TWU- B  
January 4, 2010

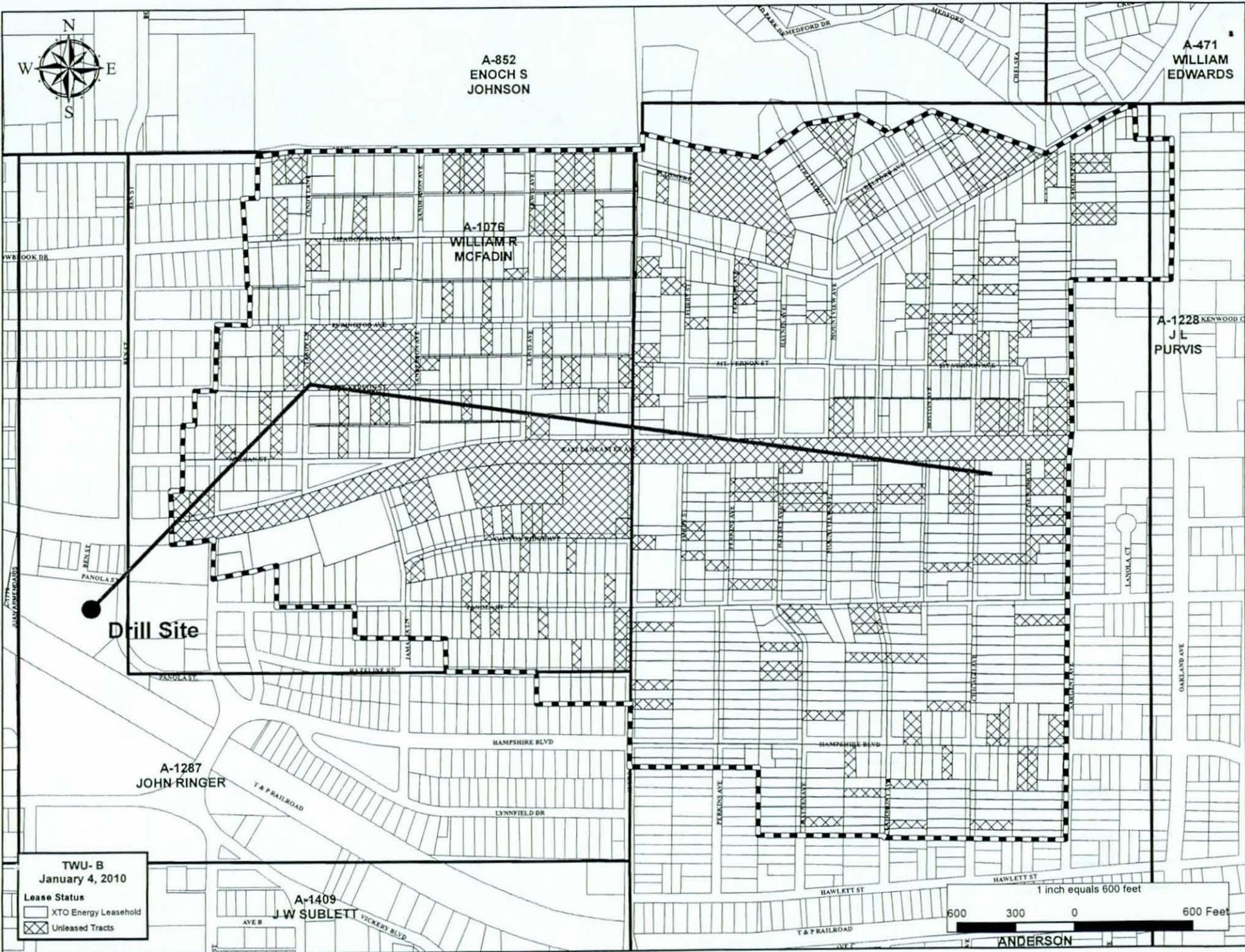
Lease Status

- XTO Energy Leasehold
- Unleased Tracts

1 inch equals 600 feet

600 300 0 600 Feet

ANDERSON



File No. M-110598  
Memo to School Land Board

Date Filed: 4/19/10

Jerry E. Patterson, Commissioner

By Daryl Morgan