

Unit 5175
 iNut 9786
 iNut 9992
~~LiNut 9169~~ *

State Lease	Control	Base File	County
MF113172	01-002792		MADISON
MF113172	01-002809		BRAZOS

Survey	NAVASOTA RIVER	
Block		
Block Name		
Township		
Section/Tract		
Land Part		
Part Description		
Acres	3	
Depth Below	Depth Above	Depth Other

Leasing:
 Analyst:
 Maps:
 GIS:
 DocuShare:

Name	WOODBINE ACQUISITION CORPORATI
Lease Date	10/4/2011
Primary Term	1 yrs
Bonus (\$)	\$900.00
Rental (\$)	\$0.00
Lease Royalty	0.2500



CAUTION

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

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Archives and Records Staff

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2. Consideration	10/19/11	iNut 9786 packet)
3. Pooling Agreement Packet #5175		scanned PJ 2-6-2019
Wilson #3-H Unit	10/24/11	(See MF 110423 item #24 for
4. Ltr. to Clerk Jobe	10/24/11	Revised iNut 9786 "Rainier (alloc) #1H
Scanned sm 3/1/13		(See MF 110423 item #26 for iNut
DIVISION ORDER		9992 "Wayne 1H (alloc)")
5.	12/05/11	scanned PJ 5-15-2019
Scanned sm 7/15/13		21. Zero production 4/27/23
6. Production Report	07/26/2013	Report for iNut 9169 +
Scanned sm 7/30/13		scanned WM 5-22-2023
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20. Division Order	2-28-19	

McELROY, SULLIVAN & MILLER, L.L.P.
Attorneys at Law

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AUSTIN, TX 78746

TELEPHONE

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FAX

(512) 327-6566

October 18, 2011

Mr. J. Daryl Morgan, CPL
Energy Resources Division
Texas General Land Office
Stephen F. Austin Building, 8th Floor
1700 No. Congress Avenue
Austin, Texas 78701-1495

Re: M-113172 – GLO Unit No. 5175
Wilson #3H Unit
Brazos & Madison Counties

Dear Mr. Morgan:

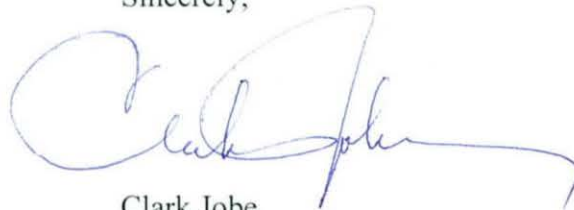
Please find enclosed two originals of the Pooling Agreement that have been executed by Ali Ahmed, Chief Executive Officer of Woodbine Acquisition Corporation.

Also enclosed is Woodbine Acquisition Corporation Check No. 10028 in the amount of \$900 in payment of the consideration in lieu of bonus for this Agreement.

Once the Agreement has been executed by the Commissioner, please return an executed original to me.

Thank you for your assistance with this request.

Sincerely,



Clark Jobe
Attorney for Woodbine Acquisition Corporation

Enclosures

①

File No. M-113172
Ltr. From Clerk Jobe

Date Filed: 10/18/11
Jerry E. Patterson, Commissioner
By: Daryl Morgan

From: Woodbine Acquisition Corporation
To: THE COMMISSIONER OF THE
GENERAL LAND OFFICE
1700 NORTH CONGRESS AVE
AUSTIN, TX 78701

Vendor Code
GEN001

Check Date
10/13/2011

Check Amount
~~\$900.00~~

Check Number
TXOP-10028

Invoice #	Invoice Amt
101211 POOLING	900.00
RE:3acres. for Navasota River riverbend pooling, in the 160acre, Wilson 3H, J Davis Survey, A-103, Brazos County and E Edwards Survey, A93, Madison County, TX, Tract M-113172, GLO Unit #5175	

1271

12702129

(2)

File No. M-113172
Consideration

Date Filed: 10/18/11

Jerry E. Patterson, Commissioner

By Daryl Morgan

DO NOT DESTROY



Texas General Land Office
UNIT AGREEMENT MEMO

PA11-251

Unit Number 5175
Operator Name WOODBINE ACQUISITION CORPORATION **Effective Date** 10/4/2011
Customer ID C000050973 **Unitized For** Oil & Gas
Unit Name Wilson #3-H Unit **Unit Term** Months
County1 Brazos **Old Unit Number** **Inactive Status Date**
County 2 Madison 0
County 3 0
RRC District: 03 0
Unit Type: Permanent 0
State Royalty Interest: 0.0046875000 0
State Part in Unit: 0.0187500000
Unit Depth **Well:**
Below Depth 0 **Formation:** Surface to 100' below total depth drilled.
Above Depth 0 **Participation Basis:** Surface Acreage
 [If Exclusions Apply: See Remarks]

MF Number MF113172 **Tract Number** 1
Lease Acres 3 / **Total Unit Acres** 160 =
Tract Participation: 0.0187500 X
Lease Royalty 0.25 = **Manual Tract Participation:** [] 0 | See Remark
Tract Royalty Participation 0.0046875 **Manual Tract Royalty:** [] 0 |

Tract Royalty Reduction No
Tract Royalty Rate 0
Tract On-Line Date:

01-002809 (1.5ac) 01-002792 (1.5ac)

Pooling Committee Report

To: School Land Board PA11-251
Date of Board Meeting: October 4, 2011 Unit Number: 5175
Effective Date: 10/4/2011
Unit Expiration Date:
Applicant: WOODBINE ACQUISITION CORPORATION
Attorney Rep: Clark Jobe
Operator: WOODBINE ACQUISITION CORPORATION
County 1: Brazos
County 2: Madison
County 3:
Unit Name: Wilson #3-H Unit
Field Name: Madisonville, W. (Woodbine -A-)

<u>Lease Type</u>	<u>MF Number</u>	<u>Lease Royalty</u>	<u>Expiration Date</u>	<u>Lease Term</u>	<u>Lease Acres</u>	<u>Lease Acres in Unit</u>	<u>Royalty Participation</u>
UR	MF113172	0.25				3	0.0046875

A part of the Navasota River is being pooled pursuant to Texas Natural Resources Code 52.076 which gives the School Land Board the authority to pool unleased riverbeds and channels.

SF = State Fee RAL = Relinquishment Act FR = Free Royalty UR = Unleased River

Private Acres:	157
State Acres:	3
Total Unit Acres:	160

<u>Participation Basis:</u>	
Surface Acreage	
<u>State Acreage:</u>	1.88%
<u>State Unit Royalty:</u>	0.47%

<u>Unit Type:</u>	<u>Unitized for:</u>
Permanent	Oil & Gas
<u>Term:</u>	Months

<u>Well Location:</u>
Private Land

<u>RRC Rules:</u>	<u>Spacing Acres:</u>
Special Field Rule	160 acres

REMARKS:

- Woodbine Acquisition Corporation is requesting permanent oil and gas pooling from the surface to 100 feet below total depth drilled.

- The applicant plans to spud the unit well in September, 2011 and the proposed total depth is 9,200 feet.

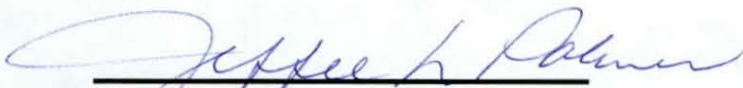
- To compensate the State for lost least bonus on the unleased Navasota River acreage the applicant has agreed to pay the Permanent School Fund \$900.00 or \$300.00 per acre.

- With approval of the unit the State's unit royalty participation will be 0.4688%. State unit royalty participation may change slightly based on final survey results.

- The State will participate on a unitized basis from the date of first production.

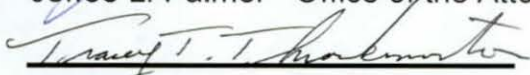
POOLING COMMITTEE RECOMMENDATION:

- The Pooling Committee recommends Board approval of a permanent oil and gas unit under the above-stated provisions.



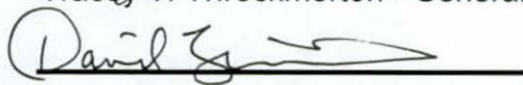
Jeffee L. Palmer - Office of the Attorney General

9-21-11
Date:



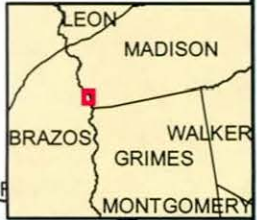
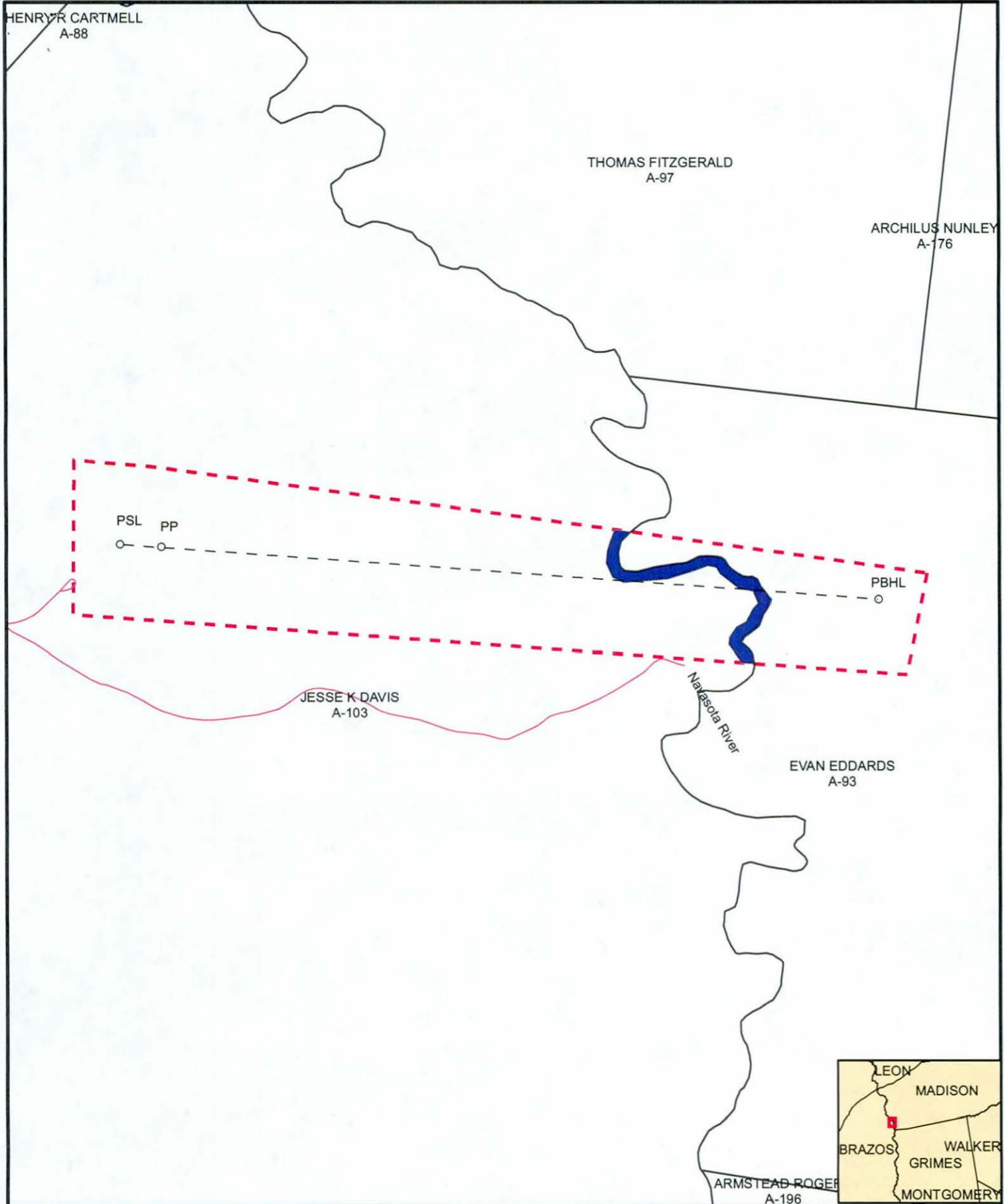
Tracey T. Throckmorton - General Land Office

9-21-11
Date:



David Zimmerman - Office of the Governor

9/21/11
Date:



Woodbine Acquisition Corporation
Wilson #3-H Unit
Madisonville, W. (Woodbine -A-) Field
A part of the Navasota River is being
pooled pursuant to T.N.R.C. 52.076
Brazos and Madison Counties
Unit #5175
PA11-251



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



Map Generated by
Zake Guillen
IS/BAS/GIS
October 3, 2011

**POOLING AGREEMENT PURSUANT TO TNRC § 52.076
STATE OF TEXAS / WOODBINE ACQUISITION CORPORATION
WILSON #3-H UNIT
M-113172 – GLO UNIT NO. 5175
BRAZOS AND MADISON COUNTIES, TEXAS**

THIS AGREEMENT ("Agreement") is made and entered into and effective the 4th day of October 2011, by and between the Commissioner of the General Land Office of the State of Texas ("State"), and Woodbine Acquisition Corporation ("Woodbine").

WITNESSETH THAT:

WHEREAS, the State owns the minerals under 3 acres of the Navasota River contained within the boundaries of the 160 acre Wilson #3-H Unit ("Unit") said 3 acres hereinafter referred to as the ("unleased interest"); and

WHEREAS, pursuant to Texas Natural Resources Code §52.076(a)(4), the School Land Board has authority to pool unleased river beds and channels owned by the State; and

WHEREAS, Woodbine and the State desire to pool the unleased interest into said Unit; and

WHEREAS, the School Land Board at its regular meeting on October 4, 2011, determined that pooling said unleased interest for oil and gas as from the surface to 100 feet below the deepest depth drilled as more particularly described on the attached exhibits is in the best interest of the State.

NOW, THEREFORE, in consideration of the payment to the State of \$900.00 and of the mutual agreements hereinafter set forth and together with other valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, and for the purposes and upon the terms and conditions contained herein, the parties hereto agree as follows:

1. This Agreement is entered into pursuant to the authority granted in Chapter 52, of the Texas Natural Resources Code and Chapter 9 of Title 31 of the Texas Administrative Code and is intended to be performed pursuant to and in compliance with all applicable statutes, decisions, regulations, rules, orders and directives of any governmental agency having jurisdiction over the production and conservation of minerals from the Unit and in the interpretation and application hereof this Agreement shall be, in all things, subject thereto.

2. The State and Woodbine agree that nothing herein shall be construed as granting a leasehold interest to Woodbine in the unleased interest, but rather this Agreement affects a contractual pooling of interests with the respective rights and duties of the parties defined in paragraph 3, below.

3. The rights and duties of the State and Woodbine with respect to the unleased interest within the boundaries of the Unit shall be established, governed and controlled by the terms, conditions and covenants contained in Exhibit "1" and Exhibit "2" attached hereto and incorporated herein, wherein the State shall be considered the Lessor and Woodbine the Lessee and the State shall receive its share of unit production in the form of a royalty as provided in Exhibit "1" and allocated to the State as provided in Exhibit "2", with no obligation to the State for operating costs of any kind, including but not limited to exploring, drilling, equipping, completion, treating, transporting, marketing, plugging, abandonment or restoration.

4. This Agreement shall remain in effect for a term of one year from the effective date (herein called "primary term") and so long as the pooled mineral is being produced in paying quantities from the Unit, or so long as this Agreement is maintained in force by payment of shut-in oil or gas well royalties on a unit well, by drilling or rework operations on a unit well, or by other means in accordance with the terms of Exhibit "1" to this Agreement, or so long as the instrument creating the Unit remains in effect; provided that this Agreement shall automatically terminate on the date production of the pooled mineral ceases and there are no further operations on the unit to re-establish production of the pooled mineral, even though the instrument creating the Unit may remain in effect because a dissolution of unit has not been filed of record.

5. Inasmuch as the parties may not be able conveniently to execute one original hereof, it is agreed that a counterpart hereof may be executed by each party to this Agreement, each of which shall be considered an original, and all of said counterparts shall be construed together as one instrument.

6. The terms and provisions hereof shall extend to and be binding upon the heirs, legal representatives, successors, and assigns of the parties hereto.

7. This Agreement is to be performed in the State of Texas, and the substantive laws of the State of Texas will govern the validity, construction and enforcement of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement upon the respective dates indicated below.

Date Executed 10/20/2011

STATE OF TEXAS

legal [Signature]
leas. [Signature]
cont. [Signature]
exec [Signature]

[Signature]
Jerry E. Patterson, Commissioner
General Land Office

Date Executed _____

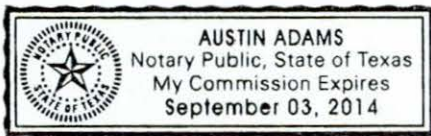
WOODBINE ACQUISITION CORPORATION

[Signature]
By: _____
Ali Ahmed, Chief Executive Officer

STATE OF TEXAS

COUNTY OF Tarrant

This instrument was acknowledged before me on October 13th, 2011, by Ali Ahmed as Chief Executive Officer of Woodbine Acquisition Corporation, a Delaware corporation, on behalf of said corporation.



[Signature]
Notary Public in and for the State of Texas

CERTIFICATE

I, Stephanie Crenshaw, Secretary of the School Land Board of the State of Texas, do hereby certify that at a meeting of the School Land Board duly held on October 4, 2011, the foregoing instrument was approved by said Board under the provisions of Chapter 52 of the Natural Resources Code all of which is set forth in the Minutes of the Board of which I am custodian.

IN TESTIMONY WHEREOF, witness my hand this the 24th day of October, 2011.

[Signature]
Secretary of the School Land Board

EXHIBIT "1"

§52.076 Exhibit 1, Revised 3/07

1. RESERVATION AND GRANT: There is hereby excepted and reserved to Lessor the full use of the property covered hereby and all rights with respect to the surface and subsurface thereof for any and all purposes except those granted to Lessee, being the right to explore for, drill and produce the pooled mineral from the pooled area, and Lessor further reserves the rights of ingress and egress and use of said lands by Lessor and its mineral lessees, for purposes of exploring for and producing the minerals and zones which are not covered by this Agreement. All of the rights in and to the pooled area retained by Lessor and all of the rights in and to the pooled area granted to Lessee herein shall be exercised in such a manner that neither shall unduly interfere with the operations of the other.

2. PRODUCTION ROYALTIES: Upon production of the pooled mineral Lessee agrees to pay or cause to be paid to the Commissioner of the General Land Office in Austin, Texas, for the use and benefit of the State of Texas, during the term hereof:

(A) OIL: As a royalty on oil, which is defined as including all hydrocarbons produced in a liquid form at the mouth of the well and also all condensate, distillate, and other liquid hydrocarbons recovered from oil or gas run through a separator or other equipment, as hereinafter provided, $\frac{1}{4}$ part of the gross production or the market value thereof, at the option of the Lessor, such value to be determined by 1) the highest posted price, plus premium, if any, offered or paid for oil, condensate, distillate, or other liquid hydrocarbons, respectively, of a like type and gravity in the general area where produced and when run, or 2) the highest market price thereof offered or paid in the general area where produced and when run, or 3) the gross proceeds of the sale thereof, whichever is the greater. Lessee agrees that before any gas produced from the land hereby pooled is sold, used or processed in a plant, it will be run free of cost to Lessor through an adequate oil and gas separator of conventional type or other equipment at least as efficient to the end that all liquid hydrocarbons recoverable from the gas by such means will be recovered. Upon written consent of Lessor, the requirement that such gas be run through such a separator or other equipment may be waived upon such terms and conditions as prescribed by Lessor.

(B) NON-PROCESSED GAS: As a royalty on any gas (including flared gas), which is defined as all hydrocarbons and gaseous substances not defined as oil in subparagraph (A) above, produced from any well on said land (except as provided herein with respect to gas processed in a plant for the extraction of gasoline, liquid hydrocarbons or other products) $\frac{1}{4}$ part of the gross production or the market value thereof, at the option of the Lessor, such value to be based on the highest market price paid or offered for gas of comparable quality in the general area where produced and when run, or the gross price paid or offered to the producer, whichever is greater provided that the maximum pressure base in measuring the gas under this agreement contract shall not at any time exceed 14.65 pounds per square inch absolute, and the standard base temperature shall be sixty (60) degrees Fahrenheit, correction to be made for pressure according to Boyle's Law, and for specific gravity according to test made by the Balance Method or by the most approved method of testing being used by the industry at the time of testing.

(C) PROCESSED GAS: As a royalty on any gas processed in a gasoline plant or other plant for the recovery of gasoline or other liquid hydrocarbons, $\frac{1}{4}$ part of the residue gas and the liquid hydrocarbons extracted or the market value thereof, at the option of the Lessor. All royalties due herein shall be based on one hundred percent (100%) of the total plant production of residue gas attributable to gas produced from this agreement, and on fifty percent (50%) or that percent accruing to Lessee, whichever is the greater, of the total plant production of liquid hydrocarbons, attributable to the gas produced from this agreement; provided that if liquid hydrocarbons are recovered from gas processed in a plant in which Lessee (or its parent, subsidiary or affiliate) owns an interest, then the percentage applicable to liquid hydrocarbons shall be fifty percent (50%) or the highest percent accruing to a third party processing gas through such plant under a processing agreement negotiated at arms' length (or if there is no such third party, the highest percent then being specified in processing agreements or contracts in the industry), whichever is the greater. The respective royalties on residue gas and on liquid hydrocarbons shall be determined by 1) the highest market price paid or offered for any gas (or liquid hydrocarbons) of comparable quality in the general area or 2) the gross price paid or offered for such residue gas (or the weighted average gross selling price for the respective grades of liquid hydrocarbons), whichever is the greater. In no event, however, shall the royalties payable under this paragraph be less than the royalties which would have been due had the gas not been processed.

(D) OTHER PRODUCTS: As a royalty on carbon black, sulphur or any other products produced or manufactured from gas (excepting liquid hydrocarbons) whether said gas be "casinghead," "dry" or any other gas, by fractionating, burning or any other processing, $\frac{1}{4}$ part of gross production of such products, or the market value thereof, at the option of Lessor, such market value to be determined as follows:

- (1) On the basis of the highest market price of each product, during the same month in which such product is produced, or
- (2) On the basis of the average gross sale price of each product for the same month in which such products are produced; whichever is the greater.

(E) NO DEDUCTIONS: Lessee agrees that all royalties accruing to Lessor under this agreement shall be without deduction for the cost of producing, transporting, and otherwise making the oil, gas and other products produced hereunder ready for sale or use.

(F) ROYALTY IN KIND: Notwithstanding anything contained herein to the contrary, Lessor may, at its option, upon not less than 60 days notice to Lessee, require at any time or from time to time that payment of all or any royalties accruing to Lessor under this agreement be made in kind without deduction for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting and otherwise making the oil, gas and other products produced hereunder ready for sale or use. Lessor's right to take its royalty in kind shall not diminish or negate Lessor's rights or Lessee's obligations, whether express or implied, under this agreement.

(G) PLANT FUEL AND RECYCLED GAS: No royalty shall be payable on any gas as may represent this agreement's proportionate share of any fuel used to process gas produced hereunder in any processing plant. Notwithstanding anything contained herein to the contrary, and subject to the consent in writing of the Commissioner of the General Land Office, Lessee may recycle gas for gas lift purposes on the pooled area after the liquid hydrocarbons contained in the gas have been removed, and no royalties shall be payable on the gas so recycled until such time as the same may thereafter be produced and sold or used by Lessee in such manner as to entitle Lessor to a royalty thereon under the royalty provisions of this agreement.

(H) MINIMUM ROYALTY: The royalties paid to Lessor each year in no event shall be less than \$5.00 per acre pooled; otherwise, there shall be due and payable on or before the last day of the month succeeding the anniversary date of first production a sum equal to \$5.00 per acre pooled less the amount of royalties paid during the preceding year.

3. ROYALTY PAYMENTS AND REPORTS: All royalties not taken in kind shall be paid to the Commissioner of the General Land Office at Austin, Texas, in the following manner: Payment of royalty on production of oil and gas shall be as provided in the rules set forth in the Texas Register. Rules currently provide that 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 to each lease number. If Lessee pays his royalty on or before thirty (30) days after the royalty payment was due, then 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.

4. (A) RESERVES, CONTRACTS AND OTHER RECORDS: Lessee shall annually furnish the Commissioner of the General Land Office with its best possible estimate of pooled mineral reserves underlying the pooled area and shall furnish said Commissioner with copies of all contracts under which gas is sold or processed and all subsequent agreements and amendments to such contracts within thirty (30) days after entering into or making such contracts, agreements or amendments. Such contracts and agreements when received by the General Land Office shall be held in confidence by the General Land Office unless otherwise authorized by Lessee. All other contracts and records pertaining to the production, transportation, sale and marketing of the pooled

mineral produced from the pooled area, including the books and accounts, receipts and discharges of all wells, tanks, pools, meters, and pipelines shall at all times be subject to inspection and examination by the Commissioner of the General Land Office, the Attorney General, the Governor, or the representative of any of them.

(B) DRILLING RECORDS: Written notice of all operations on the pooled unit shall be submitted to the Commissioner of the General Land Office by Lessee or operator five (5) days before spud date, workover, re-entry, temporary abandonment or plug and abandonment of any well or wells. Such written notice to the General Land Office shall include copies of Railroad Commission forms for application to drill. Copies of well tests, completion reports and plugging reports shall be supplied to the General Land Office at the time they are filed with the Texas Railroad Commission. Lessee shall supply the General Land Office with any records, memoranda, accounts, reports, cuttings and cores, or other information relative to the operation of the above-described premises, which may be requested by the General Land Office, in addition to those herein expressly provided for. Lessee shall send a true copy of all logs on each unit well to the General Land Office within fifteen (15) days after the making of said log.

(C) PENALTIES: Lessee shall incur a penalty whenever reports, documents or other materials are not filed in the General Land Office when due. The penalty for late filing shall be set by the General Land Office administrative rule which is effective on the date when the materials were due in the General Land Office.

5. OFFSET WELLS: If the pooled mineral should be produced in commercial quantities from a well located on land privately owned or on State land leased at a lesser royalty, which well is within one thousand (1,000) feet of the area included herein, or which well is draining the area covered by this agreement, the Lessee shall, within sixty (60) days after such initial production from the draining well or the well located within one thousand (1,000) feet from the area covered by this agreement begin in good faith and prosecute diligently the drilling of an offset well on the area covered by this agreement, and such offset well shall be drilled to such depth as may be necessary to prevent the undue drainage of the area covered by this agreement, and the Lessee, manager or driller shall use all means necessary in a good faith effort to make such offset well produce oil and/or gas in commercial quantities. Only upon the determination of the Commissioner and with his written approval, may the payment of a compensatory royalty satisfy the obligation to drill an offset well or wells required under this Paragraph.

6. DRILLING AND REWORKING AT EXPIRATION OF PRIMARY TERM: If, at the expiration of the primary term, the pooled mineral is not being produced from the pooled area, but Lessee is then engaged in drilling or reworking operations thereon, this agreement shall remain in force so long as operations on said well or for drilling or reworking of any additional wells are prosecuted in good faith and in workmanlike manner without interruptions totaling more than sixty (60) days during any one such operation, and if they result in the production of oil and/or gas, so long thereafter as oil and/or gas is produced in paying quantities from said land, or payment of shut-in oil or gas well royalties or compensatory royalties is made as provided in this agreement.

7. CESSATION, DRILLING, AND REWORKING: If at the end of, or after the primary term, production of the pooled mineral should cease from any cause, this agreement shall not terminate if Lessee re-establishes production in paying quantities within sixty (60) days after such cessation or commences additional drilling or reworking operations within sixty (60) days after such cessation, and this agreement shall remain in full force and effect for so long as such operations continue in good faith and in workmanlike manner without interruptions totaling more than sixty (60) days. For a cessation of production prior to the end of the primary term, Lessee may use the expiration of the primary term as the date of cessation of production. If such drilling or reworking operations result in the production of the pooled mineral, the agreement shall remain in full force and effect for so long as the pooled mineral is produced from the pooled unit in paying quantities or payment of shut-in oil or gas well royalties or payment of compensatory royalties is made as provided herein or as provided by law. If the drilling or reworking operations result in the completion of a well as a dry hole, this agreement will not terminate if the Lessee commences additional drilling or reworking operations within sixty (60) days after the completion of the well as a dry hole, and this agreement shall remain in effect so long as Lessee continues drilling or reworking operations in good faith and in a workmanlike manner without interruptions totaling more than sixty (60) days. Lessee shall give written notice to the General Land Office within thirty (30) days of any cessation of production.

8. SHUT-IN ROYALTIES: For purposes of this paragraph, "well" means any well that has been assigned a well number by the state agency having jurisdiction over the production of oil and gas. If at any time after the end of the primary term, a well capable of producing the pooled mineral in paying quantities is located on the pooled area, but the pooled mineral is not being produced for lack of suitable production facilities or lack of a suitable market, then Lessee may pay as a shut-in oil or gas royalty an amount equal to \$10.00 per acre pooled, but not less than \$1,200 for each well capable of producing the pooled mineral in paying quantities. To be effective, each initial shut-in oil or gas royalty must be paid on or before: (1) the expiration of the primary term (2) 60 days after the Lessee ceases to produce the pooled mineral from the pooled area, or (3) 60 days after Lessee completes a drilling or reworking operation in accordance with the terms of this agreement; whichever date is latest. If the shut-in oil or gas royalty is paid, this agreement shall be considered to be a producing agreement and the payment shall extend the term of the agreement for a period of one year from the first day of the month following the month in which production ceased, and, after that, if no suitable production facilities or suitable market for the pooled mineral exists, Lessee may extend this agreement for four more successive periods of one (1) year by paying the same amount each year on or before the expiration of each shut-in year.

9. COMPENSATORY ROYALTIES: If, during the period the agreement is kept in effect by payment of the shut-in oil or gas royalty, the pooled mineral is sold and delivered in paying quantities from a well located within one thousand (1,000) feet of the pooled area and completed in the same producing reservoir, or in any case in which drainage of the pooled mineral is occurring, the right to continue to maintain the agreement by paying the shut-in oil or gas royalty shall cease, but the agreement shall remain effective for the remainder of the year for which the royalty has been paid. The Lessee may maintain the agreement for four more successive years by Lessee paying compensatory royalty at the royalty rate provided in this agreement of the market value of production from the well causing the drainage or which is completed in the same producing reservoir and within one thousand (1,000) feet of the pooled area. The compensatory royalty is to be paid monthly to the Commissioner beginning on or before the last day of the month following the month in which the pooled mineral is produced from the well causing the drainage or that is completed in the same producing reservoir and located within one thousand (1,000) feet of the pooled area; if the compensatory royalty paid in any 12-month period is in an amount less than the annual shut-in oil or gas royalty, Lessee shall pay an amount equal to the difference within thirty (30) days from the end of the 12-month period; and none of these provisions will relieve Lessee of the obligation of reasonable development nor the obligation to drill offset wells as provided in N.R.C. Section 52.034; however, at the determination of the Commissioner, and with the Commissioner's written approval, the payment of compensatory royalties shall satisfy the obligation to drill offset wells. Compensatory royalty payments, which are not timely paid, will accrue penalty and interest in accordance with Paragraph 3 of this agreement.

10. USE OF WATER; SURFACE: Lessee shall have the right to use water produced on said land necessary for operations hereunder and solely upon the pooled area; provided, however, Lessee shall not use potable water or water suitable for livestock or irrigation purposes for water flood operations without the prior written consent of Lessor. Subject to its obligation to pay surface damages, Lessee shall have the right to use so much of the surface of the land that may be reasonably necessary for drilling and operating wells and transporting and marketing the production therefrom, such use to be conducted under conditions of least injury to the surface of the land.

11. POLLUTION: In developing this pooled area, Lessee shall use the highest degree of care and all proper safeguards to prevent pollution. Without limiting the foregoing, pollution of coastal wetlands, natural waterways, rivers and impounded water shall be prevented by the use of containment facilities sufficient to prevent spillage, seepage or ground water contamination. In the event of pollution, Lessee shall use all means at its disposal to recapture all escaped hydrocarbons or other pollutant and shall be responsible for all damage to public and private properties.

(A) Lessee shall build and maintain fences around its slush, sump, and drainage pits and tank batteries so as to protect livestock against loss, damage or injury; and upon completion or abandonment of any well or wells, Lessee shall fill and level all slush pits and cellars and completely clean up the drilling site of all rubbish thereon.

(B) No discharge of solid waste or garbage shall be allowed into State waters from any drilling or support vessels, production platform, crew or supply boat, barge, jack-up rig or other equipment located on the pooled area. Solid waste shall include but shall not be limited to containers, equipment, rubbish, plastic, glass, and any other man-made non-biodegradable items. A sign must be displayed in a high traffic area on all vessels and manned platforms stating, "Discharge of any solid waste or garbage into State Waters from vessels or platforms is strictly prohibited and may subject a this agreement to forfeiture." Such statement shall be in lettering of at least 1" in size.

(C) PENALTY: Failure to comply with the requirements of this provision may result in the maximum penalty allowed by law including forfeiture of the agreement. Lessee shall be liable for the damages caused by such failure and any costs and expenses incurred in cleaning areas affected by the discharged waste.

12. IDENTIFICATION MARKERS: Lessee shall erect, at a distance not to exceed twenty-five (25) feet from each well on the premises covered by this agreement, a legible sign on which shall be stated the name of the operator, the State Lease Number designation and the well number. Where two or more wells on the same lease or where wells on two or more leases are

connected to the same tank battery, whether by individual flow line connections direct to the tank or tanks or by use of a multiple header system, each line between each well and such tank or header shall be legibly identified at all times, either by a firmly attached tag or plate or an identification properly painted on such line at a distance not to exceed three (3) feet from such tank or header connection. Said signs, tags, plates or other identification markers shall be maintained in a legible condition throughout the term of this agreement.

13. ASSIGNMENTS: The agreement may be transferred at any time; provided, however, that the liability of the transferor to properly discharge its obligation under the agreement, including properly plugging abandoned wells, removing platforms or pipelines, or remediation of contamination at drill sites shall pass to the transferee upon the prior written consent of the Commissioner of the General Land Office. The Commissioner may require the transferee to demonstrate financial responsibility and may require a bond or other security. All transfers must reference this agreement by the State Lease Number and must be recorded in the county where the pooled area 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 filing fee prescribed by the General Land Office rules in effect on the date of receipt by the General Land Office of such transfer or certified copy thereof. 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 agreement, including any liabilities to the state for unpaid royalties.

14. LIEN: In accordance with N.R.C. Section 52.136, the State shall have a first lien upon all of the pooled mineral produced from the unit to secure payment of all unpaid royalty and other sums of money that may become due under this agreement. By acceptance of this agreement, Lessee grants the State, in addition to the lien provided by N.R.C. Section 52.136 and any other applicable statutory lien, an express contractual lien on and security interest in all pooled minerals in and extracted from the pooled area, all proceeds which may accrue to Lessee from the sale of such minerals, whether such proceeds are held by Lessee or by a third party, and all fixtures on and improvements to the pooled area used in connection with the production or processing of such minerals in order to secure the payment of all royalties or other amounts due or to become due under this agreement and to secure payment of any damages or loss that Lessor may suffer by reason of Lessee's breach of any covenant or condition of this agreement, whether express or implied. This lien and security interest may be foreclosed with or without court proceedings in the manner provided in the Title 1, Chapter 9 of the Texas Business and Commerce Code. Lessee agrees that the Commissioner may require Lessee to execute and record such instruments as may be reasonably necessary to acknowledge, attach or perfect this lien. Lessee hereby represents that there are no prior or superior liens arising from and relating to Lessee's activities upon the above-described property or from Lessee's pooling of the area. Should the Commissioner at any time determine that this representation is not true, then the Commissioner may declare this agreement forfeited as provided herein.

15. FORFEITURE: If Lessee shall fail or refuse to make the 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, the School Land Board, or the Railroad Commission, 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 Lessee shall knowingly violate any of the material provisions of this agreement, or if this agreement is assigned and the assignment is not filed in the General Land Office as required by law, the rights acquired under this agreement 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 or pooling. However, nothing herein shall be construed as waiving the automatic termination of this agreement by operation of law or by reason of any special limitation arising hereunder. Forfeitures may be set aside and this agreement and all rights thereunder reinstated before the rights of another intervene upon satisfactory evidence to the Commissioner of the General Land Office of future compliance with the provisions of the law and of this agreement and the rules and regulations that may be adopted relative hereto.

16. RIVERBED TRACTS: Lessee is hereby specifically granted the right of eminent domain and condemnation as provided for in N.R.C. Sections 52.092-52.093, as a part of the consideration moving to Lessor for the covenants herein made by Lessee.

17. APPLICABLE LAWS AND DRILLING RESTRICTIONS: This agreement shall be subject to all rules and regulations, and amendments thereto, promulgated by the Commissioner of the General Land Office governing drilling and producing operations on Permanent Free School Land (specifically including any rules promulgated that relate to plans of operations), payment of royalties, and auditing procedures, and shall be subject to all other valid statutes, rules, regulations, orders and ordinances that may affect operations under the provisions of this agreement. Without limiting the generality of the foregoing, Lessee hereby agrees, by the acceptance of this agreement, to be bound by and subject to all statutory and regulatory provisions relating to the General Land Office's audit billing notice and audit hearings procedures. Said provisions are currently found at Texas Natural Resources Code Sections 52.135 and 52.137 through 52.140

18. REMOVAL OF EQUIPMENT: Upon the termination of this agreement, Lessee shall not, in any event, be permitted to remove the casing or any part of the equipment from any producing, dry, or abandoned well or wells on State Land without the written consent of the Commissioner of the General Land Office or his authorized representative; nor shall Lessee, without the written consent of said Commissioner or his authorized representative remove from the pooled area the casing or any other equipment, material, machinery, appliances or property owned by Lessee and used by Lessee in the development and production of the pooled mineral therefrom until all dry or abandoned wells have been plugged and until all slush or refuse pits have been properly filled and all broken or discarded lumber, machinery, or debris shall have been removed from the premises to the satisfaction of the said Commissioner or his authorized representative.

19. FORCE MAJEURE: Should Lessee be prevented from complying with any express or implied covenant of this agreement, from conducting drilling operations thereon, or from producing the pooled mineral therefrom, after effort made in good faith, by reason of war, rebellion, riots, strikes, fires, acts of God or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended upon proper and satisfactory proof presented to the Commissioner of the General Land Office in support of Lessee's contention and Lessee shall not be liable for damages for failure to comply therewith (except in the event of operations suspended as provided in the rules and regulations adopted by the School Land Board); and this agreement shall be extended while and so long as Lessee is prevented, by any such cause, from drilling, reworking operations or producing the pooled mineral from the pooled area; provided, however, that nothing herein shall be construed to suspend the or to abridge Lessee's right to a suspension under any applicable statute of this State.

20. SECURITY: Lessee shall take the highest degree of care and all proper safeguards to protect said premises and to prevent theft of oil, gas, and other hydrocarbons produced from the pooled area. This includes, but is not limited to, the installation of all necessary equipment, seals, locks, or other appropriate protective devices on or at all access points of the pooled area's production, gathering and storage systems where theft of hydrocarbons can occur. Lessee shall be liable for the loss of any hydrocarbons resulting from theft and shall pay the State of Texas royalties thereon as provided herein on all oil, gas or other hydrocarbons lost by reason of theft.

21. SUCCESSORS AND ASSIGNS: The covenants, conditions and agreements contained herein shall extend to and be binding upon the heirs, executors, administrators, successors or assigns of Lessee herein.

22. ANTIQUITIES CODE: In the event that any site, object, location, artifact or other feature of archaeological, scientific, educational, cultural, archeological or historical interest are encountered on Permanent School Fund Land during the activities authorized by this agreement, Lessee will immediately cease activities and will immediately notify the General Land Office (ATTN: Archaeologist, Asset Management Division, 1700 N. Congress Ave., Austin, Texas 78701) and the Texas Historical Commission (P.O. Box 12276, Austin, TX 78711) so that adequate measures may be undertaken to protect or recover such discoveries or findings, as appropriate. Lessee is expressly placed on notice of the National Historical Preservation Act of 1966 (PB-89-66, 80 Statute 915; 16 U.S.C.A. 470) and the Antiquities Code of Texas, Chapter 191, Tex. Nat. Code Ann. (Vernon 1993 & Supp. 1998).

23. VENUE: Lessor and lessee, hereby agree that venue for any dispute arising out of a provision of this agreement, whether express or implied, regarding interpretation of this agreement, or relating in any way to this agreement or to applicable case law, statutes, or administrative rules, shall be in a court of competent jurisdiction located in Travis County, State of Texas.

24. FILING: Pursuant to Chapter 9 of the Tex. Bus. & Com. Code, this agreement must be filed of record in the office of the County Clerk in any county in which all or any part of the pooled area is located, and recorded copies thereof must be filed in the General Land Office.

EXHIBIT "2"

PURPOSES:

1.

This Pooling Agreement ("Agreement") is made for the purposes of conservation and utilization of the pooled mineral, to prevent waste, to facilitate orderly development and to preserve correlative rights. To such end, it is the purpose of this Agreement to effect equitable participation within the unit. This Agreement is intended to be performed pursuant to and in compliance with all applicable statutes, decisions, regulations, rules, orders and directives of any governmental agency having jurisdiction over the production and conservation of the pooled mineral and in its interpretation and application shall, in all things, be subject thereto.

UNIT DESCRIPTION:

2.

The oil and gas leases, which are included within the pooled unit, are listed on the attached Exhibit "A", to which leases and the records thereof reference is here made for all pertinent purposes. The pooled unit shall consist of all of the lands described in Exhibit "B" attached hereto and made a part hereof. A plat of the pooled unit is attached hereto as Exhibit "C".

MINERAL POOLED:

3.

The mineral pooled and unitized ("pooled mineral") hereby shall be oil and gas including all hydrocarbons that may be produced from an oil well or a gas well as such wells are recognized and designated by the Railroad Commission of Texas or other state regulatory agency having jurisdiction of the drilling and production of oil and gas wells. The pooled mineral shall extend to those depths underlying the surface boundaries of the pooled unit from the surface to 100 feet below the deepest depth drilled on the unit in any well drilled by Lessee, its successors or assigns, which is spud within one (1) year of the effective date of this Agreement ("unitized interval").

POOLING AND EFFECT:

4.

The parties hereto commit all of their interests which are within the unit to the extent and as above described into said unit and unitize and pool hereunder the separate tracts described on the attached Exhibit "B", for and during the term hereof, so that such pooling or unitization shall have the following effect:

- (a) The unit, to the extent as above described, shall be operated as an entirety for the exploration, development and production of the pooled mineral, rather than as separate tracts.
- (b) All drilling operations, reworking or other operations with respect to the pooled mineral on land within the unit shall be considered as though the same were on each separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this Agreement.
- (c) Production of the pooled mineral from the unit allocated to each separate tract, respectively, as hereinafter provided, shall be deemed to have been produced from each such separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this Agreement.
- (d) All rights to the production of the pooled mineral from the unit, including royalties and other payments, shall be determined and governed by the lease or other contract pertaining to each separate tract, respectively, based upon the production so allocated to such tract only, in lieu of the actual production of the pooled mineral therefrom.
- (e) A shut-in oil or gas well located upon any land or lease included within said unit shall be considered as a shut-in oil or gas well located upon each tract or lease included within said unit.
- (f) If the Railroad Commission of Texas (or any other Texas regulatory body having jurisdiction) shall adopt special field rules providing for oil and/or gas proration units of less than 160 acres, then Lessee agrees to either (1) drill to the density permitted by the Railroad Commission, (2) make application to the School Land Board of the State of Texas to reform the unit to comply with Railroad Commission unit rules, or (3) make application to the School Land Board of the State of Texas for such remedy as may be agreeable to the Board.

- (g) This Agreement shall not relieve Lessee from the duty of protecting the State lands within the boundaries of the pooled unit described in Exhibit "B" from drainage from any well situated on privately owned land, lying outside the unitized area described in Exhibit "B", but, subject to such obligation, Lessee may produce the allowable for the entire unit as fixed by the Railroad Commission of Texas or other lawful authority, from any one or more wells completed thereon.
- (h) There shall be no obligation to drill internal offsets to any other well on separate tracts within the pooled unit, nor to develop the lands within the boundaries thereof separately, as to the pooled mineral.

ALLOCATION OF PRODUCTION:

5.

For the purpose of computing the share of production of the pooled mineral to which each interest owner shall be entitled from the pooled unit, there shall be allocated to each tract committed to said unit that pro rata portion of the pooled mineral produced from the pooled unit which the number of surface acres covered by each such tract and included in the unit bears to the total number of surface acres included in said unit, and the share of production to which each interest owner is entitled shall be computed on the basis of such owner's interest in the production so allocated to each tract.

DISSOLUTION:

6.

The unit covered by this Agreement may be dissolved by Lessee, his heirs, successors or assigns, by an instrument filed for record in Brazos and Madison Counties, Texas, and a certified copy thereof filed in the General Land Office at any time after the cessation of production on said unit or the completion of a dry hole thereon prior to production or upon such other date as may be approved by the School Land Board and mutually agreed to by the undersigned parties, their successors or assigns.

RATIFICATION/WAIVER:

7.

Nothing in this Agreement, nor the approval of this Agreement by the School Land Board, nor the execution of this Agreement by the Commissioner shall: (1) operate as a ratification or revivor of any State lease or Pooling Agreement that has expired, terminated, or has been released in whole or in part or terminated under the their terms or the laws applicable thereto; (2) constitute a waiver or release of any claim for money, oil, gas or other hydrocarbons, or other thing due to the State by reason of the existence or failure of such lease or Pooling Agreement; (3) constitute a waiver or release of any claim by the State that such lease or Pooling Agreement is void or voidable for any reason, including, without limitation, violations of the laws of the State with respect to such lease or Pooling Agreement or failure of consideration; (4) constitute a confirmation or recognition of any boundary or acreage of any tract or parcel of land in which the State has or claims an interest; or (5) constitute a ratification of, or a waiver or release of any claim by the State with respect to any violation of a statute, regulation, or any of the common laws of this State, or any breach of any contract, duty, or other obligation owed to the State.

Exhibit "A"

Oil and Gas Leases contributing to the Woodbine Acquisition Corporation, 160 acre, Wilson #3H Unit, Brazos and Madison Counties, Texas:

1) Oil and Gas Lease - James D. Wilson, et al, to Curran Campbell, Inc., Dated 8/29/74, Recorded 10/11/74, Volume 21, Page 667, Brazos County, Texas, containing 2,072.33 acres, of which 157 acres are located in the J. K. Davis Survey, A-103, Brazos County, Texas, and the E. Edwards Survey, A-93, Madison County, Texas, and which comprise part of the Wilson #3H Unit;

3) The State of Texas to Woodbine Acquisition Corporation, M-113172, being 3 acres of the Navasota River (said 3 acres heretofore referred to as the "unleased interest"), located in the J. K. Davis Survey, A-103, Brazos County, Texas and the E. Edwards Survey, A-93, Madison County, Texas, and contained within the boundaries of the Wilson #3H Unit.

EXHIBIT "B"

160 ACRES
WOODBINE
WILSON NO. 3H UNIT
T. FITZGERALD SURVEY, A - 97 (MADISON COUNTY)
J. K. DAVIS SURVEY, A - 103 (BRAZOS COUNTY)
MADISON AND BRAZOS COUNTIES, TEXAS
AUGUST, 2011

All that certain lot, tract or parcel of land being 160 acres and being situated in the T. FITZGERALD SURVEY, Abstract No. 97, Madison County, Texas and the J. K. DAVIS SURVEY, Abstract No. 103, Brazos County, Texas, and being a part of the following tracts: 1) Being a part of the STATE OF TEXAS NAVASOTA RIVER TRACT (No Deed of Record found), 2) Being a part of the James D. Wilson Jr. Called 450 acre tract as described of record in Volume 2535, Page 163, and referenced as Tract Eight and described in Volume 80, Page 417, Deed Records of Brazos County, Texas, 3) Being a part of the James D. Wilson Jr. Called 417.4 acre tract as described of record in Volume 2535, Page 163, and referenced as Tract Two and described in Volume 43, Page 494, Deed Records of Brazos County, Texas, 4) Being a part of the James D. Wilson Jr. Called 85.5 acre tract as described of record in Volume 2535, Page 163, and referenced as Tract Five and described in Volume 156, Page 317, Deed Records of Brazos County, Texas, and 5) Being a part of the F.C. Herrling Called 563.33 acre tract as described of record in Volume 50, Page 517, Madison County, Texas, said 160 acre tract being more particularly described by metes and bounds as follows:

BEGINNING at a point in the calculated east line of said Called 563.33 acre tract for the northeast corner, a 1/2" Iron Rod found for the most northerly northeast corner of said Called 563.33 acre tract bears N 6 ° 33 ' 19 " E a distance of 1287.29 feet;

THENCE S 6 ° 33 ' 19 " W, along the calculated east line of said Called 563.33 acre tract a distance of 800.33 feet to a point for the southeast corner;

THENCE N 85 ° 32 ' 02 " W, a distance of 6582.94 feet to a point for the southwest corner;

THENCE N 2 ° 48 ' 21 " E, a distance of 1260.83 feet to a point for the northwest corner;

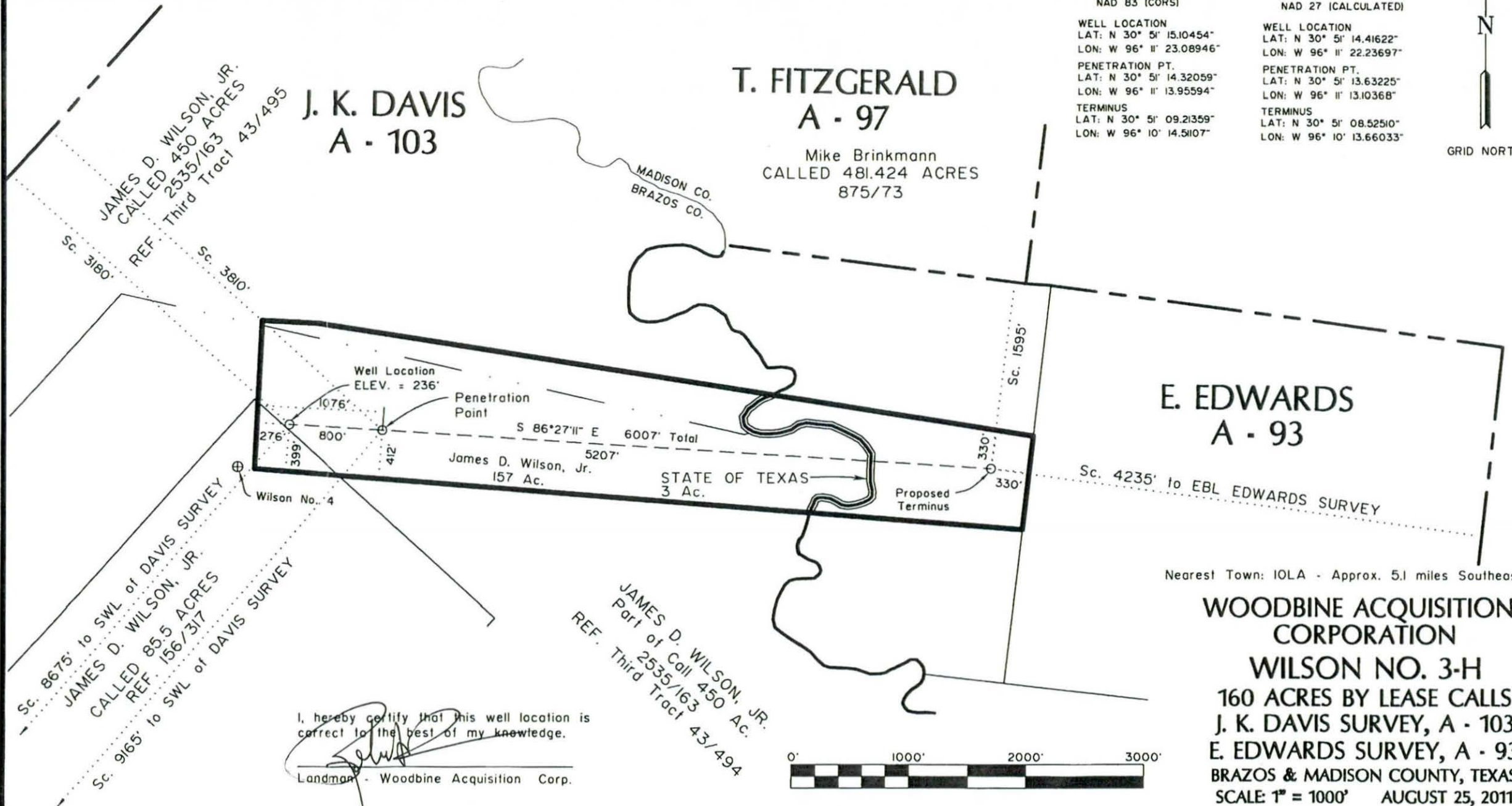
THENCE S 87 ° 11 ' 39 " E, a distance of 477.14 feet to a point for angle point;

THENCE S 81 ° 08 ' 21 " E, a distance of 6189.91 feet to the PLACE OF BEGINNING containing 160 acres of land more or less.

Acreage for Unit Tracts is shown by Deed Calls as furnished by PMO.
 Acreages may not reflect actual acreages if surveyed on the ground,
 nor will it show any possible conflicts between properties.
 Acreages in roadways are not included in Total Unit Acreage.
 The boundaries for the well lies are from an on the ground survey.

NOTES:
 Bearing Base is Texas State Plane central Zone NAD83 (CORS96) derived
 by utilizing GPS methods.

NAD 83 (CORS)	NAD 27 (CALCULATED)
WELL LOCATION	WELL LOCATION
LAT: N 30° 5' 15.10454"	LAT: N 30° 5' 14.41622"
LON: W 96° 11' 23.08946"	LON: W 96° 11' 22.23697"
PENETRATION PT.	PENETRATION PT.
LAT: N 30° 5' 14.32059"	LAT: N 30° 5' 13.63225"
LON: W 96° 11' 13.95594"	LON: W 96° 11' 13.10368"
TERMINUS	TERMINUS
LAT: N 30° 5' 09.21359"	LAT: N 30° 5' 08.52510"
LON: W 96° 10' 14.5107"	LON: W 96° 10' 13.66033"



I, hereby certify that this well location is
 correct to the best of my knowledge.

 Landman - Woodbine Acquisition Corp.



Nearest Town: IOLA - Approx. 5.1 miles Southeast

WOODBINE ACQUISITION CORPORATION
WILSON NO. 3-H
 160 ACRES BY LEASE CALLS
 J. K. DAVIS SURVEY, A - 103
 E. EDWARDS SURVEY, A - 93
 BRAZOS & MADISON COUNTY, TEXAS
 SCALE 1" = 1000' AUGUST 25, 2011

JAMES D. WILSON, JR.
 CALLED 450 ACRES
 REF. Third Tract 43/495
 Sc. 3180'
 Sc. 3810'
 Sc. 8675' to SWL of DAVIS SURVEY
 CALLED 85.5 ACRES
 REF. 156/317
 Sc. 9165' to SWL of DAVIS SURVEY

J. K. DAVIS
 A - 103

T. FITZGERALD
 A - 97

Mike Brinkmann
 CALLED 481.424 ACRES
 875/73

E. EDWARDS
 A - 93

JAMES D. WILSON, JR.
 Part of Call 450 Ac.
 REF. Third Tract 43/494

Well Location
 ELEV. = 236'
 Penetration Point
 S 86°27'11" E 6007' Total
 5207'
 James D. Wilson, Jr.
 157 Ac.
 STATE OF TEXAS
 3 Ac.
 Proposed Terminus

MADISON CO.
 BRAZOS CO.

Sc. 1595'

Sc. 4235' to EBL EDWARDS SURVEY

Wilson No. 4

3

File No. M- 113172
Polim Agreement Packet # 5175
Wilson #3-H Unit
Date Filed: 10/24/11
Jerry E. Patterson, Commissioner
By: Darryl Mays

TEXAS



GENERAL LAND OFFICE

JERRY PATTERSON, COMMISSIONER

October 24, 2011

Mr. Clark Jobe
McElroy, Sullivan & Miller, L.L.P.
P. O. Box 12127
Austin, Texas 78711-2127

RE: 52.076 Pooling Agreement
Woodbine Acquisition Corporation
Wilson #3-H Unit
M-113172 – GLO Unit No. 5175
Brazos and Madison Counties, Texas

Dear Clark:

Enclosed is a duplicate original of the above referenced Pooling Agreement that has been executed by Jerry E. Patterson, Commissioner of the Texas General Land Office. We have retained the other duplicate original of the Agreement, which will be filed in Mineral File **M-113172**. Please have your client refer to this file number when reporting and paying royalties to the State and in all future correspondence involving the State's unleased mineral interest within the referenced unit. This Unit has been assigned **GLO Unit No. 5175**, for the purpose of filing unit royalty reports with the GLO.

We also hereby acknowledge receipt of the check for \$900.00 as the consideration to the State for pooling the unleased interest.

Thank you for your assistance with this matter, if you have any questions, please do not hesitate to contact me.

Sincerely,

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

Enclosure 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

(4)

File No. M-113172
ltr. to Clerk John

Date Filed: 10/24/71
Jerry E. Patterson, Commissioner

By Daryl Morgan



RRC 3

MF113172

OIL AND GAS DIVISION ORDER

December 2, 2011

To: Woodbine Acquisition Company
777 Main Street, Suite 1400
Fort Worth, TX 76102

Each party signing below (the "Owner") represents that he/she owns the interest set opposite his/her name in the oil, including condensate and other liquid hydrocarbons, and gas, including casinghead gas and other gaseous substances, or their proceeds, produced from the land described as follows (the "Lands"):

Table with 2 columns: Division Order No., Operator, Lease or Unit Name and Description. Row 1: WILSON 3H

(J. K. DAVIS, A-103; E. EDWARDS, A-93)

Commencing as of first production WILSON 3H and until further written notice, Owner authorizes you, your nominee or agent to receive, purchase and pay for production from the Lands as follows:

Table with 3 columns: Credit To, Interest/Type, Address. Row 1: STATE OF TEXAS, RI; 0.00468750, 1700 NORTH CONGRESS AVE. Row 2: STEPHEN F AUSTIN BUILDING, AUSTIN, TX 78701

Interest Types RI= Royalty Interest WI= Working Interest
PP= Production Payment ORRI Overriding Royalty Interest

OIL. Oil purchased shall become your property when delivered to you or any carrier or nominee designated by you. You will make settlement for Owner's interest in oil at: (1) your posted price in effect on the date of delivery for the same kind and quality of oil in the field where produced; or, (2) if sold by you to another purchaser, at the price received by you from that purchaser; less, in either case, transportation expense, if any, to the point of delivery designated by you or the purchaser.

Quantity and quality of oil purchased under this Division Order will be determined in compliance with practices prevailing at the place of delivery and applicable governmental rules and regulations. You or your nominee may require oil to be treated, at Owner's expense, to render it merchantable.

GAS. In making settlement for Owner's interest in gas: (1) you may use the net proceeds received by you at the well(s); or (2) if gas is sold or used off the premises, you may use the market value at the well(s) of the gas sold or used off the premises, provided the market value used will not exceed the net proceeds you derived from the sale or use off the premises.

COMMINGLED PRODUCTION. If oil or gas is commingled with like production from other separately owned land prior to delivery, Owner's interest in the commingled production will be determined by meter measurements, periodic well tests, or any other method generally accepted in the industry as an equitable basis for determining the quantity and quality of the production sold or delivered from each separately owned source of production.

UNITIZATION. If the land described above is now or later becomes a part of a unit or units formed by governmental authority or by voluntary act, this division order will be subject to the terms of the agreement establishing each Unit and settlement to Owner will be made on the basis of unit production allocated to Owner's interest. No additional division orders will be required.

TIME OF SETTLEMENT. Settlement will be made monthly by check mailed to Owner, less any production, severance, occupation or other tax required to be paid with respect to Owner's interest. If the proceeds in any month amount to less than \$___, you may defer settlement until the accruals total that sum, provided settlement will be made at least once each calendar year.

CHANGE OF OWNERSHIP. You will not be responsible for any changes of ownership until you receive notice and satisfactory proof of the change in ownership. Owner agrees to notify you in writing of any change in his or her ownership and agrees any transfer, assignment, or conveyance of all or part of his or her interest will be made subject to this division order. Changes in ownership will be effective at 7:00 a.m. on the first day of the calendar month in which notice is received by you. You will not be responsible for determining when an interest increases, decreases, terminates, or is transferred as a result of payment of money, lapse of time, or any other reason. Until you receive notice in writing to the contrary, you may continue to make settlement in the manner provided in this



Division Order. If written notice of change of ownership is not received by you, you will be held harmless for errors of over, under, or wrong payment.

TITLE. When requested, Owner will furnish evidence of title satisfactory to you as of the effective date of this division order and at any later time. If evidence of title is not furnished, or in the event of a claim or controversy which, in your opinion, affects Owner's title, you may, without interest and any liability, hold the amounts credited to Owner until indemnity satisfactory to you has been furnished, or until the claim or controversy is settled to your satisfaction.

INDEMNITY. Owner agrees to protect and indemnify you from and against any loss or expense, including all reasonable costs and attorney's fees, which you may incur by reason of your purchase of and/or payment for Owner's interest under this Division Order, regardless of how the loss, expense, cost or fees may arise.

BINDING EFFECT. When signed, this Division Order will be binding on each Owner and his or her legal representatives, successors, and assigns regardless of the failure or refusal of any other party to sign the Division Order.

FAILURE TO PROVIDE A PROPER TAXPAYER IDENTIFICATION NUMBER MAY SUBJECT PAYMENTS TO FEDERAL INCOME TAX WITHHOLDING.

Owner's Name

Owner's Signature

Taxpayer No. or
Social Security Number

STATE OF TEXAS

STEPHEN F AUSTIN BUILDING



Woodbine Acquisition Company

777 Main Street, Suite 1400

Fort Worth, TX 76102

(817) 332.7400 – main

(817) 332.7401 - fax

December 2, 2011

STATE OF TEXAS
1700 NORTH CONGRESS AVE.
AUSTIN, TX 78701

RE: Division Order
WILSON 3H
Brazos & Madison County, Texas

Dear Owners,

Enclosed, in duplicate, is the Division Order for the WILSON 3H well in Madison County, Texas. Please verify your interest, sign one copy of the division order, fill out the W-9 and return to my attention at your very earliest convenience at the letterhead address. The extra copy is for you to keep for your records. Your interest will be placed in suspense until we receive your signed Division Order back. Once we receive it back in house your interest will then be placed in a pay status.

Thank you very much for your patience. Please let me know if you have any questions.

Sincerely,

Debra Hazelton


Debra Hazelton
Landman

5.

File No. 113172

DIVISION ORDER

Date Filed: 12/05/11
Jerry E. Patterson, Commissioner

DV 

12 27

RRC ONLINE SYSTEM

Oil & Gas Data Query

Query Menu Help

Specific Lease Query Results

Query Path: [Search Criteria](#) > District: 03
 Date Range: Jun 2012 to May 2013

Related Links
[O&G Directory](#)
[O&G Proration Schedule](#)
[Offshore County Map](#)

[Production and Total Disposition](#) [Disposition Details](#) [County Production](#)

Search Criteria:
 Lease Name: **WILSON , Lease No.: 25890**
 Well Type: Oil
 District: 03
 Lease Production and Disposition
 Date Range: Jun 2012 - May 2013

11 - 12 of 12 results [[<<First](#)] [[<Previous](#)] [[Next>](#)] [[Last>>](#)] | Page: 1 2 of 2 Page Size: 10

Date	OIL (BBL)		Casinghead (MCF)		Operator Name	Operator No.	Field Name	Field No.
	Production	Disposition	Production	Disposition				
Apr 2013	4,198	3,898	8,767	8,767	WOODBINE ACQUISITION LLC	937857	MADISONVILLE, W. (WOODBINE -A-)	56599500
May 2013	4,253	4,437	9,207	9,207				
Total	78,581	78,863	144,362	144,362				

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RRC ONLINE SYSTEM

Oil & Gas Data Query

[Query Menu](#) [Help](#)

Specific Lease Query Results

Query Path: [Search Criteria](#) > District: 03
 Date Range: Jun 2012 to May 2013

Related Links
[O&G Directory](#)
[O&G Proration Schedule](#)
[Offshore County Map](#)

[Production and Total Disposition](#) [Disposition Details](#) [County Production](#)

Search Criteria:

Lease Name: **WILSON**, Lease No.: **25890**

Well Type: Oil

District: 03

Lease Production and Disposition

Date Range: Jun 2012 - May 2013

1 - 10 of 12 results

[<<First] [<Previous] [Next>] [Last>>] | Page: 1 2 of 2

Page Size: 10

Date	OIL (BBL)		Casinghead (MCF)		Operator Name	Operator No.	Field Name	Field No.
	Production	Disposition	Production	Disposition				
Jun 2012	10,328	10,348	14,418	14,418	WOODBINE ACQUISITION CORPORATION	937855	MADISONVILLE, W. (WOODBINE -A-)	56599500
Jul 2012	10,350	10,525	17,177	17,177				
Aug 2012	8,549	8,447	15,152	15,152				
Sep 2012	7,836	7,673	14,872	14,872				
Oct 2012	6,943	7,353	13,943	13,943				
Nov 2012	5,807	5,705	11,168	11,168	WOODBINE ACQUISITION LLC	937857	MADISONVILLE, W. (WOODBINE -A-)	56599500
Dec 2012	5,648	5,603	10,934	10,934				
Jan 2013	5,466	5,761	10,922	10,922				
Feb 2013	4,519	4,334	8,662	8,662				
Mar 2013	4,684	4,779	9,140	9,140				

[Disclaimer](#) | [RRC Home](#) | [Contact](#)

Operator/Wellbore/PDQ Results

Print

OPERATOR/WELLBORE

API: 041-32070

WELLBORE STATUS	OPEN
LAST PERMIT ISSUED	723593
LAST PERMIT OPERATOR NUMBER	937855
LAST PERMIT OPERATOR	WOODBINE ACQUISITION CORPORATION
LAST PERMIT LEASE NAME	WILSON
TOTAL DEPTH	8423
SURFACE LOCATION	Land
ABSTRACT	103
SURVEY	DAVIS, J K
BLOCK	
SECTION	
DISTANCE 1	8675
DIRECTION 1	SOUTHWEST
DISTANCE 2	3180
DIRECTION 2	NORTHWEST

Oil/Gas Imaged Records for API: 041-32070

COMPLETION INFORMATION

PRORATION SCHEDULE	OIL
DISTRICT	03
LEASE/ID	25890
OPERATOR NUMBER	937857
OPERATOR	WOODBINE ACQUISITION LLC
LEASE NAME	WILSON
FIELD	MADISONVILLE, W. (WOODBINE -A-)
WELL NUMBER	3H
TYPE WELL	PRODUCING
ON SCHEDULE	YES

Production Data Query(PDQ)

Oil/Gas Imaged Records for Lease/ID: 25890

PLUGGING INFORMATION

DATE PLUGGED	
PLUG DEPTH	
PLUGGING OPERATOR	
PLUGGED LEASE	

Well Inventory Detail

RRC Well Number: **3H**
RRC Number: **25890**
RRC District: **03**
RRC Lease Type: **OIL**
API Number: **4204132070**

RRC Field Name: **MADISONVILLE, W**
Pool Name: **WOODBINE -A-**
Formation: **WOODBINE -A-**
Primary Product Code: **O**
Well Type: **P**

Last Month Oil Production:
Last 12 Months Oil Production: **145662**

Last Month Gas Production:
Last 12 Months Gas Production: **172309**

Last Month Water Production:
Last 12 Months Water Production: **48644**

Current Well Status: **P**
Well Completion Date: **10/20/2011**

First Production Date: **11/01/2011**
Last Production Date: **12/31/2012**

Total Measured Depth: **13820**
Wellbore Direction: **H**

Top Depth: **7423**
Base Depth: **8741**

Surface Latitude: **30.8543000000**
Surface Longitude: **-96.1898300000**

GLO Lease Number: **MF113172**
GLO Unit Number: **5175**

RRC Lease Name: **WILSON**
RRC Operator: **WOODBINE ACQUISITION CORPORATION**
Oil Purchaser/Transporter: **ENTERPRISE CRUDE OIL LLC**
Gas Purchaser/Transporter: **NAVASOTA PIPELINE COMPANY LLC**

Last IHSE Update: **04/22/2013**
County: **BRAZOS**

Handwritten notes:
Date Effected: 05/01/13
Landed about
Landed about

File No. MF13172 ^(C)

Production Report

Date Filed: 07/26/2013

Jerry E. Patterson, Commissioner

By JEP

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 OF RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER

**HORIZONTAL WELL AGREEMENT
(WAYNE 1H)**

STATE OF TEXAS §
 §
COUNTY OF MADISON §

Reference is made for all purposes to the following:

- A. The well ("Horizontal Well") and tracts (the "Tracts") depicted on Exhibit "A" hereto;
- B. The leases described on Exhibit "B" hereto (the "Leases").

MD America Energy, LLC ("Operator") plans to drill the Horizontal Well in the Woodbine -A-Field(s), the approximate location of which is depicted on Exhibit "A" attached hereto. Each of the undersigned Interest Owners is an owner of interest in the minerals, royalties and/or executive rights in and under one or more of the Tracts and Leases;

For TEN DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Operator and the undersigned agree to the following:

1. Production from the Horizontal Well shall be allocated to each of the Tracts (including Tracts, if any, that are covered by pooled units) proportionately based upon the portion of the Horizontal Well open for production and located beneath each such Tract. The allocated share of production for each Tract shall be a fraction, the denominator of which is the entire length of the Horizontal Well from the first perforation to the last perforation, and the numerator of which will be the portion of the "as drilled" Horizontal Well beneath that Tract and located between the first and last perforations. Once allocated to each Tract, proceeds of production shall be paid in accordance with the respective Leases, applicable pooled units (if any), and any other agreements or contracts applicable to each individual Tract. The allocation of production to each Tract shall be determined based upon the final "as drilled" survey of the Horizontal Well.
2. Operations on or production from the Horizontal Well shall be treated as actual operations on or production from each of the Tracts. Each Interest Owner agrees that Operator shall have the right to make reasonable use of the surface of the Tracts and Leases for the purpose of exploring, drilling, producing, transporting and marketing oil and gas and their constituent elements from the Horizontal Well.
3. Production from the Horizontal Well shall not create any offset obligation, either expressed or implied. This agreement does not affect ownership of any other well or wells drilled or to be drilled on or under any of the Tracts.
4. This agreement shall become effective upon first production from the Horizontal Well, and thereafter remain in effect so long as there is production from or operations on the Horizontal Well in compliance with the terms of the leases or applicable instruments. In the event the Horizontal Well is plugged back or recompleted in such manner that the wellbore is no longer open to more than one Tract, or in the event the Horizontal Well is no longer capable of producing in paying quantities, then Operator may terminate this Agreement by filing a notice of termination to that effect in the records of Madison County, Texas. This Agreement shall become binding as to each Interest Owner upon such owner's execution regardless of whether all Interest Owners have executed this Agreement.

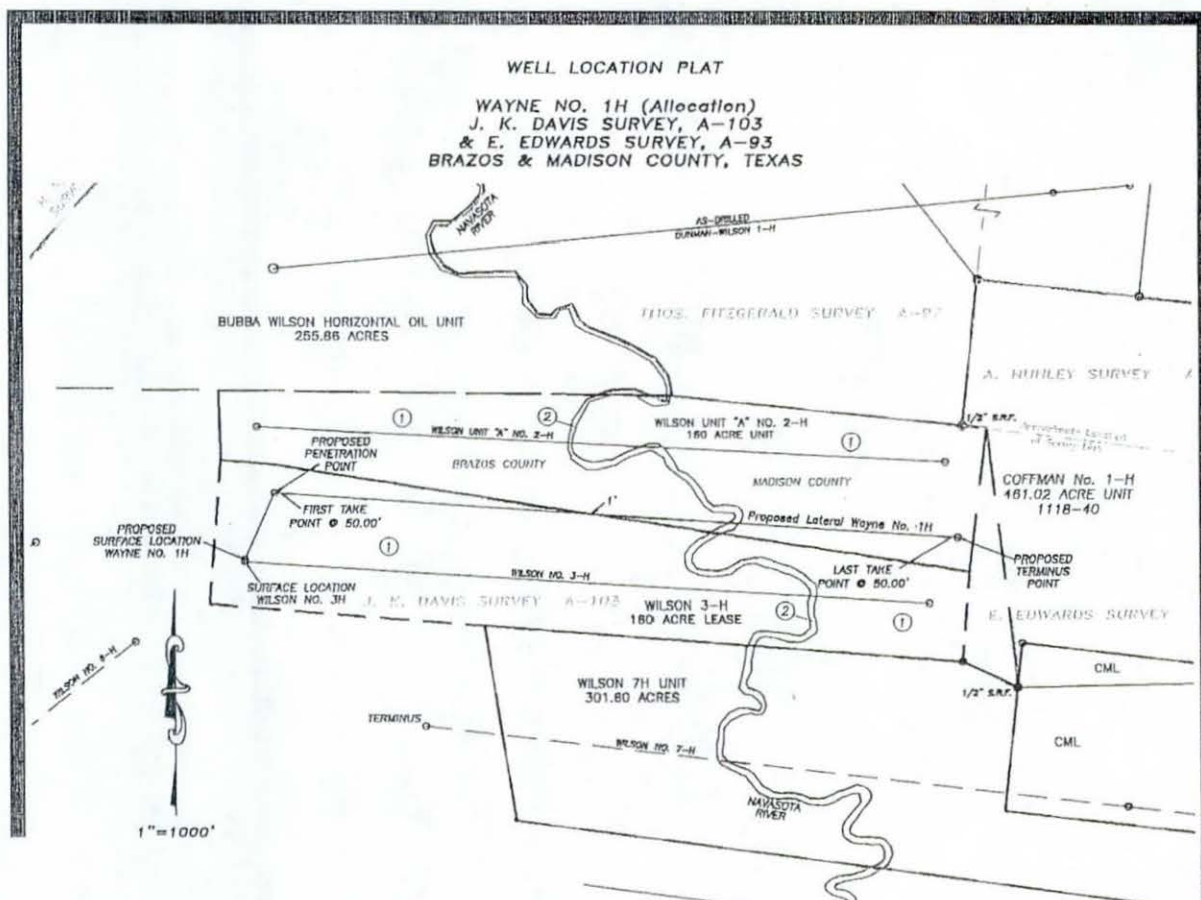
This instrument may be executed in multiple counterparts, each of which may be given the same effect as the execution of the original instrument. The executed counterparts may be combined into one or more instrument for recordation by combining signature pages and acknowledgements. This agreement shall be effective for all purposes as a single instrument.

Executed to be effective as stated in Paragraph 4 above.

[signature pages follow]

EXHIBIT "A"

HORIZONTAL WELL AGREEMENT
MD AMERICA ENERGY, LLC, ET AL
WAYNE 1H



SURFACE LOCATION	
N.A.D. 1983	N.A.D. 1927
TX. CENTRAL ZONE LAT: 30° 51' 15.251" LONG: 98° 11' 23.072" N: 10288626.59' E: 32986430.08' ELEVATION: 237'	TX. CENTRAL ZONE LAT: 30° 51' 14.563" LONG: 98° 11' 22.219" N: 426045.00' E: 3298950.42'

PROPOSED PENETRATION POINT	
N.A.D. 1983	N.A.D. 1927
TX. CENTRAL ZONE LAT: 30° 51' 21.037" LONG: 98° 11' 19.809" N: 10289221.23' E: 3298682.49'	TX. CENTRAL ZONE LAT: 30° 51' 20.349" LONG: 98° 11' 18.986" N: 426639.66' E: 3300212.85'

PROPOSED TERMINUS	
N.A.D. 1983	N.A.D. 1927
TX. CENTRAL ZONE LAT: 30° 51' 14.853" LONG: 98° 10' 11.381" N: 10288819.58' E: 3802875.78'	TX. CENTRAL ZONE LAT: 30° 51' 14.184" LONG: 98° 10' 10.830" N: 426238.00' E: 3306188.10'

WILSON NO. 3H UNIT ACREAGES

No.	Owner	Base Deed	Unit Acreage	Reference
1	James D Wilson, Jr.	450 Ac./563 1/3 Ac.	157 Ac.	2535-163/13-521
2	State of Texas	3 Ac.		
TOTAL: 160 Ac.				

WILSON "A" NO. 2H UNIT ACREAGES

No.	Owner	Base Deed	Unit Acreage	Reference
1	James D Wilson, Jr.	450 Ac./563 1/3 Ac.	157 Ac.	2535-163/13-521
2	State of Texas	3 Ac.		
TOTAL: 160 Ac.				

NEAREST TOWN:
North Zulch approximately 6.5 miles
to the Northeast.

Bearings shown hereon are based on Grid North, State Plane Coordinate System, NAD 27, Texas Central Zone.
Acreage for unit tracts shown by lease calls as furnished by Woodbine Acquisition. Acreages may not reflect actual acreages if surveyed on the ground. Well files are taken from an on the ground survey.

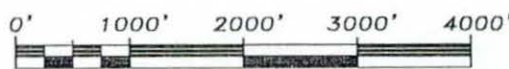
I, the undersigned, do hereby certify that this plat is true and correct to the best of my knowledge and belief.

April 28, 2014

PRELIMINARY, THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT.

Shane Graham
R.P.L.S. No. 6044

This plat represents the approximate planned location of the wellbores and exact as drilled well locations may differ. Production allocations shall be made based on the actual "as-drilled" location of the wells.



1519 Surveying, LLC

7111 Bosque Blvd. Suite 101 Waco, TX 76710 Ph: 254-776-1519 TBPLS Firm# 10198968
812 N. Dr. J.B. Riggs Drive Groesbeck, TX 76643 Ph: 254-799-7900 TBPLS Firm# 10118600

1519 Job: 6904
© Copyright 2014 1519 Surveying, LLC. The content, color, and style of this file protected by Copyright and all rights are reserved.

Drawn By: SG
Sheet 1 of 1
Prepared For: Woodbine

1519
www.1519surveying.com
www.1519gis.com

EXHIBIT "B"

**HORIZONTAL WELL AGREEMENT
MD AMERICA ENERGY, LLC, ET AL
WAYNE IH**

LESSOR: James D. Wilson, et al
LESSEE: Curran R. Campbell
LEASE DATE: 8/29/1974
RECORDED: Volume 21, Page 667, Deed Records, Madison County, Texas

LESSOR: The State of Texas
LESSEE: KCS, Resources, Inc.
LEASE DATE: 11/3/2009
RECORDED: Volume 1006, Page 14, Deed Records, Madison County, Texas

(7)

File No. M-11317Z
Horizontal Well Agent

Date Filed: 6/12/14
Jerry E. Patterson, Commissioner

By [Signature]



Information for processing an Internal Non Unit Transaction (iNut)
Length of Lateral

iNut No. 9134

GENERAL INFORMATION

Name of Well: Wayne 1H (Allocation)

API # 42-041-32287

Name of Operator: MD America Energy

RRC # 785386

Operator Contact Person: Shane Barnett

Phone: 817-288-7708

Counties: Brazos and Madison

ALLOCATION OF STATE UNITS AND/OR LEASES BASED ON LENGTH OF LATERAL

Lease Type	Unit/Lease No	Total Lateral Ft.	Unit or Lease Lateral Ft.	Unit or Lease Rylty Decimal	Lease Royalty Decimal	RRAC Participation Factor	State Participation by Unit/Lease
UR	5175/MF113172	5499.5	2141.37	0.00673865	0.25000000	0.01049546	0.00262386
UR	4624/MF110423	5499.5	3358.13	0.00468750	0.25000000	0.01144921	0.00286230
Totals:							0.00548617
Effective Date:	5/9/2014						State Net Royalty Revenue in Well

Name of Production Sharing Agreement, if any:

Comments:

Attach a plat showing the iNut well with length of laterals marked and the State lands marked.

Lease Types: Relinquishment Act Land (RAL), State Fee (SF), Free Royalty (FR), Unleased Riverbed (UR), Highway Right of Way (HROW), Unleased Highway (UH), Criminal Justice (TDCJ), Parks & Wildlife (TPW), Mineral Production Allocation (MPAA), Dept. of Aging (DADS), School for the Blind (SBVI), Stephen F. Austin (SFA), TX A&M (A&M).

Prepared by: MB Alamo updated by: MB WI updated by: MB

RAM approval by: SW GIS updated by: _____

Pooling Committee Report

To: School Land Board UPA158746

Date of Board Meeting: Unit Number: 9134

Effective Date: 05/09/2014

Unit Expiration Date:

Applicant: MD America Energy

Attorney Rep:

Operator: MD America Energy LLC, Fort Worth, Fort Worth

Unit Name: Wayne 1H (Allocation)

Field Name: MADISONVILLE, W. (WOODBINE -A-)

County: Brazos
Madison

<u>Lease Type</u>	<u>Lease Number</u>	<u>Lease Royalty</u>	<u>Expiration Date</u>	<u>Lease Term</u>	<u>Lease Acres</u>	<u>Lease Acres In Unit</u>	<u>Royalty Participation</u>
52.076	MF110423	0.25000000	11/03/2010	1 years	3.000000	0.000000	0.00286230
52.076	MF113172	0.25000000	10/04/2012	1 years	3.000000	0.000000	0.00262386

Private Acres:	0.000000
State Acres:	0.000000
Total Unit Acres:	0.000000

<u>Participation Basis:</u>	Length of Lateral
Surface Acreage	
<u>State Acreage:</u>	0.00%
<u>State Net Revenue Interest:</u>	0.55%

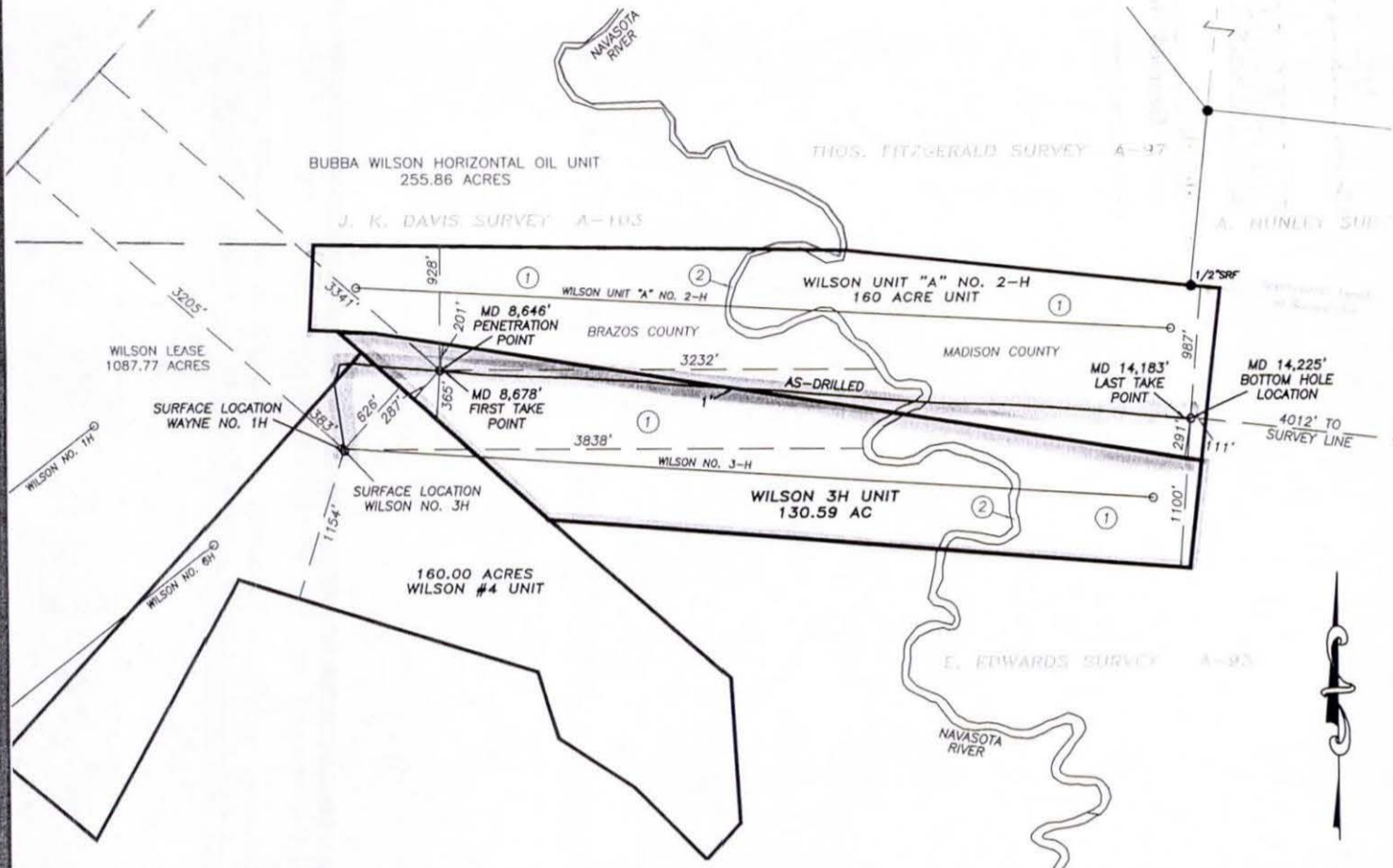
<u>Unit Type:</u>	<u>Unitized for:</u>
iNut	Oil And Gas
<u>Term:</u>	

<u>RRC Rules:</u>	<u>Spacing Acres:</u>
Yes	40 + Horizontal formula

i Nut 9134

42-041-32287

**AS-DRILLED WELL PLAT
MD AMERICA ENERGY
WAYNE NO. 1H (Allocation)
J. K. DAVIS SURVEY, A-103
& E. EDWARDS SURVEY, A-93
BRAZOS & MADISON COUNTY, TEXAS**



SURFACE LOCATION	
N.A.D. 1983	N.A.D. 1927
TX. CENTRAL ZONE LAT: 30° 51' 15.007" LONG: 96° 11' 22.947" N: 10298602.34' E: 3596441.86'	TX. CENTRAL ZONE LAT: 30° 51' 14.319" LONG: 96° 11' 22.094" N: 456020.75' E: 3299962.22'

PENETRATION POINT	
N.A.D. 1983	N.A.D. 1927
TX. CENTRAL ZONE LAT: 30° 51' 20.568" LONG: 96° 11' 14.549" N: 10299190.98' E: 3597152.40'	TX. CENTRAL ZONE LAT: 30° 51' 19.880" LONG: 96° 11' 13.696" N: 456609.39' E: 3300672.76'

BOTTOM HOLE LOCATION	
N.A.D. 1983	N.A.D. 1927
TX. CENTRAL ZONE LAT: 30° 51' 14.870" LONG: 96° 10' 10.981" N: 10298822.65' E: 3602710.48'	TX. CENTRAL ZONE LAT: 30° 51' 14.182" LONG: 96° 10' 10.131" N: 456241.07' E: 3306230.82'

WILSON 3H UNIT ACREAGES

No.	Owner	Unit Acreage	Reference
1	James D Wilson	127.07 Ac.	2535-163
2	State of Texas	3.52 Ac.	
TOTAL: 130.59 Ac.			

PRODUCING LATERAL ALLOCATION	
Wilson 3H Unit:	2141.37' 5175
Wilson "A" 2H Unit:	3358.13' 4624
TOTAL PRODUCING LATERAL: 5499.50'	

WILSON "A" NO. 2H UNIT ACREAGES

No.	Owner	Base Deed	Unit Acreage	Reference
1	James D Wilson, Jr.	450 Ac./563	1/3 Ac.	2535-163/13-521
2	State of Texas		3 Ac.	
TOTAL: 160 Ac.				

NEAREST TOWN:
North Zulch approximately 6.5 miles
to the Northeast.

I, the undersigned, do hereby certify that this plat is true and correct to the best of my knowledge and belief.

January 16, 2016

Shane Graham
Shane Graham
R.P.L.S. No. 6044

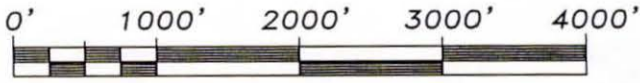


Bearings shown hereon are based on Grid North, State Plane Coordinate System, NAD 27, Texas Central Zone.

Acreage for unit tracts shown by lease calls as furnished by MD America Energy. Acreages may not reflect actual acreages if surveyed on the ground. Well ties are taken from an on the ground survey.

As-drilled data furnished by MD America Energy.

All survey lines shown hereon are scaled location only.



1519 Surveying, LLC

7111 Bosque Blvd. Suite 101 Waco, TX 76710 Ph: 254-776-1519 TBPLS Firm# 10193968

1519 Job: 6904	Drawn By: SG
© Copyright 2015 1519 Surveying, LLC. The content, color, and style of this plat protected by Copyright and all rights are reserved.	Sheet 1 of 1
	Prepared For: MD America Energy

1519

www.1519surveying.com
www.1519gis.com

8

File No. M-11317Z

Not Packet #9124, W/S/hc 1H County

Date Filed: 4/1/15

George P. Bush, Commissioner

By [Signature]

**McELROY, SULLIVAN, MILLER,
WEBER & OLMSTEAD, L.L.P.**
Attorneys at Law

MAILING ADDRESS

P.O. BOX 12127
AUSTIN, TX 78711

1201 SPYGLASS DRIVE
SUITE 200
AUSTIN, TX 78746
WWW.MSMTX.COM

TELEPHONE

(512) 327-8111

FAX

(512) 327-6566

April 24, 2015

Mr. J. Daryl Morgan, CPL
Energy Resources Division
Texas General Land Office
Stephen F. Austin Building, 8th Floor
1700 No. Congress Avenue
Austin, Texas 78701-1495

Re: Pooling Agreement
MD America Energy, LLC
Wilson C 3H Unit, M-113172 — Unit 5175
Brazos and Madison Counties, Texas

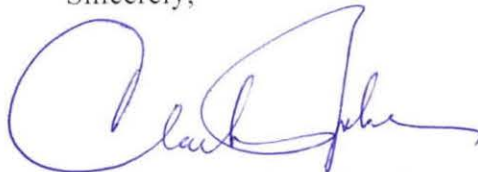
Dear Mr. Morgan:

Enclosed are two originals of the Pooling Agreement Amendment executed by MD America Energy, LLC to amend Unit 5175 in Brazos and Madison Counties. In addition to the pooling agreements is a check number 43975 in the amount of \$156.00 for payment of additional consideration in lieu of bonus.

Please note that in preparing the amendment, MD America noticed that the application depicted the private acreage as a single lease. It is, in fact, two leases. And the attachments have been revised to show the private acreage in Brazos County to be in one lease and the private acreage in Madison County to be in a different lease. No change has been made to the State acreage.

If you will please return a fully-executed original to me, I will forward it to MD America Energy, LLC. Thank you for your assistance with this pooling agreement. Please let me know if I can provide additional information regarding this application.

Sincerely,



Clark Jobe
Attorney for MD America Energy, LLC

Enclosures

9

File No. M-113172

Ltr. From Clark Jone County

Date Filed: 4/24/15

George P. Bush, Commissioner

By [Signature]

From: MD America Energy LLC
To: THE COMMISSIONER OF THE
GENERAL LAND OFFICE
1700 NORTH CONGRESS AVE
AUSTIN, TX 78701

Vendor Code
GEN001

Check Date
04/20/2015

Check Amount
\$156.00

Check Number
UNOP-43975

Invoice #	Invoice Amt
04/14/15 NAVASOTA RIVER TRACT	156.00

15711097

RECEIVED
APR 24 2015

51434

10

File No. M-113172

_____ County

Additional Bonus

Date Filed: 4/24/15

George P. Bush, Commissioner

By _____

4.54.12



TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

April 29, 2015

Mr. Clark Jobe
McElroy, Sullivan, Miller, Weber & Olmstead, L.L.P.
P. O. Box 12127
Austin, Texas 78711-2127

RE: Amendment of 52.076 Pooling Agreement
MD America Energy, LLC
Wilson C #3-H Unit
M-113172 – GLO Unit No. 5175
Brazos and Madison Counties, Texas

Dear Clark:

Enclosed is a duplicate original of the above referenced Amendment of Pooling Agreement pursuant to TNRC §52.076 that has been executed by George P. Bush, Commissioner of the Texas General Land Office. We have retained the other duplicate original of the Agreement, which will be filed in Mineral File **M-113172**.

We also hereby acknowledge receipt of the \$156.00 as the consideration to the State for pooling the additional unleased interest.

Thank you for your assistance with this matter, if you have any questions, please do not hesitate to contact me.

Sincerely,

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

Enclosure

File No. M-113172

Ltr. to Clerk Jphe County

Date Filed: 4/29/15

George P. Bush, Commissioner

By _____

DO NOT DESTROY



**Texas General Land Office
UNIT AGREEMENT MEMO**

UPA154250

Unit Number 5175
 Operator Name MD America Energy, LLC Effective Date 03/01/2015
 Customer ID C000052134 Unitized For Oil And Gas
 Unit Name Wilson #3-H Unit Unit Term
 County 1 Brazos RRC District 1 03 Old Unit Number Inactive Status Date
 County 2 Madison RRC District 2 03
 County 3 RRC District 3
 County 4 RRC District 4
 Unit type Permanent
 State Net Revenue Interest 0.00673865
 State Part in Unit 0.02695459
 Unit Depth Specified Depths Well
 From Depth 0 Formation
 To Depth 100 Feet Below Total Depth Drilled Participation Basis Surface Acreage
 If Excluions Apply: See Remarks

Lease Number	Tract No	Lease Acres in Unit	Total Unit Acres	Tract Participation	Lease Royalty	Tract Royalty Participation	Royalty Rate Reduction Clause
MF113172	1	3.520000	130.590000	0.02695459	0.25000000	0.00673865	No

API Number
4204132070

Remarks:

[Empty box for Remarks]

Prepared By: CMRB
 GLO Base Updated By: CMRB
 RAM Approval By: VD
 GIS By: ML
 Well Inventory By: CMRB

Prepared Date: 4/30/15
 GLO Base Date: 4/30/15
 RAM Approval Date: 5/01/15
 GIS Date: 5-14-15
 WI Date: 4/30/15

Pooling Committee Report

To: School Land Board UPA154250
Date of Board Meeting: 04/07/2015 Unit Number: 5175
Effective Date: 03/01/2015
Unit Expiration Date:
Applicant: MD America Energy, LLC
Attorney Rep: Clark Jobe
Operator: MD America Energy LLC, Fort Worth, Fort Worth
Unit Name: Wilson #3-H Unit
Field Name: Madisonville, W. (Woodbine -A-)

County:

<u>Lease Type</u>	<u>Lease Number</u>	<u>Lease Royalty</u>	<u>Expiration Date</u>	<u>Lease Term</u>	<u>Lease Acres</u>	<u>Lease Acres In Unit</u>	<u>Royalty Participation</u>
52.076	MF113172	0.25000000	10/04/2012	1 years	3.000000	3.520000	0.00673865

A part of the Navasota River is being pooled pursuant to Texas Natural Resource Code 52.076.

Private Acres:	127.070000
State Acres:	3.520000
Total Unit Acres:	130.590000

<u>Participation Basis:</u>	Surface Acreage
Surface Acreage	
<u>State Acreage:</u>	2.70%
<u>State Net Revenue Interest:</u>	0.67%

<u>Unit Type:</u>	<u>Unitized for:</u>
Permanent	Oil And Gas
<u>Term:</u>	

<u>RRC Rules:</u>	<u>Spacing Acres:</u>
Yes	

REMARKS:

- MD America Energy, LLC is requesting to amend its Wilson #3H Unit in order to decrease private acreage and add 0.52 additional acres of unleased Navasota River acreage. The School Land Board approved permanent oil and gas pooling from the surface to 100 feet below total depth drilled in November 2011, and that the effective date be March 1, 2015.
- The applicant completed its unit well in October 2011. It has produced 425,133 BO and 457,894 MCF through January 2015.
- To compensate the State for lost least bonus on the unleased Navasota River acreage the applicant has agreed to pay the Permanent School Fund \$1,056.00 or \$300.00 per acre.
- With Board approval of the amended unit, the State's unit royalty participation will increase from 0.47% to 0.65% State unit royalty may change slightly based on final survey results.
- The State will participate on a unitized basis from the date of first production.

POOLING COMMITTEE RECOMMENDATION:

The Pooling Committee recommends Board approval of the amended Wilson #3H Unit under the above-stated provisions.

Mary Smith by [Signature]
Mary Smith - Office of the Attorney General

3/25/2015
Date

[Signature]
Robert Hatter - General Land Office

3/25/15
Date

[Signature]
Diane Morris - Office of the Governor

3.25.2015
Date

HENRY R
CARTMELL
A-88

THOMAS
FITZGERALD
A-97

ARCHILUS
NUNLEY
A-176

Navasota River

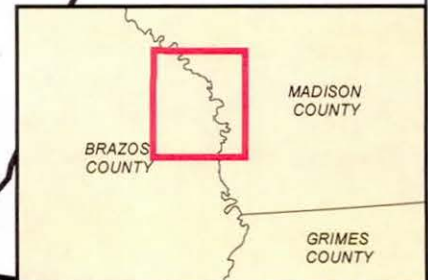
MF113.172

JESSE K
DAVIS
A-103

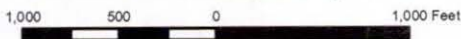
A part of the Navasota River is being pooled
pursuant to T.N.R.C. 52.076

EVAN
EDDARDS
A-93

ARMSTEAD
ROGERS
A-196



Unit #5175
MD America Energy
Wilson 3H Unit
Madisonville, W (Woodbine -A-) field
Brazos & Madison Counties, Texas



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



Map Generated by:
Mark Conway
IS/BAS/GIS
April 2015

**AMENDMENT OF POOLING AGREEMENT PURSUANT TO TNRC § 52.076
STATE OF TEXAS / WOODBINE ACQUISITION CORPORATION
WILSON #3-H UNIT
(Now the WILSON C #3-H UNIT)
M-113172 – GLO UNIT NO. 5175
BRAZOS AND MADISON COUNTIES, TEXAS**

WHEREAS, on October 4, 2011, the School Land Board of the State of Texas approved pooling 3 acres of the State's unleased mineral interest under the Navasota River into the 160-acre Wilson #3-H Unit ("Unit") pursuant to the provisions of §52.076 of the Texas Natural Resources Code; and

WHEREAS, pursuant to such approval, Woodbine Acquisition Corporation and the Commissioner of the General Land Office of the State of Texas entered into that Pooling Agreement Pursuant to TNRC §52.076 ("Agreement") to pool State lands into the Unit as more particularly described in said Agreement on file in the Archives and Records of the Texas General Land Office at Austin, Texas, in Mineral File No. M-113172; and

WHEREAS, MD America Energy, LLC is the current operator of the Unit; and

WHEREAS, on April 7, 2015, MD America Energy, LLC made application and the School Land Board approved its application to amend said Agreement by changing the name and decreasing the size of the Unit from 160 acres to 130.59 acres and including an additional 0.52 acres of the Navasota River; and

WHEREAS, the Commissioner of the General Land Office finds that amending said Agreement as approved by the School Land Board is in the best interest of the State of Texas:

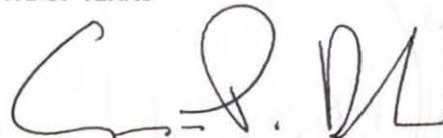
NOW THEREFORE, in consideration of the payment to the State of \$156.00 and of the mutual agreements contained in said Agreement, it is agreed that said Agreement is amended as to its name and is now the "Wilson C #3-H Unit" and is amended as to the amount of State acreage being pooled and the total unit acreage by amending the second Paragraph so that "3 acres" in said Paragraph is deleted and changed to "3.52 acres" in both instances where it occurs and "160-acre" is deleted and changed to "130.59-acre" and said Agreement is further amended by deleting the Exhibits attached to Exhibit "2" of the Agreement in their entirety and substituting the attached Exhibit "A", as a list of the oil and gas leases included in the amended unit, the attached Exhibit "B" as a description of the lands included in the amended unit and the attached Exhibit "C" as a plat of the amended 130.59-acre unit.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment Agreement upon the respective dates indicated below but to be effective as of March 1, 2015.

Date Executed 4/29/15


Legal	<u>ymw</u>
Content	<u>me</u>
Geology	<u>me</u>
Executive	<u>me</u>

STATE OF TEXAS

By: 
George P. Bush, Commissioner
General Land Office

Date Executed April 21, 2015

MD AMERICA ENERGY, LLC

By:  SB BC
Blake Anderson
Its: Vice President - Land

STATE OF TEXAS

COUNTY OF TARRANT

This instrument was acknowledged before me on April 21st, 2015, by Blake Anderson as VP of Land of MD America Energy, LLC, a _____ limited liability company on behalf of said company.




Notary Public in and for the State of Texas

CERTIFICATE

I, Stephanie Crenshaw, Secretary of the School Land Board of the State of Texas, do hereby certify that at a meeting of the School Land Board duly held on the 7th day of April, 2015, the foregoing instrument was presented to and approved by said Board under the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, all of which is set forth in the Minutes of the Board of which I am custodian.

IN TESTIMONY WHEREOF, witness my hand this 21st day of April, 2015.


Secretary of the School Land Board

EXHIBIT A

Lease 1

That certain Oil and Gas Lease, dated August 29, 1974, from James D. Wilson, Individually and as Independent Executor and Trustee for James D. Wilson, Jr., et al., to Curran R. Campbell, Inc., recorded on October 11, 1974, in Volume 21, Page 667 of the Oil and Gas Records of Brazos County.

Lease 2

Exhibit "1" in that certain Amendment of Pooling Agreement Pursuant to T.N.R.C § 52.076, dated March 1, 2015, recorded in Mineral File No. 113172 – GLO Unit No. 5175 in the Archives of the Texas General Land Office.

Lease 3

That certain Oil and Gas Lease, dated August 29, 1974, from James D. Wilson, Individually and as Independent Executor and Trustee for James D. Wilson, Jr., et al., to Curran R. Campbell, Inc., recorded on September 12, 1974, in Volume 203, Page 464 of the Oil and Gas Records of Brazos County.

End of Exhibit A

EXHIBIT B

UNIT PLAT
MD AMERICA ENERGY
WILSON UNIT C #3H
130.59 ACRES
J. K. DAVIS SURVEY, A-103
& E. EDWARDS SURVEY, A-93
BRAZOS & MADISON COUNTY, TEXAS

DESCRIPTION

STATE OF TEXAS
MADISON & BRAZOS COUNTY

BEING all of that tract of land in Madison County and Brazos County, Texas, out of the E. Edwards Survey, Abstract No. 93 and J. K. Davis Survey, Abstract No. 103, and being part of that called 563.33 acres of land described as Tract One and being part of that called 450 acres of land described as Tract Two in a deed to James D. Wilson as recorded in Volume 2535, Page 163 of the Deed Records of Brazos County, Texas, and being part of that called 450 acres of land described as Tract Eight in a deed to James D. Wilson, Jr. as recorded in Volume 2535, Page 163 of the Deed Records of Brazos County, Texas, and being a portion of the Navasota River, and being further described as follows;

BEGINNING at a point, from which a 1/2 inch steel rod found at the Southeast corner of that called 481.424 acres of land described in a deed to Mike Brinkmann as recorded in Volume 875, Page 73 of the Deed Records of Madison County, Texas bears North 02 degrees 56 minutes 15 seconds West, 1298.53 feet for witness;

THENCE South 06 degrees 33 minutes 19 seconds West, 800.34 feet to a point for corner;

THENCE North 85 degrees 32 minutes 02 seconds West, 4761.25 feet to a point on the Northeast line of the Wilson #4 Unit;

THENCE North 48 degrees 08 minutes 00 seconds West, 2084.61 feet along said line of said unit to a point for corner;

THENCE South 87 degrees 11 minutes 37 seconds East, 274.86 feet to a point for corner;

THENCE South 81 degrees 08 minutes 21 seconds East, 6189.91 feet to the POINT OF BEGINNING, containing 130.59 acres of land.

Bearings shown hereon are based on Grid North, State Plane Coordinate System, NAD 27, Texas Central Zone.

I, the undersigned, do hereby certify that this plat is true and correct to the best of my knowledge and belief.

March 2, 2015


Shane Graham
R.P.L.S. No. 6044



1519 Surveying, LLC

7111 Bosque Blvd. Suite 101 Waco, TX 76710 Ph: 254-776-1519 TBPLS Firm# 10193968

1519 Job# 7119

Drawn By: SG

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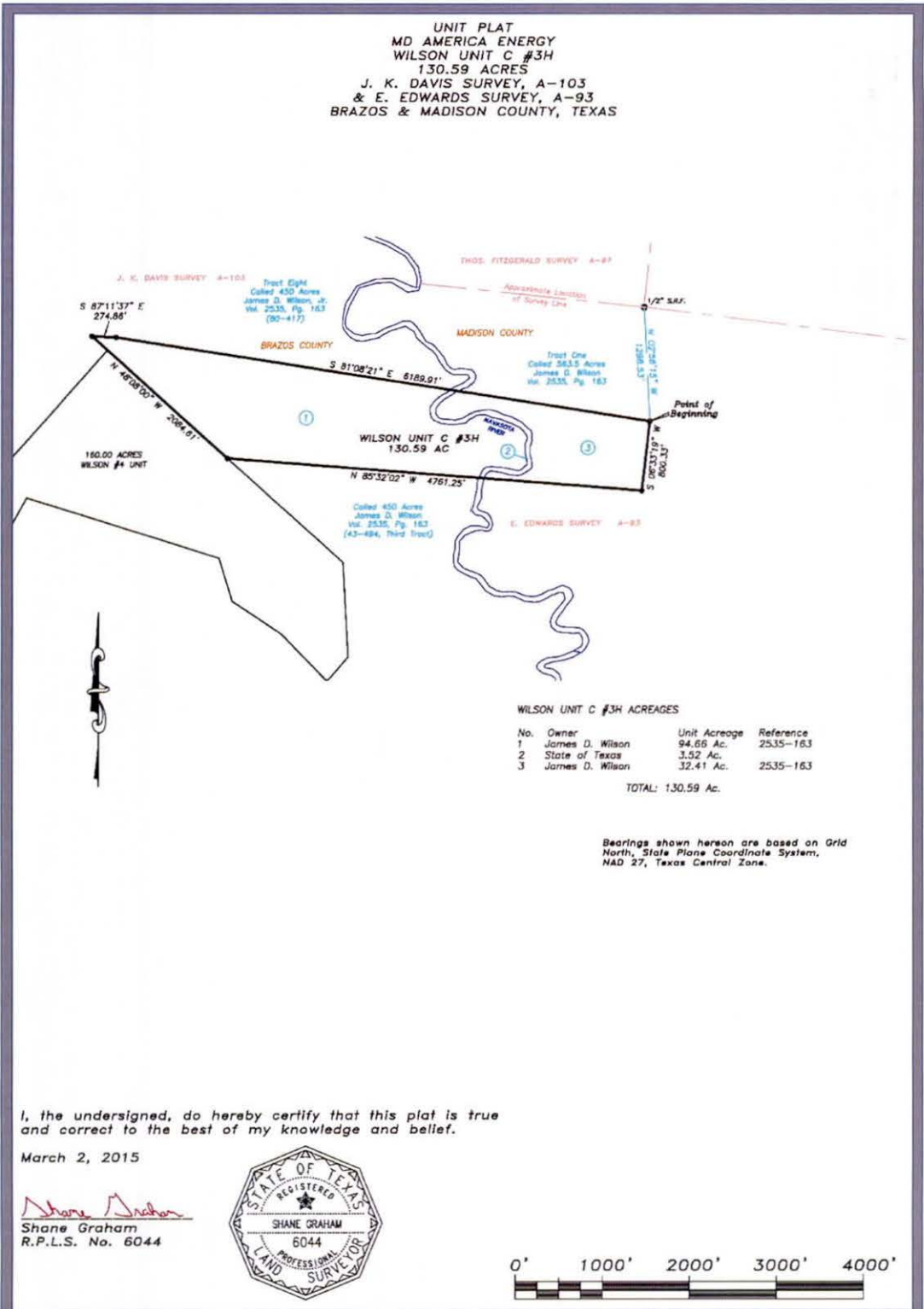
Sheet 2 of 2

Prepared For:
MD America Energy

1519 
www.1519surveying.com
www.1519gis.com

EXHIBIT C

UNIT PLAT
 MD AMERICA ENERGY
 WILSON UNIT C #3H
 130.59 ACRES
 J. K. DAVIS SURVEY, A-103
 & E. EDWARDS SURVEY, A-93
 BRAZOS & MADISON COUNTY, TEXAS



WILSON UNIT C #3H ACREAGES

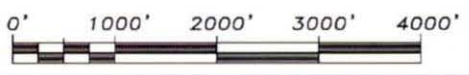
No.	Owner	Unit Acreage	Reference
1	James D. Wilson	94.66 Ac.	2535-163
2	State of Texas	3.52 Ac.	
3	James D. Wilson	32.41 Ac.	2535-163
		TOTAL: 130.59 Ac.	

Bearings shown hereon are based on Grid North, State Plane Coordinate System, NAD 27, Texas Central Zone.

I, the undersigned, do hereby certify that this plat is true and correct to the best of my knowledge and belief.

March 2, 2015

Shane Graham
 Shane Graham
 R.P.L.S. No. 6044



1519 Surveying, LLC

7111 Bosque Blvd. Suite 101 Waco, TX 76710 Ph: 254-776-1519 TBPLS Firm# 10193968

1519 Job: 7119
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Drawn By: SG
 Sheet 1 of 2
 Prepared For: MD America Energy

1519
 www.1519surveying.com
 www.1519gis.com

12

File No. M-113172
Amendment of Wilson County
C 3-14 Unit # 5175
Date Filed: 5/1/15
George P. Bush, Commissioner
By [Signature]



MEMORANDUM

TEXAS GENERAL LAND OFFICE • GEORGE P. BUSH • COMMISSIONER

DATE: October 6, 2015

PSA# 0073

TO: School Land Board

FROM: Pooling Committee

SUBJECT: Request from MD America Energy, LLC to have the State enter into a Production Sharing Agreement for drilling an allocation well.

- **MD America Energy, LLC** is the operator of the Wilson C 3-H Unit (Unit 5175) in which the State has a royalty interest, and they are requesting that the royalty owners sign a Production Sharing Agreement, which the School Land Board has the authority to approve pursuant to Texas Natural Resources Code §52.154.
- The Production Sharing Agreement will allow the operator to allocate production for sharing wells that cross Unit 5175.
- The State's participation in the sharing wells will be based on the length of lateral on Unit 5175 divided by the total length of lateral.

POOLING COMMITTEE RECOMMENDATION:

The Pooling Committee recommends Board approval of the Production Sharing Agreement.



Mary Smith – Office of the Attorney General

9/22/2015
Date



Robert Hatter – General Land Office

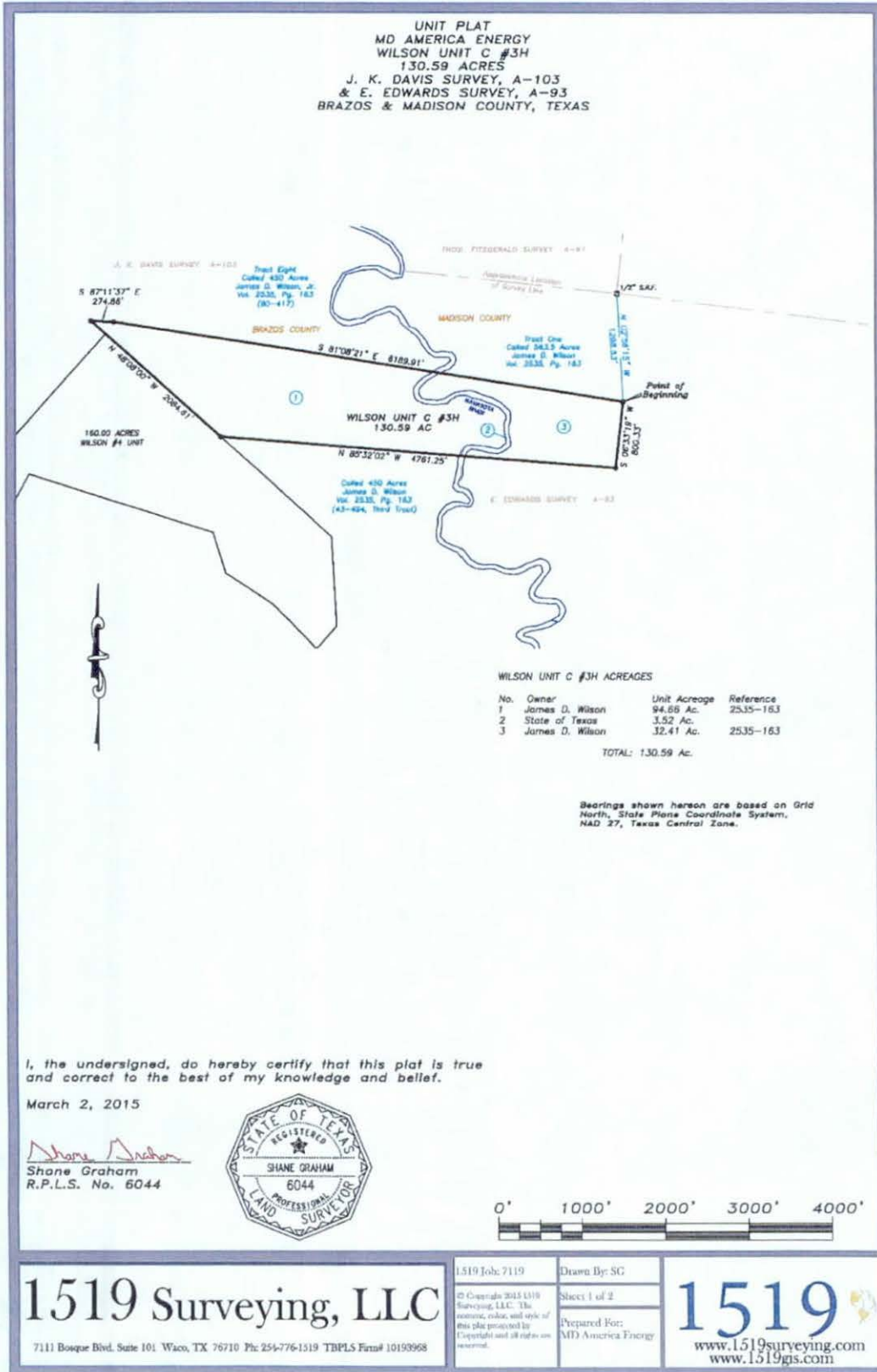
9/22/15
Date



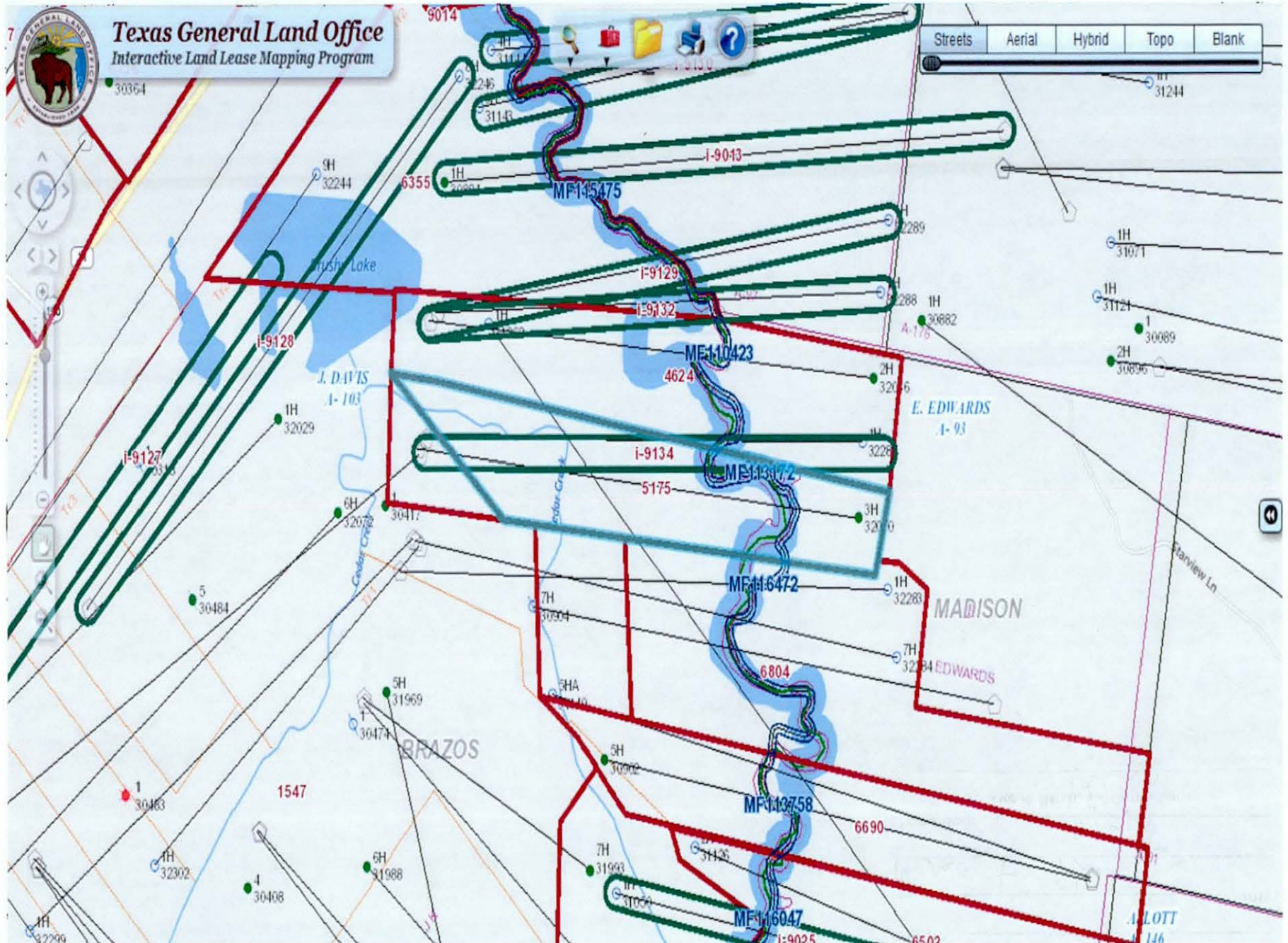
Diane Morris – Office of the Governor

9.22.2015
Date

EXHIBIT C



End of Exhibit C



13

File No. M-113172

Memo to SHD County

Date Filed: 12/2/15

George P. Bush, Commissioner

By: [Signature]



Information for processing an Internal Non Unit Transaction (iNut)
Length of Lateral

iNut No. 9169

GENERAL INFORMATION

Name of Well: Wilson C #3H Unit
 Name of Operator: MD America Energy, LLC
 Operator Contact Person: Clark Jobe
 Counties: Madison and Brazos

API # 42-041-32070
 RRC # 25890
 Phone: 512-327-8111

ALLOCATION OF STATE UNITS AND/OR LEASES BASED ON LENGTH OF LATERAL

Lease Type	Unit/Lease No	Total Lateral Ft.	Unit or Lease Lateral Ft.	Unit or Lease Rylyty Decimal	Lease Royalty Decimal	RRAC Participation Factor	State Participation by Unit/Lease
52.076	5175/MF113172	5076.23	4920.71	0.00673865	0.25000000	0.02612879	0.00653220
Totals:							0.00653220
Effective Date: 11/1/2011							State Net Royalty Revenue in Well

Name of Production Sharing Agreement, if any:

Comments:

Attach a plat showing the iNut well with length of laterals marked and the State lands marked.

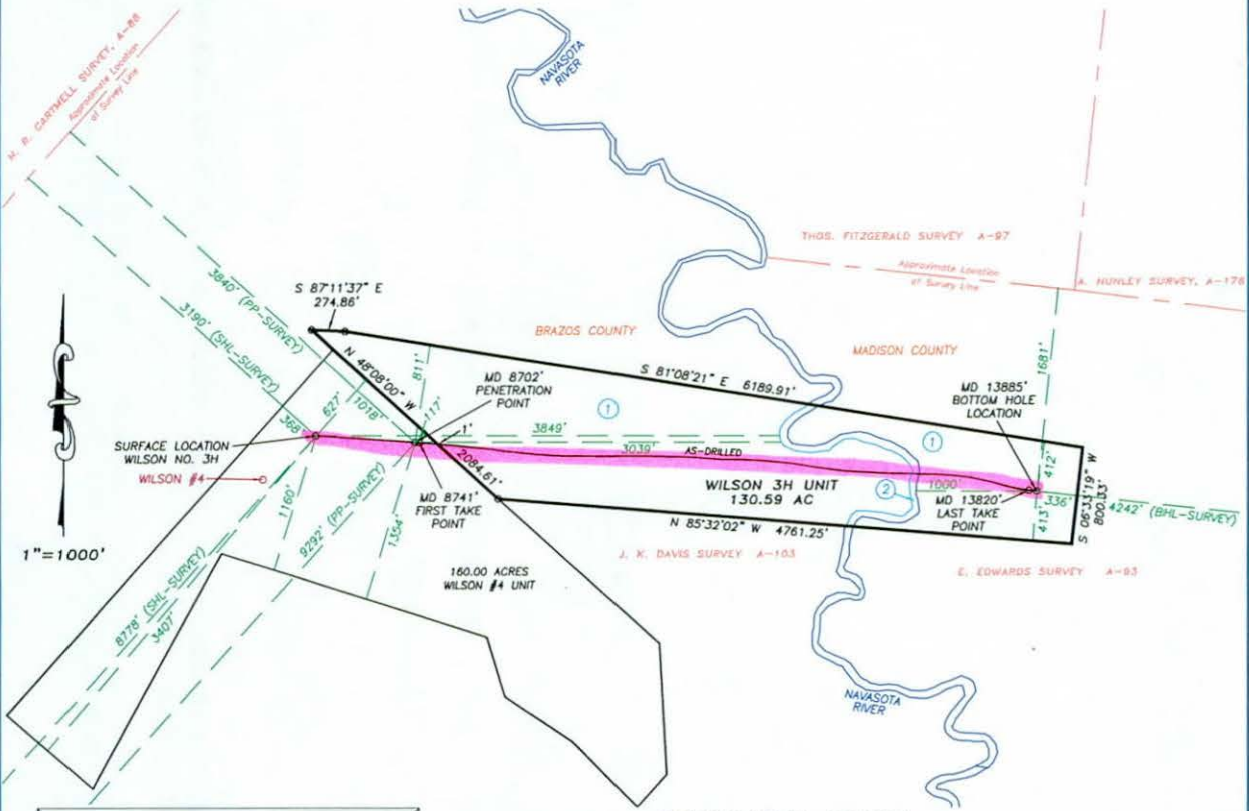
Lease Types: Relinquishment Act Land (RAL), State Fee (SF), Free Royalty (FR), Unleased Riverbed (UR), Highway Right of Way (HROW), Unleased Highway (UH), Criminal Justice (TDCJ), Parks & Wildlife (TPW), Mineral Production Allocation (MPAA), Dept. of Aging (DADS), School for the Blind (SBVI), Stephen F. Austin (SFA), TX A&M (A&M).

Prepared by: MB Alamo updated by: MB WI updated by: MB
 RAM approval by: JW GIS updated by: MC

1Nut 9169

42-041-32070

AS-DRILLED WELL PLAT
 MD AMERICA ENERGY
 WILSON 3H UNIT
 J. K. DAVIS SURVEY, A-103
 & E. EDWARDS SURVEY, A-93
 BRAZOS & MADISON COUNTY, TEXAS



SURFACE LOCATION	
N.A.D. 1983	N.A.D. 1927
TX. CENTRAL ZONE LAT: 30° 51' 15.103"	TX. CENTRAL ZONE LAT: 30° 51' 14.415"
LONG: 96° 11' 23.078"	LONG: 96° 11' 22.226"
N: 10298611.59'	N: 456030.00'
E: 3596430.06'	E: 3299950.42'

PENETRATION POINT	
N.A.D. 1983	N.A.D. 1927
TX. CENTRAL ZONE LAT: 30° 51' 14.264"	TX. CENTRAL ZONE LAT: 30° 51' 13.576"
LONG: 96° 11' 13.654"	LONG: 96° 11' 12.802"
N: 10298557.51'	N: 455975.92'
E: 3597254.04'	E: 3300774.39'

BOTTOM HOLE LOCATION	
N.A.D. 1983	N.A.D. 1927
TX. CENTRAL ZONE LAT: 30° 51' 08.407"	TX. CENTRAL ZONE LAT: 30° 51' 07.718"
LONG: 96° 10' 14.733"	LONG: 96° 10' 13.882"
N: 10298157.92'	N: 455576.35'
E: 3602408.13'	E: 3305928.47'

PRODUCING LATERAL ALLOCATION	
Wilson #4 Unit:	155.52'
Wilson 3H Unit:	4920.71'
TOTAL PRODUCING LATERAL:	5076.23'

WILSON 3H UNIT ACREAGES			
No.	Owner	Unit Acreage	Reference
1	James D Wilson	127.07 Ac.	2535-163
2	State of Texas	3.52 Ac.	
TOTAL:		130.59 Ac.	

Bearings shown hereon are based on Grid North, State Plane Coordinate System, NAD 27, Texas Central Zone.

Acreage for unit tracts shown by lease calls as furnished by MD America Energy. Acreages may not reflect actual acreages if surveyed on the ground. Well files are taken from an on the ground survey.

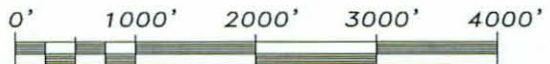
As-drilled data furnished by MD America Energy.

All survey lines shown hereon are scaled location only.

I, the undersigned, do hereby certify that this plat is true and correct to the best of my knowledge and belief.

January 23, 2015

Shane Graham
 Shane Graham
 R.P.L.S. No. 6044



1519 Surveying, LLC

7111 Bosque Blvd, Suite 101 Waco, TX 76710 Ph: 254-776-1519 TBPLS Firm# 10193968

1519 Job# 7460	Drawn By: SG
© Copyright 2015 1519 Surveying, LLC. The content, color, and style of this plat protected by Copyright and all rights are reserved.	Sheet 1 of 1
	Prepared For: MD America Energy

1519
 www.1519surveying.com
 www.1519gis.com

From: Clark Jobe <cjobe@msmtx.com>
To: "Mary Beth Barnstone (mary.barnstone@glo.texas.gov)" <mary.barnstone@g...>
Date: 9/14/2015 2:28 PM
Subject: Wilson C 3H as-drilled plat
Attachments: 7460 Wilson 3H (1-23-15) as-drilled.pdf

Hi, Mary Beth,

Again, thanks for your help with the MDAE applications.

I am still working on getting the information you requested this morning. As to your requests from last week, I am attaching the as-drilled plat for the Wilson C 3H. At the time this plat was made, the well was still called the Wilson 3H, but it is the same well.

If you will look on the right-hand side, about mid-way down, you will see the producing lateral lengths that were used on Exhibit A to the application.

The Wilson 4 Unit is an offset unit that doesn't include any State acreage. It has about 155 feet of producing lateral on it, so the bulk of the production is attributed to the Wilson C 3H Unit.

I am still working on those PSAs and I will get them to you shortly.

Thanks,

Clark

Clark Jobe
Of Counsel
McElroy, Sullivan, Miller, Weber & Olmstead, L.L.P.
P.O. Box 12127
Austin, Texas 78711-2127
1201 Spyglass Drive, Suite 200
Austin, Texas 78746

T: 512/327-8111

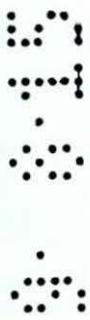
F: 512/327-6566

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Wilson C 3H
Exhibit A
Allocation Calculation

041-32070

			Royalty	NRI
River	3.52	0.026954591	0.25	0.0067386
Private	127.07			
Total	130.59			
Production Allocation				
Wilson 4 Lateral	155.52	3.063691%		
Wilson 3H Lateral	4920.71	96.936309%		
Total Lateral	5076.23	100.000000%		
State Wilson 3C Allocation				
				0.006532



Wilson C 3H
Exhibit A
Allocation Calculation

			Royalty	NRI
River	3.52	0.026954591	0.25	0.0067386
Private	127.07			
Total	130.59			
Production Allocation				
Wilson 4 Lateral	155.52	3.063691%		
Wilson 3H Lateral	4920.71	96.936309%		
Total Lateral	5076.23	100.000000%		
State Wilson 3C Allocation				0.006532



Attachment A – Wilson 5H and Wilson 7H Royalty Calculations

Wilson 5H

Wilson 7H

			Rx	State Percent
Original				
Private	157.74	0.985875		
State	2.26	0.014125	0.25	0.353125%
Total	160	1		

			Rx	State Percent
Original				
Private	234.17	0.977664		
State	5.35	0.022336	0.25	0.558408%
Total	239.52	1		

Revised				
Private	147.69	0.985915		
State	2.11	0.014085	0.25	0.352136%
Total	149.8	1		

Revised				
Private	225.91	0.976866		
State	5.35	0.023134	0.25	0.578353%
Total	231.26	1		

Aggregate Comparison

Revised	0.930490%	
Original	0.911533%	
Difference	0.018956%	in State's favor

210 0

14

File No. M-113172

Not Packet # 9169, Wilson # 3# ^{County}

Date Filed: 12/2/15

George P. Bush, Commissioner

By [Signature]

**McELROY, SULLIVAN, MILLER,
WEBER & OLMSTEAD, L.L.P.**
Attorneys at Law

MAILING ADDRESS

P.O. BOX 12127
AUSTIN, TX 78711

1201 SPYGLASS DRIVE
SUITE 200
AUSTIN, TX 78746
WWW.MSMTX.COM

TELEPHONE

(512) 327-8111

FAX

(512) 327-6566

December 9, 2015

Mr. J. Daryl Morgan, CPL
Energy Resources Division
Texas General Land Office
Stephen F. Austin Building, 8th Floor
1700 No. Congress Avenue
Austin, Texas 78701-1495

Re: Pooling Agreement
MD America Energy, LLC
Wilson C 3H Unit
M-113172 — Unit 5175
Brazos and Madison Counties, Texas

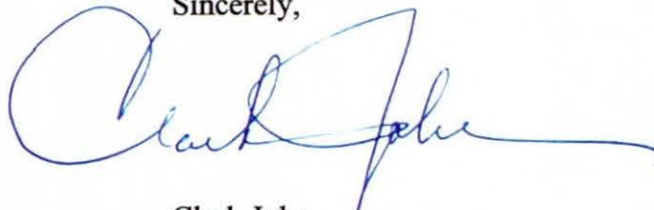
Dear Mr. Morgan:

Enclosed are two originals of the Pooling Agreement Amendment executed by MD America Energy, LLC to amend the Wilson C 3H Unit Brazos and Madison Counties, Texas.

If you will please return a fully-executed original to me, I will forward it to MD America Energy, LLC.

Thank you for your assistance with this pooling agreement. Please let me know if I can provide additional information regarding this application.

Sincerely,



Clark Jobe
Attorney for MD America Energy, LLC

Enclosures

15

File No. M-113172

Ltr. From Clerk Lohc County

Date Filed: 12/9/15

George P. Bush, Commissioner

By [Signature]

Pooling Committee Report

To: School Land Board UPA154250
Date of Board Meeting: 10/06/2015 Unit Number: 5175
Effective Date: 03/01/2015
Unit Expiration Date:
Applicant: MD America Energy, LLC
Attorney Rep: Clark Jobe
Operator: MD America Energy LLC, Fort Worth, Fort Worth
Unit Name: Wilson C #3-H Unit
Field Name: Madisonville, W. (Woodbine -A-)

County: Brazos
 Madison

<u>Lease Type</u>	<u>Lease Number</u>	<u>Lease Royalty</u>	<u>Expiration Date</u>	<u>Lease Term</u>	<u>Lease Acres</u>	<u>Lease Acres In Unit</u>	<u>Royalty Participation</u>
52.076	MF113172	0.25000000	10/04/2012	1 years	3.000000	3.520000	0.00673865

A part of the Navasota River is being pooled pursuant to Texas Natural Resource Code 52.076.

Private Acres:	127.070000
State Acres:	3.520000
Total Unit Acres:	130.590000

Participation Basis:	Surface Acreage
Surface Acreage	
State Acreage:	2.70%
State Net Revenue Interest:	0.67%

Unit Type:	Unitized for:
Permanent	Oil And Gas
Term:	

RRC Rules:	Spacing Acres:
Yes	

REMARKS:

- MD America Energy, LLC is requesting to amend its Wilson C #3H Unit in order to change the pooled interval from the surface to 9,500 feet TVD. The School Land Board approved permanent oil and gas pooling from the surface to 100 feet below total depth drilled in November 2011, and approved amending the unit size effective March 1, 2015.
- The applicant completed its unit well in October 2011. It has produced 428,794 BO and 458,095 MCF through May, 2015.
- To compensate the State for lost least bonus on the unleased Navasota River acreage the applicant has paid the Permanent School Fund \$1,056.00 or \$300.00 per acre.
- With Board approval of the amended unit, the State's unit royalty participation will remain 0.65% State unit royalty may change slightly based on final survey results.
- The State has participated on a unitized basis from the date of first production.

POOLING COMMITTEE RECOMMENDATION:


The Pooling Committee recommends Board approval of the amended Wilson C #3H Unit under the above-stated provisions.



Mary Smith - Office of the Attorney General

9/22/2015

Date



Robert Hatter - General Land Office

9/22/15

Date



Diane Morris - Office of the Governor

9.22.2015

Date

HENRY R
CARTMELL
A-88

THOMAS
FITZGERALD
A-97

ARCHILUS
NUNLEY
A-176

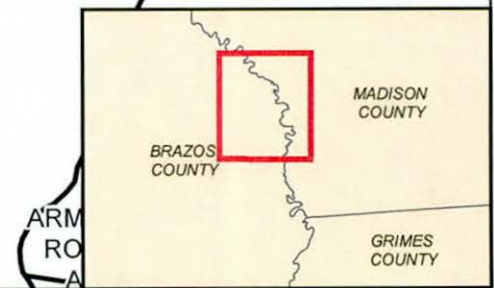
Navasota River

MF113172

JESSE K
DAVIS
A-103

A part of the Navasota River is being pooled
pursuant to T.N.R.C. 52.076

EVAN
EDDARDS
A-93



Unit #5175
MD America Energy
Wilson C 3-H Unit
Madisonville, W (Woodbine -A-) field
Brazos & Madison Counties, Texas



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



Map Generated by:
Mark Conway
IS/BAS/GIS
October 2015

**SECOND AMENDMENT OF POOLING AGREEMENT PURSUANT TO TNRC §52.076
STATE OF TEXAS / MD AMERICA ENERGY, LLC
WILSON C #3-H UNIT
M-113172 – GLO UNIT NO. 5175
BRAZOS AND MADISON COUNTIES, TEXAS**

WHEREAS, on October 4, 2011, the School Land Board of the State of Texas approved pooling 3 acres of the State's unleased mineral interest under the Navasota River into the 160-acre Wilson #3-H Unit ("Unit") pursuant to the provisions of §52.076 and Subchapter E, Chapter 52, of the Texas Natural Resources Code; and

WHEREAS, pursuant to such approval, Woodbine Acquisition Corporation and the Commissioner of the General Land Office of the State of Texas entered into that Pooling Agreement pursuant to TNRC §52.076 ("Agreement") to pool State Land into the Unit as more particularly described in said Agreement on file in the Archives and Records of the Texas General Land Office at Austin, Texas, in Mineral File No. M-113172; and

WHEREAS, on April 7, 2015, the School Land Board approved changing the name off the Unit, decreasing the size of the Unit from 160 acres to 130.59 acres and including an additional 0.52 acres of the Navasota River as more particularly described in the Amendment of Pooling Agreement Pursuant to TNRC §52.076 on file in the Archives and Records of the Texas General Land Office, Austin, Texas, in Mineral File No. M-113172; and

WHEREAS, on October 6, 2015, MD America Energy, LLC made application and the School Land Board approved its application to amend said Agreement as to the unitized interval and to add Exhibit "3" providing for Horizontal Sharing Wells; and

WHEREAS, the Commissioner of the General Land Office finds that amending said Agreement as approved by the School Land Board is in the best interest of the State of Texas:

NOW THEREFORE, in consideration of the premises and of the mutual agreements contained in said Agreement, it is agreed that said Agreement is amended by adding the attached Exhibit "3" and amended as to the unitized interval by deleting the last "WHEREAS" line of the Agreement and Paragraph 3 of Exhibit "2" to the Agreement and substituting the following paragraphs therefor:

"WHEREAS, The School Land Board determined that pooling said unleased interest as to oil and gas produced from the surface to the correlative equivalent of the depth of 9,500 feet, as seen on the log of the Montana 1H Pilot Well, API No. 42-313-31220 and as more particularly described on the attached Exhibit "2" is in the best interest of the State.

MINERAL POOLED

3.

The mineral pooled and unitized ("pooled mineral") hereby shall be oil and gas including all hydrocarbons that may be produced from an oil well or a gas well as such wells are recognized and designated by the Railroad Commission of Texas or other state regulatory agency having jurisdiction of the drilling and production of oil and gas wells. The pooled mineral shall extend to those depths underlying the surface boundaries of the pooled unit from the surface to the correlative equivalent of the depth of 9,500 feet, as seen on the log of the Montana 1H Pilot Well, API No. 42-313-31220 ("unitized interval")."

Nothing in this Amendment, nor the approval of this Amendment by the School Land Board, nor the execution of this Amendment by the Commissioner shall: (1) operate as a ratification or revivor of any State lease or Pooling Agreement that has expired, terminated, or has been released in whole or in part or terminated under their terms or the laws applicable thereto; (2) constitute a waiver or release of any claim for money, oil, gas or other hydrocarbons, or other thing due to the State by reason of the existence or failure of such lease or Pooling Agreement; (3) constitute a waiver or release of any claim by the State that such lease or Pooling Agreement is void or voidable for any reason, including, without limitation, violations of the laws of the State with respect to such lease or failure of consideration; or (4) constitute a confirmation or recognition of any boundary or acreage of any tract or parcel of land in which the State has or claims an interest; or (5) constitute a ratification of, or a waiver or release of any claim by the State with respect to any violation of a statute, regulation, or any of the common laws of this State, or any breach of any contract, duty, or other obligation owed to the State.

This Agreement may be executed in counterparts and, if so executed, shall be valid, binding and have the same effect as if all the parties hereto actually joined in and executed one and the same document. For recording purposes and in the event

counterparts of this Agreement are executed, the executed pages, together with the pages necessary to show acknowledgments, may be combined with the other pages of this Agreement so as to form what shall be deemed and treated as a single original instrument showing execution by all parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement upon the respective dates indicated below but to be effective as of March 1, 2015.

Date Executed 12/10/15

STATE OF TEXAS

Legal
Content
Geology
Executive

From
the
Geology
Executive

By: [Signature]
George P. Bush, Commissioner
General Land Office

Date Executed _____

MD AMERICA ENERGY, LLC

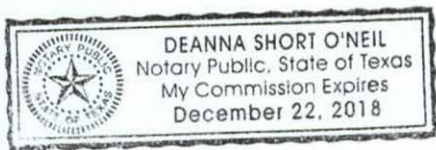
By: [Signature] (JP)

Its: _____ (BC)

STATE OF TEXAS

COUNTY OF Tarrant

This instrument was acknowledged before me on Oct. 23, 2015, by Blake Anderson,
as VP. hand of MD America Energy, LLC, a Delaware limited
liability company on behalf of said company.



[Signature]
Notary Public in and for the State of Texas

CERTIFICATE

I, Stephanie Crenshaw, Secretary of the School Land Board of the State of Texas, do hereby certify that at a meeting of the School Land Board duly held on the 6th day of October, 2015, the foregoing instrument was presented to and approved by said Board under the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, all of which is set forth in the Minutes of the Board of which I am custodian.

IN TESTIMONY WHEREOF, witness my hand this 10th day of December, 2015.

[Signature]
Secretary of the School Land Board

EXHIBIT "3"
HORIZONTAL SHARING WELLS

WHEREAS, the parties wish to encourage further development of the Unit via the drilling of horizontal wells, in order to:

- (a) Prevent physical and economic waste and the drilling of unnecessary wells, and to increase the ultimate recovery of oil, gas and other associated hydrocarbons from the Unit; and
- (b) Protect the correlative rights of all Interest Owners in the Unit so that each may receive a fair share of the production in and under the Unit; and

WHEREAS, it may be advantageous to position one or more horizontal wells (i.e. any well having a lateral length of greater than 100') such that same may traverse lands within and outside of the Unit (a "Sharing Well"), and to establish a basis for sharing in production proceeds from each Sharing Well;

NOW THEREFORE, the parties do hereby agree to the following:

- (1) Each Interest Owner shall share in each Sharing Well on the basis of each Interest Owner's ownership in the Unit multiplied by the Allocation Factor. The "Allocation Factor" is defined as a fraction, the numerator of which is equal to the length of that portion of the Lateral Line Equivalent that lies within the boundaries of the Unit, and the denominator being the total length of the Lateral Line Equivalent. For purposes of this Agreement, the Lateral Line Equivalent is defined as a line drawn, using map view perspective, that begins at the First Take Point of a well and runs laterally toward the Last Take Point of a well along the actual surveyed well path to the Last Take Point of the well. A "Take Point" in a horizontal drainhole well is defined as any point along a horizontal drainhole where oil and/or gas can be produced into the wellbore from the reservoir or field interval.
- (2) Operations on or production from each Sharing Well shall be treated as if they were actual operations on or production from each Unit and the proceeds from production from such Sharing Well shall be paid in accordance with the Allocation Factor set out above.
- (3) Production from any and all Sharing Wells drilled on the Unit shall not create any offset obligation, whether express or implied, and as to each Sharing Well drilled, this Agreement shall be deemed to constitute complete protection of each Interest Owner's correlative rights. The parties further agree that this Agreement affects only production from each Sharing Well, and in no way affects ownership of production from any other wells drilled or to be drilled which lie solely within the Unit and are not Sharing Wells.

File No. M-113172

2nd Amnd of Wilson C#3H County

Date Filed: 12/11/15

George P. Bush, Commissioner

By 



TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

December 11, 2015

Mr. Clark Jobe
McElroy, Sullivan, Miller, Weber & Olmstead, L.L.P.
P. O. Box 12127
Austin, Texas 78711-2127

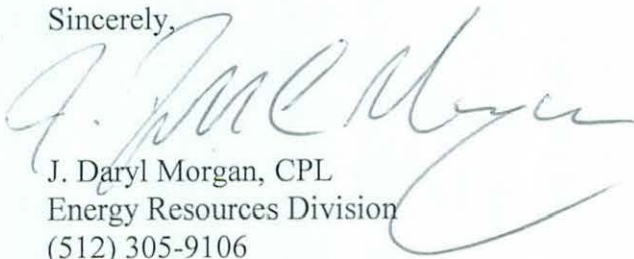
RE: Amendment of 52.076 Pooling Agreements
MD America Energy, LLC
Wilson #2-H Unit
M-110423 – GLO Unit No. 4624
Wilson C #3-H Unit
M-113172 – GLO Unit No. 5175
Brazos and Madison Counties, Texas

Dear Clark:

Enclosed is a duplicate original of each of the above referenced Amendment of §52.076 Pooling Agreements that have been executed by George P. Bush, Commissioner of the Texas General Land Office. We have retained the other duplicate original of each Agreement for our files.

Thank you for your assistance with this matter, if you have any questions, please do not hesitate to contact me.

Sincerely,



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

Enclosures

(17)

File No. M-113172

Ltr. to Clerk Jobe County

Date Filed: 12/11/15

George P. Bush, Commissioner

By [Signature]



301 Commerce Street, Suite 2150
Fort Worth, TX 76102
(817) 288-7800 – Main
(817) 288-7801 – Fax

February 8, 2016

Texas General Land Office
Energy Resources Division
P.O. Box 12873
Austin, TX 78711-2873

RE: Amendment of 52.076 Pooling Agreements
MD America Energy, LLC
Wilson A #2-H Unit
M-110423 – GLO Unit No. 4624
Wilson C #3-H Unit
M-113172 – GLO Unit No. 5175
Brazos and Madison Counties, Texas

Ladies and/or Gentlemen:

Enclosed for your files are copies of the above reference amendment of pooling agreements recorded in Brazos and Madison Counties, Texas.

Thank you very much.

Sincerely,

A handwritten signature in cursive script that reads "Annie Hoffa".

Annie Hoffa
Land Administrator

Enclosure

18

File No. M-113172

Lt. From NY America County _____

Date Filed: 2/11/6
George P. Bush, Commissioner

By: [Signature]

2025

**SECOND AMENDMENT OF POOLING AGREEMENT PURSUANT TO TNRC §52.076
STATE OF TEXAS / MD AMERICA ENERGY, LLC
WILSON C #3-H UNIT
M-113172 – GLO UNIT NO. 5175
BRAZOS AND MADISON COUNTIES, TEXAS**

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WHEREAS, pursuant to such approval, Woodbine Acquisition Corporation and the Commissioner of the General Land Office of the State of Texas entered into that Pooling Agreement pursuant to TNRC §52.076 ("Agreement") to pool State Land into the Unit as more particularly described in said Agreement on file in the Archives and Records of the Texas General Land Office at Austin, Texas, in Mineral File No. M-113172; and

WHEREAS, on April 7, 2015, the School Land Board approved changing the name off the Unit, decreasing the size of the Unit from 160 acres to 130.59 acres and including an additional 0.52 acres of the Navasota River as more particularly described in the Amendment of Pooling Agreement Pursuant to TNRC §52.076 on file in the Archives and Records of the Texas General Land Office, Austin, Texas, in Mineral File No. M-113172; and

WHEREAS, on October 6, 2015, MD America Energy, LLC made application and the School Land Board approved its application to amend said Agreement as to the unitized interval and to add Exhibit "3" providing for Horizontal Sharing Wells; and

WHEREAS, the Commissioner of the General Land Office finds that amending said Agreement as approved by the School Land Board is in the best interest of the State of Texas:

NOW THEREFORE, in consideration of the premises and of the mutual agreements contained in said Agreement, it is agreed that said Agreement is amended by adding the attached Exhibit "3" and amended as to the unitized interval by deleting the last "WHEREAS" line of the Agreement and Paragraph 3 of Exhibit "2" to the Agreement and substituting the following paragraphs therefor:

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MINERAL POOLED

3.

The mineral pooled and unitized ("pooled mineral") hereby shall be oil and gas including all hydrocarbons that may be produced from an oil well or a gas well as such wells are recognized and designated by the Railroad Commission of Texas or other state regulatory agency having jurisdiction of the drilling and production of oil and gas wells. The pooled mineral shall extend to those depths underlying the surface boundaries of the pooled unit from the surface to the correlative equivalent of the depth of 9,500 feet, as seen on the log of the Montana 1H Pilot Well, API No. 42-313-31220 ("unitized interval")."

Nothing in this Amendment, nor the approval of this Amendment by the School Land Board, nor the execution of this Amendment by the Commissioner shall: (1) operate as a ratification or revivor of any State lease or Pooling Agreement that has expired, terminated, or has been released in whole or in part or terminated under their terms or the laws applicable thereto; (2) constitute a waiver or release of any claim for money, oil, gas or other hydrocarbons, or other thing due to the State by reason of the existence or failure of such lease or Pooling Agreement; (3) constitute a waiver or release of any claim by the State that such lease or Pooling Agreement is void or voidable for any reason, including, without limitation, violations of the laws of the State with respect to such lease or failure of consideration; or (4) constitute a confirmation or recognition of any boundary or acreage of any tract or parcel of land in which the State has or claims an interest; or (5) constitute a ratification of, or a waiver or release of any claim by the State with respect to any violation of a statute, regulation, or any of the common laws of this State, or any breach of any contract, duty, or other obligation owed to the State.

This Agreement may be executed in counterparts and, if so executed, shall be valid, binding and have the same effect as if all the parties hereto actually joined in and executed one and the same document. For recording purposes and in the event

SCANNED

FEB 03 2016 *RF*

counterparts of this Agreement are executed, the executed pages, together with the pages necessary to show acknowledgments, may be combined with the other pages of this Agreement so as to form what shall be deemed and treated as a single original instrument showing execution by all parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement upon the respective dates indicated below but to be effective as of March 1, 2015.

Date Executed 12/10/15

STATE OF TEXAS

By: [Signature]
George P. Bush, Commissioner
General Land Office

Legal [Signature]
Content [Signature]
Geology [Signature]
Executive [Signature]

Date Executed _____

MD AMERICA ENERGY, LLC

By: [Signature]

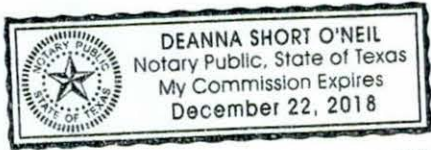
Its: _____

(JD)
(BC)

STATE OF TEXAS
COUNTY OF Tarrant

This instrument was acknowledged before me on Oct 23, 2015, by Blake Anderson,
as V. P. Land of MD America Energy, LLC, a Delaware limited
liability company on behalf of said company.

[Signature]
Notary Public in and for the State of Texas



CERTIFICATE

I, Stephanie Crenshaw, Secretary of the School Land Board of the State of Texas, do hereby certify that at a meeting of the School Land Board duly held on the 6th day of October, 2015, the foregoing instrument was presented to and approved by said Board under the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, all of which is set forth in the Minutes of the Board of which I am custodian.

IN TESTIMONY WHEREOF, witness my hand this 10th day of December, 2015.

[Signature]
Secretary of the School Land Board

EXHIBIT "3" HORIZONTAL SHARING WELLS

WHEREAS, the parties wish to encourage further development of the Unit via the drilling of horizontal wells, in order to:

- (a) Prevent physical and economic waste and the drilling of unnecessary wells, and to increase the ultimate recovery of oil, gas and other associated hydrocarbons from the Unit; and
- (b) Protect the correlative rights of all Interest Owners in the Unit so that each may receive a fair share of the production in and under the Unit; and

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Filed for Record in:
BRAZOS COUNTY

On: Jan 08, 2016 at 11:03A

As a
Recording

Document Number: 01252676

Amount 34.00

Receipt Number - 564452

By
Debbie Baker

STATE OF TEXAS COUNTY OF BRAZOS
I hereby certify that this instrument was
filed on the date and time stamped hereon by me
and was duly recorded in the volume and page
of the Official Public records of:

BRAZOS COUNTY

as stamped hereon by me.

Jan 08, 2016

Karen McQueen, Brazos County Clerk
BRAZOS COUNTY

recording return to:
Fisher
Box 5047
, TX 77491

COUNTY OF BRAZOS
The foregoing is a true and correct copy as the same
appears on file and recorded in the appropriate
books of Brazos, County, Texas

Doc By Vol Pg
01293676 DR 13113 255

whereby certify, on 1-8-16 DB

Karen Mc Luer
County Clerk,
Brazos County, Texas

SECOND AMENDMENT OF POOLING AGREEMENT PURSUANT TO TNRC §52.076

STATE OF TEXAS / MD AMERICA ENERGY, LLC

WILSON C #3-H UNIT

M-113172 – GLO UNIT NO. 5175

BRAZOS AND MADISON COUNTIES, TEXAS

Doc Bk Vol Pg
96901 OR 1502 233

WHEREAS, on October 4, 2011, the School Land Board of the State of Texas approved pooling 3 acres of the State's unleased mineral interest under the Navasota River into the 160-acre Wilson #3-H Unit ("Unit") pursuant to the provisions of §52.076 and Subchapter E, Chapter 52, of the Texas Natural Resources Code; and

WHEREAS, pursuant to such approval, Woodbine Acquisition Corporation and the Commissioner of the General Land Office of the State of Texas entered into that Pooling Agreement pursuant to TNRC §52.076 ("Agreement") to pool State Land into the Unit as more particularly described in said Agreement on file in the Archives and Records of the Texas General Land Office at Austin, Texas, in Mineral File No. M-113172; and

WHEREAS, on April 7, 2015, the School Land Board approved changing the name off the Unit, decreasing the size of the Unit from 160 acres to 130.59 acres and including an additional 0.52 acres of the Navasota River as more particularly described in the Amendment of Pooling Agreement Pursuant to TNRC §52.076 on file in the Archives and Records of the Texas General Land Office, Austin, Texas, in Mineral File No. M-113172; and

WHEREAS, on October 6, 2015, MD America Energy, LLC made application and the School Land Board approved its application to amend said Agreement as to the unitized interval and to add Exhibit "3" providing for Horizontal Sharing Wells; and

WHEREAS, the Commissioner of the General Land Office finds that amending said Agreement as approved by the School Land Board is in the best interest of the State of Texas:

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"WHEREAS, The School Land Board determined that pooling said unleased interest as to oil and gas produced from the surface to the correlative equivalent of the depth of 9,500 feet, as seen on the log of the Montana 1H Pilot Well, API No. 42-313-31220 and as more particularly described on the attached Exhibit "2" is in the best interest of the State.

MINERAL POOLED

3.

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This Agreement may be executed in counterparts and, if so executed, shall be valid, binding and have the same effect as if all the parties hereto actually joined in and executed one and the same document. For recording purposes and in the event

SCANNED

FEB 03 2016 *JMB*

foregoing is a true and correct copy of the original instrument as the same appears on file and recorded in the appropriate records of Brazos, County, Texas

do hereby certify, on 1-8-16 DJS



Karen McQueen
County Clerk,
Brazos County, Texas

Doc 96901 Bl BR Vol 1502 Pg 234 Doc 01352678 Bl BR Vol 12118 Pg 254

counterparts of this Agreement are executed, the executed pages, together with the pages necessary to show acknowledgments, may be combined with the other pages of this Agreement so as to form what shall be deemed and treated as a single original instrument showing execution by all parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement upon the respective dates indicated below but to be effective as of March 1, 2015.

Date Executed 12/10/15

STATE OF TEXAS

By: [Signature]
George P. Bush, Commissioner
General Land Office

Legal [Signature]
Content [Signature]
Geology [Signature]
Executive [Signature]

Date Executed _____

MD AMERICA ENERGY, LLC

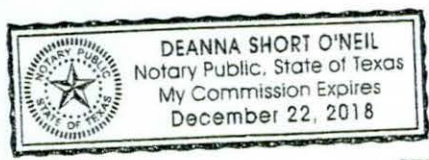
By: [Signature]

Its: _____

(JD)
(BC)

STATE OF TEXAS
COUNTY OF Tarrant

This instrument was acknowledged before me on Oct 23, 2015, by Bate Anderson,
as V. P. Land of MD America Energy, LLC, a Delaware limited
liability company on behalf of said company.



Deanna Short O'Neil
Notary Public in and for the State of Texas

CERTIFICATE

I, Stephanie Crenshaw, Secretary of the School Land Board of the State of Texas, do hereby certify that at a meeting of the School Land Board duly held on the 6th day of October, 2015, the foregoing instrument was presented to and approved by said Board under the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, all of which is set forth in the Minutes of the Board of which I am custodian.

IN TESTIMONY WHEREOF, witness my hand this 10th day of December, 2015.

Stephanie Crenshaw
Secretary of the School Land Board

EXHIBIT "3"
HORIZONTAL SHARING WELLS

Doc 96901 Bk OR Vol 1502 Pg 235

WHEREAS, the parties wish to encourage further development of the Unit via the drilling of horizontal wells, in order to:

- (a) Prevent physical and economic waste and the drilling of unnecessary wells, and to increase the ultimate recovery of oil, gas and other associated hydrocarbons from the Unit; and
- (b) Protect the correlative rights of all Interest Owners in the Unit so that each may receive a fair share of the production in and under the Unit; and

WHEREAS, it may be advantageous to position one or more horizontal wells (i.e. any well having a lateral length of greater than 100') such that same may traverse lands within and outside of the Unit (a "Sharing Well"), and to establish a basis for sharing in production proceeds from each Sharing Well;

NOW THEREFORE, the parties do hereby agree to the following:

- (1) Each Interest Owner shall share in each Sharing Well on the basis of each Interest Owner's ownership in the Unit multiplied by the Allocation Factor. The "Allocation Factor" is defined as a fraction, the numerator of which is equal to the length of that portion of the Lateral Line Equivalent that lies within the boundaries of the Unit, and the denominator being the total length of the Lateral Line Equivalent. For purposes of this Agreement, the Lateral Line Equivalent is defined as a line drawn, using map view perspective, that begins at the First Take Point of a well and runs laterally toward the Last Take Point of a well along the actual surveyed well path to the Last Take Point of the well. A "Take Point" in a horizontal drainhole well is defined as any point along a horizontal drainhole where oil and/or gas can be produced into the wellbore from the reservoir or field interval.
- (2) Operations on or production from each Sharing Well shall be treated as if they were actual operations on or production from each Unit and the proceeds from production from such Sharing Well shall be paid in accordance with the Allocation Factor set out above.
- (3) Production from any and all Sharing Wells drilled on the Unit shall not create any offset obligation, whether express or implied, and as to each Sharing Well drilled, this Agreement shall be deemed to constitute complete protection of each Interest Owner's correlative rights. The parties further agree that this Agreement affects only production from each Sharing Well, and in no way affects ownership of production from any other wells drilled or to be drilled which lie solely within the Unit and are not Sharing Wells.

STATE OF TEXAS
COUNTY OF BRAZOS
The foregoing is a true and correct copy as the same appears on file and recorded in the appropriate records of Brazos, County, Texas

Thereby certify, on 1.8.16 DJ



Karen Mc Lussen
County Clerk,
Brazos County, Texas

Doc Bk Vol Pg
01252676 DR 13113 258

Doc Bk Vol Pg
96901 DR 1502 236



Filed for Record in:
BRAZOS COUNTY

On: Jan 08, 2016 at 11:03A

As a
Recording

Document Number: 01252676

Amount: 34.00

Receipt Number - 564452

By:
Debbie Baker

STATE OF TEXAS COUNTY OF BRAZOS
I hereby certify that this instrument was
filed on the date and time stamped herein by me
and was duly recorded in the volume and page
of the Official Public records of:

BRAZOS COUNTY

as stamped herein by me.

Jan 08, 2016

Karen McQueen, Brazos County Clerk
BRAZOS COUNTY

After recording return to:
Kari Fisher
P.O. Box 5047
Brazos County, TX 77491

STATE OF TEXAS
COUNTY OF BRAZOS
The foregoing is a true and correct copy as the same
appears on file and recorded in the appropriate
records of Brazos County, Texas:

Thereby certify, on 1-8-16 DJ



Karen McQueen
County Clerk,
Brazos County, Texas

CHASE
Dr. J. Shaw
2730X 5247
July 17 1991

STATE OF TEXAS
COUNTY OF MADISON
I hereby certify that this instrument
was filed on the date and at the time
stamped hereon by me and was duly
RECORDED in the Volume and Page of the
Official Public Records of Madison
County, Texas.
HONORABLE SUSANNE MORRIS, COUNTY CLERK
Madison County, TEXAS
Document Number: 96901
Amount: 38.00
Receipt Number: 19228
Vol: 1502 Page: 233
Recorded: Jan 11, 2016 at 09:49A
By: Julia Bazan, Deputy

Doc 96901 OR 1502 Pg 237



19

File No. M-11317Z

Recorded 2nd Amendment County

Date Filed: 2/11/16
George P. Bush, Commissioner

By [Signature]

3.11.16



MF113172
OIL AND/OR GAS DIVISION ORDER

To/Operator: MD America Energy, LLC
301 Commerce Street, Suite 2500
Fort Worth, TX 76102

Date Prepared: 11/19/2018
Effective Date: 9/16/2018 (Date of First Production)

Property Name: **Rainier (Allocation) No. 1H Well** [API No. 42-313-31352]
INCL 9786

Property Description: J. K. DAVIS SURVEY, A-103, BRAZOS COUNTY, TEXAS AND THE E. EDWARDS SURVEY, A-93, AND A. LOTT SURVEY, A-146, MADISON COUNTY, TEXAS (PRODUCING LATERAL ALLOCATION: COUNTY LINE UNIT (GLO#6502)=1146.79/8991.57; WILSON #5-H UNIT (GLO#6690)=1665.06/8991.57; WILSON 7H UNIT (GLO#7676)=3133.61/8991.57; WILSON C #3-H UNIT (GLO#5175)=1935.16/8991.57; WILSON UNIT A #2H UNIT (GLO#4624)=1110.95/8991.57)

Owner#/Owner Name/Address	Unit.Tract #	Land Tract #	Lease #	Interest/Interest Type
TEXGLO(463) Commissioner of the General Land Office of the State of Texas Stephen F. Austin Building 1700 North Congress Avenue Austin, TX 78701	County Line.2 (M-116047/GLO#6502)	KR0325	620	1/4x3.21/186.44x1146.79/8991.57 plus
	Wilson #5-H.2 (M-113758/GLO#6690)	KR0253	1560	1/4x2.11/149.8x1665.06/8991.57 plus
	Wilson 7H Unit.2 (M-117709/GLO#7676)	KR0331	1611	1/4x5.35/231.26x3133.61/8991.57 plus
	Wilson C #3-H Unit.2 (M-113172/GLO#5175)	KR0254	485	1/4x3.52/130.59x1935.16/8991.57 plus
	Wilson #2H Unit.2 (M-110423/GLO#4624)	KR0254	653	1/4x4.22/155.8x1110.95/8991.57 RI
				(0.00550359) ✓

Interest Types: RI=Royalty Interest; NEMI=Non-Executive Mineral Interest; NPRI=Non-Participating Royalty Interest; ORI=Overriding Royalty Interest; WI=Working Interest

THIS DIVISION ORDER DOES NOT AMEND ANY LEASE OR OPERATING AGREEMENT BETWEEN THE INTEREST OWNERS AND THE LESSEE OR OPERATOR OR ANY OTHER CONTRACTS FOR THE PURCHASE OF OIL AND/OR GAS.

The undersigned (hereafter referred to as "Payee/Owner") certifies the ownership of their decimal interest in the oil, including condensate and other liquid hydrocarbons, and gas, including casinghead gas and other gaseous substances, or their proceeds, produced from the land, as described above, payable by MD America Energy, LLC or MD America Energy, LLC's nominee or agent (hereafter referred to as "Payor").

PAYMENT: Payments of less than \$100 may be accrued before disbursement until the total amount equals \$100 or more, or until 12 months' proceeds accumulate, whichever occurs first. However, the Payor may hold accumulated proceeds of less than \$10 until production ceases or the Payor's responsibility for making payment for production ceases, whichever occurs first. Payee/Owner agrees to reimburse Payor any amounts attributable to an interest or part of an interest to which the Payee/Owner is not entitled.

INDEMNITY: The Payee/Owner agrees to indemnify and hold Payor harmless from all liability resulting from payments made to the Payee/Owner in accordance with such division of interest, including but not limited to attorney fees or judgments in connection with any suit that affects the Payee/Owner's interest to which Payor is made a party.

DISPUTE; WITHHOLDING OF FUNDS: If a suit is filed that affects the interest of the Payee/Owner, written notice shall be given to Payor by the Payee/Owner together with a copy of the complaint or petition filed. In the event of a claim or dispute that affects title to the division of interest credited herein, Payor is authorized to withhold payments accruing to such interest, without interest, unless otherwise required by applicable statute, until the claim or dispute is settled.

NOTICES: The Payee/Owner agrees to notify Payor in writing of any change in the division of interest, including changes of interest contingent on payment of money or expiration of time. No change of interest is binding on Payor until the recorded copy of the instrument of change or documents satisfactorily evidencing such change are furnished to Payor at the time the change occurs. Any change of interest shall be made effective on the first day of the month following receipt of such notice by Payor. Any correspondence regarding this agreement shall be furnished to the addresses listed above unless otherwise advised by either party.

In addition to the terms and conditions of this Division Order, the undersigned and Payor may have certain statutory rights under the laws of the state in which the property is located.

Witnesses/Attest:

Payee/Owner Signature(s)

Payee/Owner Printed Name(s) and Title(s)

Payee/Owner Social Security/Taxpayer Identification Number(s):

Payee/Owner Daytime Telephone Number(s):

Payee/Owner email address:

FEDERAL LAW REQUIRES YOU TO FURNISH YOUR SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER. FAILURE TO COMPLY WILL RESULT IN TAX WITHHOLDING IN ACCORDANCE WITH FEDERAL LAW, WHICH WILL NOT BE REFUNDABLE BY PAYOR.



TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

February 26, 2019

Sherry Sheffield
Land Administration Team Leader
MD America Energy, LLC
301 Commerce Street, Suite 2500
Fort Worth, TX 76102

Re: State Lease Nos. MF110423, MF113172, MF113758, MF116047 and MF117709
Rainier (Allocation) 1H iNut 9786

Dear Mrs. Sheffield:

The Texas General Land Office (GLO) has received your Division Order for the referenced unit. This Division Order has been filed in the appropriate mineral file(s).

The payment of royalties attributable to state-owned mineral and royalty interests is set by contract and applicable statutes and rules. The execution of division orders may, in some cases, affect the manner in which such payments are made or calculated. Therefore, Title 31, §9.32, of the Texas Administrative Code specifies that GLO staff cannot execute a division order or bind the state to any terms contained within it.

Subject to applicable state law and the state's right to take its production in-kind, the GLO acquiesces to the sale of oil and gas in accordance with the terms and conditions set out in the oil and gas leases. If you have questions concerning this matter, please feel free to e-mail me at the address below my signature.

We look forward to being put on pay status as soon as you are able to set up the wells in our RRAC system.

Thank you,

Vivian Zamora
Landman, Energy Resources
512-475-0428
512-475-1404 (fax)
vivian.zamora@glo.texas.gov

File No. ME113172

Madison / Brazos County

Division Order

Date Filed: 2-28-19

George P. Bush, Commissioner

By VB



Oil & Gas Production Data Query

Production Data FAQs PDQ Help

General Production Query **Specific Lease Query**

iNut 9169
MF 113172

Specific Lease Query Results

Query Path: [Search Criteria](#) > District 03, Lease: WILSON UNIT C
 Date Range: Jan ▼ 2020 ▼ to Mar ▼ 2022 ▼

Related Links

- [O&G Directory](#)
- [O&G Proration Schedule](#)
- [Offshore County Map](#)

View by: [Production and Total Disposition](#) [Disposition Details](#) [County Production](#)

Lease Name: WILSON UNIT C, Lease No: 25890
 District 03
 Lease Production and Disposition
 Jan 2020 - Mar 2022

[View Page By Page](#)

Date	OIL (BBL)		Casinghead(MCF)		Operator Name	Operator No.	Field Name	Field No.
	Production	Disposition	Production	Disposition				
Jan 2020	74	167	0	0	MD AMERICA ENERGY, LLC	556481	MADISONVILLE, W. (WOODBINE - A-)	56599500
Feb 2020	85	0	84	84				
Mar 2020	30	166	31	31				
Apr 2020	0	0	0	0				
May 2020	0	0	0	0				
Jun 2020	0	0	0	0				
Jul 2020	0	0	0	0	<i>iNut 9169</i>			
Aug 2020	0	0	0	0	<i>terminated</i>			
Sep 2020	0	0	0	0				
Oct 2020	0	0	0	0				
Nov 2020	0	0	0	0				
Dec 2020	0	0	0	0				
Jan 2021	0	0	0	0				
Feb 2021	0	0	0	0				
Mar 2021	0	0	0	0				
Apr 2021	0	0	0	0				

May 2021	0	0	0	0				
Jun 2021	0	0	0	0				
Jul 2021	0	0	0	0				
Aug 2021	0	0	0	0				
Sep 2021	0	0	0	0				
Oct 2021	0	0	0	0				
Nov 2021	0	0	0	0				
Dec 2021	0	0	0	0				
Jan 2022	0	0	0	0				
Feb 2022	0	2	0	0				
Mar 2022	0	0	0	0				
Total	189	335	115	115				

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File No. MF 113172

Madison / Brazos County

Zero product Reports- iNut

Date Filed: 4/27/23

9169

Commissioner Dawn Buckingham, M.D.

By: MB Baumstap