



CAUTION

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

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

Thank you for your assistance.

Archives and Records Staff

#8551



Leasing: GH
Analyst: GH
Maps: JH
GIS: MV
DocuShare: _____

MF114164

State Lease	Control	Base File	County
MF114164	08-030702	149550	REEVES

Survey	T & P RY CO	
Block	55	
Block Name		
Township	3-S	
Section/Tract	6	
Land Part	SW/4	
Part Description	S2	
Acres	160	
Depth Below	Depth Above	Depth Other
Name	PETRO-HUNT LLC	
Lease Date	9/15/2008	
Primary Term		
Bonus (\$)	\$0.00	
Rental (\$)	\$0.00	
Lease Royalty	0.0625	

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

CONTENTS OF FILE NO. M- 114164

① Royalty @ Land ID 6/1/12
 ② Private oil & gas lease 9/15/08
Scanned F24-13 PJP

See MF109915 #14 For Assignment #8695

3. DIVISION ORDER 12.27.12

Scanned PJ 2-3-15

~~EXPIRED~~ ~~02/28/15~~

4. LEASE PLAT 11/18/2015

See MF109915 #15 FY15 Demand letter 1/6/16

Scanned PJ 1-11-16

5. Division Order 2-16-17

6. Division Order 3-21-17

Scanned PJ 3-28-17

See MF109915 #23, Settlement Agreement 7/16/18

Scanned PJ 7-19-2018

See #s 78 & 79 in M-77782 For the

Dixie Land State 55-6 West Unit, #8551

Scanned PJ 9-19-2018

See MF077782 #94 Division Order

Scanned PJ 13 Sept 2022

(See MF077782 #98 for email)

Re: payout dates on Dixie Land

State East & West Units

Scanned GID 8-19-2025

See MF077782 #99 Division Order

Scanned WM 9.8.2025

**Basefile Number - 149550**

Information for this County -
REEVES COUNTY

[Related GloBase Record](#)[Download GIS Data](#)[Energy Lease Information](#)**IDENTIFICATION NUMBERS**

LAND CLASS NUMBER - 08

BASEFILE NUMBER - 149550

CONTROL NUMBER 08-030702

SURVEY INFORMATION

SURVEY NAME - T&P RR CO

GRANTEE NAME - Hoover, Faye Olga

ABSTRACT - 5497

BLOCK - TOWNSHIP - South 1/2 6 T. & P. 55 Tsp. 3

SECTION NUMBER - 6

SECTION/PART -

CURRENT ACRES - 320

ORIGINAL ACRES - 320

PATENT INFORMATION:

PATENTEE NAME -

DISTRICT - Bexar

CLASSIFICATION - School

FILE NUMBER - 149550

PATENT DATE -

CERTIFICATE - 4064

PATENT NUMBER -

PATENT VOLUME -

PAGE - 94

LEASE INFORMATION**POOLING AGREEMENTS:**

No Uplands Units

No SubMerged Units

OIL & GAS LEASES:

Upland Oil & Gas Leases: MF078760

Upland Oil & Gas Leases: MF111232

Upland Oil & Gas Leases: MF111894

No Submerged Oil & Gas Leases

HARD MINERAL LEASES:**PSF SURFACE LEASES:**

NONE

HISTORIC LEASES FOR THIS PARCEL**POOLING AGREEMENTS:**

No Uplands Units

No SubMerged Historical Units

Y16

R1
ck FR 32/4 y 504 B 55 T. 3
R1

OIL & GAS LEASES:

Upland Historical Oil&Gas Leases MF100863

No SubMerged Historical Oil&Gas Leases

OIL & GAS WELL DATA

NONE

①

File No. 114164

Royalty @ Land ID

Date Filed: _____

Jerry E. Patterson, Commissioner

By Git

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

Producers 88, General Pd Up-DD

OIL, GAS AND MINERAL LEASE
(Paid Up)

THIS AGREEMENT made September 15, 2008, between Texas Pythian Home, Inc., by Barry Carter, Chairman of the Board, hereinafter referred to as LESSOR, whether one or more, whose address is P.O. Box 239, Weatherford, Texas 76086, and Petro-Hunt, L.L.C., whose address is 1601 Elm Street, Suite 3400, Thanksgiving Tower, Dallas, TX 75201-7201, hereinafter referred to as LESSEE, whether one or more,

WITNESSETH:

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling, mining and operating for and producing oil, gas and sulphur and all other minerals, whether similar or dissimilar, injecting gas, waters, other fluids, and air into subsurface strata, laying pipelines, storing oil, building tanks, roadways, telephone and power lines, and other structures and things thereon to explore, produce, save, take care of, treat, process, store and transport said minerals, the following described land in Reeves County, Texas, to-wit (hereinafter called "said land" or "the leased premises"):

★
The Southwest Quarter (SW/4) of Section 6, Block 55, Township 3, T&P Ry. Co. Survey, containing 160.0 acres, more or less FR

The North Half (N/2) of Section 48, Block 57, Township 3, T&P Ry. Co. Survey, containing 320.0 acres, more or less FR

This lease also covers and includes, in addition to that above described, all land, if any, contiguous or adjoining the land above described and either (i) owned or claimed by lessor by limitation, prescription, possession, reversion or unrecorded instrument or (ii) as to which lessor has a preference right of acquisition. Lessor agrees to execute any supplemental instrument requested by lessee for a more complete or accurate description of said land. For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain 480.0 acres, whether it actually comprises more or less, and the above recital of acreage in any tract shall be deemed to be the true acreage thereof. Lessor accepts the bonus as full consideration for this lease and all rights and options hereunder.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of Three (3) years from the date hereof, (hereinafter called "primary term"), and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.

3. The royalties to be paid by lessee are: (a) on oil, and other liquid hydrocarbons saved at the well, One-Fourth (1/4) of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipeline to which the wells may be connected; (b) on gas, including casinghead gas or other gaseous substance produced from said land and used off the premises or used in the manufacture of gasoline or other products, the market value at the well of One-Fourth (1/4) of the gas used, provided that on gas sold on or off the premises, the royalties shall be One-Fourth (1/4) of the amount realized from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a gas and/or condensate well on said land, or land pooled therewith, but gas or condensate is not being so sold or used and such well is shut in, either before or after production therefrom, then on or before 90 days after said well is shut in, and thereafter at annual intervals, lessee may pay or tender an advance shut-in royalty equal to \$1.00 per net acre of lessor's gas acreage then held under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered, this lease shall not terminate and it shall be considered under all clauses hereof that gas is being produced from the leased premises in paying quantities. Each such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing, and may be paid Directly to Lessor at Above Address or its successors, which shall continue as the depositories, regardless of changes in the ownership of shut-in royalty. The payment or tender of royalties and shut-in royalties may be made by check or draft. Any timely payment or tender of shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties or amounts, shall nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made if lessee shall correct such error within ninety (90) days after lessee has received written notice thereof by certified mail from the party or parties entitled to receive payment together with such written instruments (or certified copies thereof) as are necessary to enable lessee to make proper payment. The amount realized from the sale of gas on or off the premises shall be the price established by the gas sales contract entered into in good faith by lessee and gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders.

4. Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease with any other land covered by this lease, and/or with any other land, lease, or leases, as to any or all minerals or horizons, so as to establish units containing not more than eighty (80) surface acres, plus 10% acreage tolerance; provided, however, units may be established as to any one or more horizons, or existing units may be enlarged as to any one or more horizons, so as to contain not more than six hundred forty (640) surface acres plus 10% acreage tolerance, if limited to one or more of the following: (1) gas, other than casinghead gas, (2) liquid hydrocarbons (condensate) which are not liquids in the

subsurface reservoir, (3) minerals produced from wells classified as gas wells by the conservation agency having jurisdiction. If larger units than any of those herein permitted, either at the time established, or after enlargement, are required under any governmental rule or order, for the drilling or operation of a well at a regular location, or for obtaining a maximum allowable from any well to be drilled, drilling, or already drilled, any such unit may be established or enlarged to conform to the size required by such governmental order or rule. Lessee shall exercise said option as to each desired unit by executing an instrument identifying such unit and filing it for record in the public office in which this lease is recorded. Each of said options may be exercised by lessee at any time and from time to time while this lease is in force, and whether before or after production has been established either on said land, or on the portion of said land included in the unit, or on other land unitized therewith. A unit established hereunder shall be valid and effective for all purposes of this lease even though there may be mineral, royalty, or leasehold interests in lands within the unit which are not effectively pooled or unitized. Any operations conducted on any part of such unitized land shall be considered, for all purposes, except the payment of royalty, operations conducted upon said land under this lease. There shall be allocated to the land covered by this lease within each such unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) that proportion of the total production of unitized minerals from the unit, after deducting any used in lease or unit operations, which the number of surface acres in such land (or in each such separate tract) covered by this lease within the unit bears to the total number of surface acres in the unit, and the production so allocated shall be considered for all purposes, including payment or delivery of royalty, overriding royalty and any other payments out of production, to be the entire production of unitized minerals from the land to which allocated in the same manner as though produced therefrom under the terms of this lease. The owner of the reversionary estate of any term royalty or mineral estate agrees that the accrual of royalties pursuant to this paragraph or of shut-in royalties from a well on the unit shall satisfy any limitation of term requiring production of oil or gas. The formation of any unit hereunder which includes land not covered by this lease shall not have the effect of exchanging or transferring any interest under this lease (including, without limitation, any shut-in royalty which may become payable under this lease) between parties owning interests in land covered by this lease and parties owning interests in land not covered by this lease. Neither shall it impair the right of lessee to release as provided in paragraph 5 hereof, except that lessee may not so release as to lands within a unit while there are operations thereon for unitized minerals unless all pooled leases are released as to lands within the unit. At any time while this lease is in force lessee may dissolve any unit established hereunder by filing for record in the public office where this lease is recorded a declaration to that effect, if at that time no operations are being conducted thereon for unitized minerals. Subject to the provisions of this paragraph 4, a unit once established hereunder shall remain in force so long as any lease subject thereto shall remain in force. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but lessee shall nevertheless have the right to pool or unitize as provided in this paragraph 4 with consequent allocation of production as herein provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

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

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

7. Lessee shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty on oil and gas shall be computed after deducting any so used. Lessee shall have the right at any time to remove all machinery and fixtures placed on said land, including the right to draw and remove casing. No well shall be drilled nearer than 200 feet to the house or barn now on said land without the consent of the lessor.

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

9. In the event lessor considers that lessee has not complied with all its obligations hereunder, both express and implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this contract. Lessee shall then have ninety (90) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of ninety (90) days after the service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the

alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. If this lease is canceled for any cause, it shall nevertheless remain in force and effect as to (i) sufficient acreage around each well as to which there are operations to constitute a drilling or maximum allowable unit under applicable governmental regulations, (but in no event less than forty acres), such acreage to be designated by lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules require; and (ii) any part of said land included in a pooled unit on which there are operations. Lessee shall also have such easements on said land as are necessary to operations on the acreage so retained.

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

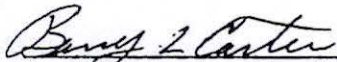
11. If, while this lease is in force at or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be invalid) or (2) any other cause, whether similar or dissimilar, (except financial) beyond the reasonable control of lessee, the primary term hereof shall be extended until the first anniversary date hereof occurring one hundred (120) or more days following the removal of such delaying cause, and this lease may be extended thereafter by operations as if such delay had not occurred.

12. This is a paid-up lease and lessee shall not be obligated during the primary term hereof to commence or continue any operations of whatsoever character or to make any payments hereunder in order to maintain this lease in force during the primary term; however, this provision is not intended to relieve lessee of the obligation to pay royalties on actual production pursuant to the provisions of Paragraph 3 hereof.

13. All of the covenants, obligations, and considerations of this lease shall extend to and be binding upon the parties hereto, their heirs, successors, representatives, assigns, and successive assigns. The terms and conditions hereof shall inure to the benefit of and be binding upon the parties hereto, heirs, successors, representatives, assigns, and successive assigns of the parties hereto.

EXECUTED the day and year first above written.

"LESSOR"



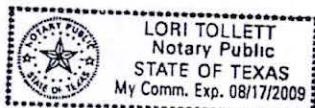
Texas Pythian Home, Inc., by Barry Carter, Chairman of the Board

INDIVIDUAL ACKNOWLEDGMENT

STATE OF TEXAS }

COUNTY OF Parker }

This instrument was acknowledged before me on September 19, 2008, by Texas Pythian Home, Inc., by Barry Carter, Chairman of the Board.



My commission expires: _____


Notary Public

EXHIBIT "A"

ADDITIONAL PROVISIONS:

14. Notwithstanding anything contained in the written lease agreement to which this addendum is attached, failure to comply with all or any portion of the terms and conditions of this addendum and/or the terms and conditions of the Oil and Gas Lease shall authorize Lessor to terminate this Oil and Gas Lease upon ninety (90) days notice to Lessee or Lessee's assigns, unless full and complete remedial action for any alleged failure of performance is resolved during such ninety (90) day period.

15. Lessee shall pay for all damage to roads, fences, improvements and growing crops caused by its operations hereunder, and will fill and level all pits and mounds, remove all board roads and board road materials, level and fill all ruts, and restore the surface of the ground to as near its original condition as is reasonably practical.

16. It is agreed and understood that Lessee shall have the right to drill, operate and produce directional and horizontal wells. Lessee shall pay to the current surface owner damages which shall represent the fair value of the temporary loss of the surface estate during its drilling operations. Lessee shall additionally be responsible to the surface owner for any and all damages, if any, occurring to the surface estate as a result of its operations.

17. Lessee shall construct and maintain substantial fences around drilling and production fixtures sufficient to turn livestock of normal demeanor.

18. It is understood and agreed that this lease covers and includes oil and gas only (including with oil and gas, all constituent elements thereof and all other liquid or liquefiable hydrocarbons and products of every kind or character derived therefrom and produced therewith, including sulphur), and that all minerals other than oil and gas are excepted herefrom and reserved to Lessor. Included among the minerals reserved to Lessor and excluded from this lease are coal, uranium and lignite.

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

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

21. Notwithstanding any provisions hereof to the contrary, it is expressly agreed and understood that Lessee's right to maintain this lease in force after the expiration of the primary term hereof by the payment of shut-in gas royalty under paragraph 3 of this lease shall be limited to recurring periods after the primary term not to exceed twenty-four (24) months in the aggregate. Further, notwithstanding the provisions contained in Paragraph 3 of this lease the annual shut-in payment amount shall be \$25.00 per net mineral acre.

22. It is expressly understood and agreed that, with the exception of interests acquired by entities participating in a venture governed by a Joint Operating Agreement in which Lessee herein is designated "Operator," Lessee shall not assign this lease without the prior written consent of Lessor, which consent shall not be unreasonably withheld.

23. LESSEE AGREES TO INDEMNIFY, DEFEND AND HOLD LESSOR HARMLESS FROM ALL CLAIMS, FINES, OR PENALTIES, INCLUDING BUT NOT LIMITED TO GOVERNMENTAL OR ADMINISTRATIVE CLEANUP OR COMPLIANCE ORDERS, WHICH RESULT OR ARE RELATED TO LESSEE'S OPERATIONS ON THE PREMISES.

24. In the event Lessee markets gas produced and saved from the leased premises through any affiliate company Lessor shall not bear, directly or indirectly, any production or post-production cost or expenses, including without limitation cost or expenses of gathering, dehydration, compression, transportation, processing, treating, or marketing the gas and associated liquid hydrocarbons produced from the Land that are charged to Lessee. In the event gas is marketed through a third party, Lessor shall receive, and Lessee agrees to pay to Lessor, the proceeds realized by Lessee from the sale of oil and/or gas and casinghead gas, including any other reimbursements or other forms of compensation paid by the purchaser of such oil and/or gas and casinghead gas to Lessee, produced from said land. In no event shall Lessor receive less than Lessee for such payment.

25. Lessee is granted the right to pool under the terms of this lease, however, Lessee agrees to provide Lessor a copy of any pooling agreement, unitization agreement and/or amendments prepared or executed by Lessee which include any land covered by this lease, within 60 days of recordation or effective date of said pooling agreement, unit agreement or amendment.

26. It is further understood and agreed that Lessee will bury and maintain all pipelines and electrical transmission lines 18 inches deep below the surface of the ground. The exact location and placement shall be agreed upon between the parties prior to entry or construction.

27. It is understood and agreed that, notwithstanding the foregoing, Lessee shall have a period of 180 days from and after the termination of this lease to remove all property, casing, and fixtures from the premises, and in the event Lessee fails to remove such property, casing and/or fixtures within 180 days, the ownership of same shall vest in Lessors, their heirs and

Initial _____

assigns, upon the expiration of 180 days from and after the date of termination of this lease Lessor may require the removal of said equipment Lessee agrees to remove debris and restore the surface to as near its original condition as practical within 180 days, weather permitting, after drilling or reworking operations are completed on each well.

28. Lessee further agrees that in the event of a dry hole or production from a well which production ceases and the abandonment of such well, or upon the abandonment of any well location, drillsite, tank battery site or roadway, the premises will be restored as nearly as reasonably possible to its former condition at the cost and expense of the Lessee, it being the intention of the parties hereto that the Lessee shall restore the surface to as nearly the state that it is at the time of execution of this lease.

29 Lessee shall not use surface water from Lessor's ponds, tanks, streams, creeks, or draws. Lessee may use water from fresh water stratum or strata only by means of a Lessee drilled water well. At such time as its need therefore has ceased, Lessee may remove the pump and tubing from the well and surrender all right, title and interest in said water well to Lessor. At such time as these items are removed from the well, Lessee agrees to notify Lessor in writing that this has occurred. In this event, Lessor agrees to indemnify, defend and hold Lessee harmless as to all claims and causes of action resulting from Lessor's assumption and operation of Lessee's interest in said water well.

30. If to obtain ingress and egress to leased premises, it becomes necessary for the Lessee to cut any fences of the Lessor, the Lessee shall install and maintain suitable and well built gates, installed to the Lessor's satisfaction, which gates shall upon termination of this lease for any cause become the property of Lessor. Said gates to be supported by H braces and be a minimum of 12 feet in width. Whether the Lessee uses gates presently in the Lessor's fences along the public roads or constructs his own gates, Lessee agrees to keep the same locked at all times so as to exclude the general public from the Lessor's property, permitting only Lessors, their tenants and Lessee's servants, agents and employees to have any keys thereto.

31 Notwithstanding the provisions of Paragraph 7 above no well shall be located less than 450 feet from any house or barn now on leased premises or other lands of Lessor used by Lessee hereunder, without Lessor's permission.

32. All oil based drilling fluids and salt water will be disposed of off of the leased premises unless otherwise agreed.

33. No debris will be left in any reserve pits or will be permitted to be stored on drill site during any operation and maintenance at wellsite except during the initial drilling of a well.

34. Lessee shall protect the lease premises from drainage by wells on adjoining lands. Lessee shall drill, complete, and produce wells on the lease premises which a reasonable and prudent operator would drill, complete, and produce to protect the correlative rights of both Lessor and Lessee to produce oil, gas, and other hydrocarbons from a common reservoir under the lease premises which is being produced on adjoining lands. In lieu of drilling an off-set well, Lessee has the option to release the off-set proration unit as to the producing horizon(s) only. Nothing herein shall require Lessee to drill an off-set well where Lessee has an existing well producing oil or gas on a proration unit on the leased land at the time of completion of a well on an adjoining proration unit to the leased land(s)

35. Notwithstanding anything to the contrary, it is agreed that should Lessee exercise its option to pool or combine any portion of the land covered hereby with other lands, lease or leases as hereinbefore provided, then such operations and production on and in any such pooled unit as herein provided, shall continue this lease in force and effect during or after the primary term as to that portion of the lands covered by this lease, included in such unit or units as hereinabove provided, but not as to such portion of said lands covered by this lease and not included in any such unit. This lease may be kept in force and effect as to such remainder in any manner elsewhere provided in this lease not inconsistent with this paragraph.

36 Lessee agrees to consult with the surface owner regarding the placement of all drilling locations, roads, lines, tank batteries, electric poles, telephone poles and other structures and to locate any and all of such items which it has the right to locate on the leased premises pursuant to the terms contained herein at such locations as to reduce the interference with the surface use of said land for farming and ranching purposes, and for Lessor's enjoyment of the surface, insofar as it is reasonably practicable to do so and in such a manner as to reduce the risk of soil erosion insofar as it is reasonably practicable to do so; provided, however, Lessee will not be prevented from exercising reasonable use of the surface of the leased premises in order to accomplish the purposes of this lease.

37 Any pipelines constructed on the above described land shall be for gathering purposes only and not used as transmission lines for gas produced from other leases and lands.

38 Lessor herein executes and grants this lease without warranty express or implied.

Signed for Identification:

TEXAS PYTHIAN HOME, INC., by Barry Carter, Chairman of the Board

By Barry L. Carter

Name Barry L. Carter

Title Chairman of the Board

Initial _____

Certificate of Record

26.00

Recording Fee

Certified Copy Fee

26.00

Total Paid *enw* 805413

Return to

Petro-Hunt LLC

FILED FOR RECORD

2008 DEC 10 PM 3:45

DIANNE O. FLOREZ
COUNTY CLERK, REEVES COUNTY, TX

By: [Signature]

COMPARED

THE STATE OF TEXAS, }
COUNTY OF REEVES }

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

I, hereby certify that this instrument with its certificates of authenticity was FILED on the
date and at the time stamped hereon and was duly RECORDED in the OFFICIAL PUBLIC
RECORDS of Real Property of Reeves County, Texas, as indicated

OPR VOL 810 PAGE 263 DATE RECORDED 12/15/2008



DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

By *[Signature]*, Deputy

File No. 114164

Private Oil & Gas Lease

Date Filed: 9/15/08

Jerry E. Patterson, Commissioner

By GA

RRCS
MF 114164

Owner: COMMISSIONER OF THE TEXAS

Date: 12/19/2012

Description: PYTHIAN 06-01

Effective Date:

10/01/2012

Complete Property Description Listed Below

Production: ☐ X Oil ☐ X Gas ☐ Other: _____

Owner Name and Address

COMMISSIONER OF THE TEXAS
GENERAL LAND OFFICE
P O BOX 12873

AUSTIN, TX 78711-2873

Phone Number:

Owner Number: 06076

Type Interest: State Royalty Interest

Decimal Interest: 0.06250000

FAX Number:

Property Description

Property: 1880.01

PYTHIAN 06-01

Operator: RESOLUTE NATURAL RESOURCES

Location: Reeves, TX

Map Reference Information

Reeves, TX US

Block: 55-T3 Section: 6 Qtr/Qtr: SW

Surv. Ft/Dir: 0 Surv. Ft/Dir: 0

The undersigned certifies the ownership of the decimal interest in production proceeds as described payable by (Payor):
RESOLUTE NATURAL RESOURCES

Payor shall be notified, in writing, of any change in ownership, decimal interest, or payment address. All such changes shall be effective the first day of the month following receipt of such notice.

Payor is authorized to withhold payment pending resolution of a title dispute or adverse claim asserted regarding the interest in production claimed herein by the undersigned.

The undersigned agrees to indemnify and reimburse Payor any amount attributable to an interest to which the undersigned is not entitled.

Payor may accrue proceeds until the total amount equals \$100.00, or as required by applicable state statute.

This Division Order does not amend any lease or operating agreement between the undersigned and the lessee or operator or any other contracts for the purchase of oil or gas.

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.

Owner(s) Signature(s): x _____ x _____

Owner(s) Tax I.D. Number(s): _____

Owner(s) Daytime Phone #: _____

Owner(s) FAX Number: _____



12.27.12

December 21, 2012

TO: COMMISSIONER OF THE TEXAS GENERAL LAND OFFICE
P O BOX 12873
AUSTIN, TX 78711-2873

RE: PYTHIAN 06-01
BLOCK 55, T-3, T&P RR CO SURVEY, Sec: 6
REEVES COUNTY, TEXAS

To Whom It May Concern:

Enclosed please find the Division Order for the referenced well. Both copies are for your records.

If you have any questions, feel free to contact the undersigned either by telephone at 303-573-4886 x1595, or by email at SGrummon@ResoluteEnergy.com.

Sincerely,

RESOLUTE NATURAL RESOURCES SOUTHWEST, LLC
By its Manager, Resolute Natural Resources Company, LLC

A handwritten signature in blue ink, appearing to read "Sam Grummon".

Sam Grummon
Division Order Analyst

/sg
enclosures

File No. MF114164

DIVISION ORDER

Date Filed: 12.27.12

Jerry E. Patterson, Commissioner

By  _____





④

File No. M-114164
LEASE PLAT County

Date Filed: 11/18/2015

George P. Bush, Commissioner
By 



1.24.17

NADOA Model Form Division Order (Adopted 9/95)

CIMAREX ENERGY CO
202 S Cheyenne Ave, Suite 1000
Tulsa, OK 74103

MF114164

Date: 01/18/2017

Effective Date: 01/01/2017

030618

Owner: COMMISSIONER OF THE GENERAL
LAND OFFICE STATE OF TEXAS
LOCKBOX ACCOUNT
PO BOX 12873
AUSTIN, TX 78711-2873

Description: PYTHIAN 6-1 - ENT

Complete Property Description Listed Below

Production: ☒ X Oil ☒ X Gas ☐ Other: _____**Owner**

COMMISSIONER OF THE GENERAL

Owner Number: 030618

Interest Type: STATE OF TEXAS ROYALTY

Interest Type Code: STA1

Decimal Interest: 0.12500000

Property Description

Property: 428085-084.01 PYTHIAN 6-1

Operator: CIMAREX ENERGY CO Location: Reeves, TX

Map Reference Information

Reeves, TX US

Survey: PUBLIC SCHOOL LAND 0

PSL001Block: C-21Lot:

The undersigned certifies the ownership of the decimal interest in production proceeds as described payable by (Payor): **CIMAREX ENERGY CO**

Payor shall be notified, in writing, of any change in ownership, decimal interest, or payment address. All such changes shall be effective the first day of the month following receipt of such notice.

Payor is authorized to withhold payment pending resolution of a title dispute or adverse claim asserted regarding the interest in production claimed herein by the undersigned.

The undersigned agrees to indemnify and reimburse Payor any amount attributable to an interest to which the undersigned is not entitled.

Payor may accrue proceeds until the total amount equals \$100.00, or as required by applicable state statute.

This Division Order does not amend any lease or operating agreement between the undersigned and the lessee or operator or any other contracts for the purchase of oil or gas.

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.

SPECIAL CLAUSE: CIMAREX ENERGY CO ACQUISITION OF PYTHIAN 6-1 WELL AND CHANGE OF OPERATOR FROM RESOLUTE NATURAL RESOURCES SOUTHWEST, LLC, EFFT 1/01/2017,

Owner(s) Signature(s): x _____ x _____

Owner(s) Tax I.D. Number(s): _____

Owner(s) Daytime Phone #: _____

Owner(s) FAX Number: _____

Owner(s) Email Address: _____

KEEP THIS COPY

Federal Law requires you to furnish your Social Security or Taxpayer Identification Number.
Failure to comply will result in 28% tax withholding and will not be refundable by Payor.



INSTRUCTIONS TO ALL INTEREST OWNERS

Read Carefully Before Signing the Instrument

- SIGNATURE:** Individuals: Sign name as shown in the instrument.
- Corporations: If signing for a corporation, please provide the name and title of the signatory party.
- SIGNATURE BY SECOND PARTY:** If the instrument is signed by agent, attorney-in-fact, guardian, estate representative, trustee or any other party other than the named interest owner, we must have evidence of the rights vested in the signatory party.
- MORTGAGE STIPULATION** If your interest is subject to a mortgage(s), please have the mortgagee(s) execute the document in the space(s) provided below your signature. If the mortgage(s) has been released, please provide us with a copy of the RECORDED release(s).
- MAILING ADDRESS:** If the checks should be mailed to a different address than shown with your name, please insert the address change. Print or type. Do not abbreviate. If you are already receiving checks from this company, be sure to use the same address to which we are now mailing checks.
- PAYMENT POLICY:** Payments are made upon accrual of \$100.00, or when proceeds for six (6) months have accumulated. An owner has the option of requesting to be paid monthly for proceeds totaling \$25.00. Should you require payments on the optional basis, please send us your written request.
- PROPERTY NUMBER:** On the left portion of the instrument you will find the number assigned to this well. This number will appear on the statement attached to your check and should always be used when corresponding with this company.
- CHANGE OF ADDRESS:** You should notify us promptly of any change in mailing address. This notice must be over your own signature, or the signature of your appointed agent. Always include your Owner Number (which will appear on your check from this company) and your old address, then state your new address with zip code.

THIS INSTRUMENT SHOULD NOT BE ALTERED IN ANY WAY UNLESS ACCOMPANIED BY DOCUMENTARY EVIDENCE TO SUPPORT THE CHANGE. FAILURE TO COMPLY WITH THESE INSTRUCTIONS MAY DELAY PAYMENT. RETURN THE EXECUTED INSTRUMENT TO THE ADDRESS BELOW. KEEP ONE (1) COPY FOR YOUR RECORDS.

IRS W-9 FORM: FEDERAL LAW REQUIRES YOU TO FURNISH YOUR SOCIAL SECURITY NUMBER. IN ADDITION TO INSERTING IT ON THE ENCLOSED DIVISION ORDER YOU MUST ALSO COMPLETE AND SIGN THE ENCLOSED IRS W-9 FORM AND RETURN IT WITH THE EXECUTED DIVISION ORDER.

Should you have any questions, please contact Jeanine Hill at 918-560-7076 or jhale-hill@cimarex.com.

CIMAREX ENERGY CO.
DIVISION ORDER DEPARTMENT
202 SOUTH CHEYENNE AVE, SUITE 1000
TULSA, OK 74103-3001
ATTENTION: Jeanine Hill
(918) 560-7076 -- Phone
(918) 295-1896 -- Fax
E-Mail: JHale-Hill@cimarex.com



REVENUE INTEREST OWNER COMMON QUESTIONS AND ANSWERS

- **Revenue check schedule**
Revenue checks are issued monthly on the 15th. If the amount of revenue due is less than \$100.00, payment is withheld until the amount due equals or exceeds \$100.00, subject to state regulations. All checks less than \$100.00 are issued in December on an annual basis.
- **Check not on schedule**
If payment is delayed more than 10 days, you should contact us to see if a check was issued.
- **Check Lost, stolen or outdated**
Immediately notify us in writing of lost or stolen checks so we may issue a replacement check. If the check is stale dated, return it to us without defacing it so a replacement may be issued.
- **Determine interest value**
The evaluation or appraisal of interest requires geologic or engineering review and judgement. Therefore, we do not attempt such evaluations for interest owners. An appraisal can be obtained by contacting the services of an independent geologist, petroleum engineer or royalty broker. Revenue resulting from sales from the property is an important factor in evaluating royalty interests. Your check stubs or detail statements provide payment history for this analysis.
- **Requirements if Sell interest**
Because the sale of a royalty interest usually represents a real property transaction, we will need a certified copy of the deed recorded in the county where the property is located. For additional information about our requirements, please contact our Division Order Department.
- **Requirements for Death of Owner**
When an interest owner dies, an authorized representative or relative of the deceased must immediately notify the Division Order Department in writing. The deceased owner's name and owner number must appear in the notification as they appear on the revenue checks. State requirements differ, but generally a Will, Letters Testamentary, and/or other documents issued by the court are required to change royalty ownership records. Cimarex Energy Co does NOT accept Heirship Affidavits.
- **Change of Address**
You should notify us of any changes in address. Failure to report changes may delay delivery of your revenue checks and in many cases force us to place the revenue in suspense until we are notified of the change. Reinstatement of payment will resume upon receipt of an authorized address change. For your protection, changes of address must be made in writing. With your notification, please include your owner number, social security or tax identification number, old address and new address, including zip code. Please send your change of address to the attention of the Division Order Department. Form available at <https://www.cimarex.com/owner-information/>.



TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

February 15, 2017

Jeanine Hill
Division Order Analyst
Cimarex Energy Co
202 S Cheyenne Ave, Suite 1000
Tulsa, OK 74103-3001

Re: State Lease No. MF114164 Pythian 6

Dear Ms. Hill:

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.

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 Hernandez
Landman, Energy Resources
512-475-0428
512-475-1543 (fax)
vivian.hernandez@glo.texas.gov

File No. MF 114164Division OrderDate Filed: 2-16-2017By V.H. George P. Bush, Commissioner



CIMAREX ENERGY CO
202 S Cheyenne Ave, Suite 1000
Tulsa, OK 74103

MF114164

NADOA Model Form Division Order (Adopted 9/95)

Date: 02/24/2017

Effective Date: 01/01/2017

030618

Owner: COMMISSIONER OF THE GENERAL
LAND OFFICE STATE OF TEXAS
LOCKBOX ACCOUNT
PO BOX 12873
AUSTIN, TX 78711-2873

Description: PYTHIAN 6-1 - ENT

Complete Property Description Listed Below

Production: ☒ X Oil ☒ X Gas ☐ Other: _____

Owner

COMMISSIONER OF THE GENERAL

Owner Number: 030618

Interest Type: STATE OF TEXAS ROYALTY

Interest Type Code: STA1

Decimal Interest: 0.06250000 ✓

Property Description

Property: 428085-084.01

PYTHIAN 6-1

Operator: CIMAREX ENERGY CO

Location: Reeves, TX

Map Reference Information

Reeves, TX US

Survey: PUBLIC SCHOOL LAND 0

PSL001Block: 55Lot: S

The undersigned certifies the ownership of the decimal interest in production proceeds as described payable by (Payor):

CIMAREX ENERGY CO

Payor shall be notified, in writing, of any change in ownership, decimal interest, or payment address. All such changes shall be effective the first day of the month following receipt of such notice.

Payor is authorized to withhold payment pending resolution of a title dispute or adverse claim asserted regarding the interest in production claimed herein by the undersigned.

The undersigned agrees to indemnify and reimburse Payor any amount attributable to an interest to which the undersigned is not entitled.

Payor may accrue proceeds until the total amount equals \$100.00, or as required by applicable state statute.

This Division Order does not amend any lease or operating agreement between the undersigned and the lessee or operator or any other contracts for the purchase of oil or gas.

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.

Owner(s) Signature(s): _____ x _____

Owner(s) Tax I.D. Number(s): _____

Owner(s) Daytime Phone #: _____

Owner(s) FAX Number: _____

Owner(s) Email Address: _____

KEEP THIS COPY

Federal Law requires you to furnish your Social Security or Taxpayer Identification Number. Failure to comply will result in 28% tax withholding and will not be refundable by Payor.



INSTRUCTIONS TO ALL INTEREST OWNERS

Read Carefully Before Signing the Instrument

- SIGNATURE:** Individuals: Sign name as shown in the instrument.
- Corporations: If signing for a corporation, please provide the name and title of the signatory party.
- SIGNATURE BY SECOND PARTY:** If the instrument is signed by agent, attorney-in-fact, guardian, estate representative, trustee or any other party other than the named interest owner, we must have evidence of the rights vested in the signatory party.
- MORTGAGE STIPULATION** If your interest is subject to a mortgage(s), please have the mortgagee(s) execute the document in the space(s) provided below your signature. If the mortgage(s) has been released, please provide us with a copy of the RECORDED release(s).
- MAILING ADDRESS:** If the checks should be mailed to a different address than shown with your name, please insert the address change. Print or type. Do not abbreviate. If you are already receiving checks from this company, be sure to use the same address to which we are now mailing checks.
- PAYMENT POLICY:** Payments are made upon accrual of \$100.00, or when proceeds for six (6) months have accumulated. An owner has the option of requesting to be paid monthly for proceeds totaling \$25.00. Should you require payments on the optional basis, please send us your written request.
- PROPERTY NUMBER:** On the left portion of the instrument you will find the number assigned to this well. This number will appear on the statement attached to your check and should always be used when corresponding with this company.
- CHANGE OF ADDRESS:** You should notify us promptly of any change in mailing address. This notice must be over your own signature, or the signature of your appointed agent. Always include your Owner Number (which will appear on your check from this company) and your old address, then state your new address with zip code.

THIS INSTRUMENT SHOULD NOT BE ALTERED IN ANY WAY UNLESS ACCOMPANIED BY DOCUMENTARY EVIDENCE TO SUPPORT THE CHANGE. FAILURE TO COMPLY WITH THESE INSTRUCTIONS MAY DELAY PAYMENT. RETURN THE EXECUTED INSTRUMENT TO THE ADDRESS BELOW. KEEP ONE (1) COPY FOR YOUR RECORDS.

IRS W-9 FORM: FEDERAL LAW REQUIRES YOU TO FURNISH YOUR SOCIAL SECURITY NUMBER. IN ADDITION TO INSERTING IT ON THE ENCLOSED DIVISION ORDER YOU MUST ALSO COMPLETE AND SIGN THE ENCLOSED IRS W-9 FORM AND RETURN IT WITH THE EXECUTED DIVISION ORDER.

Should you have any questions, please contact Jeanine Hill at 918-560-7076 or jhale-hill@cimarex.com.

CIMAREX ENERGY CO.
DIVISION ORDER DEPARTMENT
202 SOUTH CHEYENNE AVE, SUITE 1000
TULSA, OK 74103-3001
ATTENTION: Jeanine Hill
(918) 560-7076 -- Phone
(918) 295-1896 -- Fax
E-Mail: JHale-Hill@cimarex.com



REVENUE INTEREST OWNER COMMON QUESTIONS AND ANSWERS

- **Revenue check schedule**
Revenue checks are issued monthly on the 15th. If the amount of revenue due is less than \$100.00, payment is withheld until the amount due equals or exceeds \$100.00, subject to state regulations. All checks less than \$100.00 are issued in December on an annual basis.
- **Check not on schedule**
If payment is delayed more than 10 days, you should contact us to see if a check was issued.
- **Check Lost, stolen or outdated**
Immediately notify us in writing of lost or stolen checks so we may issue a replacement check. If the check is stale dated, return it to us without defacing it so a replacement may be issued.
- **Determine interest value**
The evaluation or appraisal of interest requires geologic or engineering review and judgement. Therefore, we do not attempt such evaluations for interest owners. An appraisal can be obtained by contacting the services of an independent geologist, petroleum engineer or royalty broker. Revenue resulting from sales from the property is an important factor in evaluating royalty interests. Your check stubs or detail statements provide payment history for this analysis.
- **Requirements if Sell interest**
Because the sale of a royalty interest usually represents a real property transaction, we will need a certified copy of the deed recorded in the county where the property is located. For additional information about our requirements, please contact our Division Order Department.
- **Requirements for Death of Owner**
When an interest owner dies, an authorized representative or relative of the deceased must immediately notify the Division Order Department in writing. The deceased owner's name and owner number must appear in the notification as they appear on the revenue checks. State requirements differ, but generally a Will, Letters Testamentary, and/or other documents issued by the court are required to change royalty ownership records. Cimarex Energy Co does NOT accept Heirship Affidavits.
- **Change of Address**
You should notify us of any changes in address. Failure to report changes may delay delivery of your revenue checks and in many cases force us to place the revenue in suspense until we are notified of the change. Reinstatement of payment will resume upon receipt of an authorized address change. For your protection, changes of address must be made in writing. With your notification, please include your owner number, social security or tax identification number, old address and new address, including zip code. Please send your change of address to the attention of the Division Order Department. Form available at <https://www.cimarex.com/owner-information/>.



TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

March 20, 2017

Jeanine Hill
Division Order Analyst
Cimarex Energy Co
202 S Cheyenne Ave, Suite 1000
Tulsa, OK 74103-3001

Re: State Lease No. MF114164 Pythian 6 - 1

Dear Ms. Hill:

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.

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 Hernandez
Landman, Energy Resources
512-475-0428
512-475-1543 (fax)
vivian.hernandez@glo.texas.gov

6.
File No. MF114164

County

Division Order

Date Filed: 3-21-17

George P. Bush, Commissioner

By V-H