

MF116703

Lease Type
River Fee

Control

Basefile

County

01-003416

LOVING

01-003425

REEVES

Survey

Block

Block Name

Township

Section/Tract

Land Part

Acres

Net: 11.000000 Gross: 11.000000

Depth Below

Depth Above

Depth Other

Allow All
Depths

Name

AMMONITE OIL & GAS CORP.

Lease Date

7/1/2014

Primary Term

3 years

Bonus

\$45,050.00

Lease Royalty

0.25000000

Paid Up

No

Leasing:

Lam

Maps:

JB

GIS:

Mc

Scanlab:

M
F
1
1
6
7
0
3

CONTENTS OF FILE NO. M- 116703

1. BID FORM	7/1/14	ham	(See MF 116701 #1, Assign # 10823)
2. OIL & GAS LEASE	8/20/14	ham	(Ammonite to Accelerate 5-14-19)
3. TRANSMITTAL LETTER	8/20/14	ham	scanned PJ 5-21-2019
Scanned SM 12/8/14			
4. Certified Copy of lease	11/06/2014		
5. Rentals - 2nd & 3rd yrs.	11/06/2014		
scanned PJ 1-5-15			
6. Ltr. From Anadarko	9/30/15		
7. Ltr. to Anadarko	10/8/15		
8. Pooling Agrmt. Packet # 7562			
Melville State Unit 2-6	10/8/15		
scanned PJ 12-10-15			
9. Ltr. From Anadarko	1/13/16		
10. Recorded Pooling Agrmt	1/13/16		
scanned PJ 2-23-16			
11. Ltr. From Anadarko	2/25/16		
12. Pooling Agrmt Packet # 7556			
Robertson State Unit 2-7	2/25/16		
13. Pooling Agrmt. Packet # 7558			
Robertson State Unit 2-5	2/25/16		
14. Ltr. to Anadarko	2/25/16		
scanned PJ 3-30-16			
15. Compl. Rpt. API 389-34956 Unit 7558	5/9/16		
16. Division Order	6-2-16		
scanned PJ 7-27-16			
17. Drilling permit Unit 7562	4/1/16		
18. Drilling permit Unit 7556	6/1/16		
19. Division Order	8/25/16		
scanned PJ 11-3-16			

AMMONITE OIL & GAS COMPANY

1503

Commissioner, Texas General Land Office

6/27/2014

Bonus - MGL 130

45,050.00

45,050.00

Broadway Bank Chec Bonus - MGL 130

45,050.00

AMMONITE OIL & GAS COMPANY

1513

Commissioner, Texas General Land Office

6/27/2014

Sales fee - MGL 130

675.75

477.2

Broadway Bank Chec Sales Fee - MGL 130

675.75

M-116703

For GLO Use Only



July 1, 2014

OIL AND GAS LEASE BID APPLICATION

APPLICANT
AGREEMENT

I agree, if awarded a lease on the referenced tract, to comply with all terms and conditions of said lease and with all applicable laws that so govern said lease, and as those laws may be amended.

APPLICANT
IDENTIFICATION
TO APPEAR ON
LEASE (type/print)

Name: Ammonite Oil & Gas Corp.
 Address: 515 Congress Suite 2450
 City: Austin State: TX Zip: 78701
 Telephone: (512) 476-3529 (Include +4 Code)

AREA
DESCRIPTION

County(ies): Loving/Reeves Survey/Area: Pecos River
 (If Applicable)
 Block/Tsp.: _____ Section/Tract: 4-0 Acres: 11.00
 (If Applicable)

BID
SUBMISSION

(A) Bonus Amount (\$ 45,050.00)
FORTY FIVE THOUSAND AND FIFTY DOLLARS & NO CENTS
 (type/print above)
 (B) Sales Fee Amount (\$ 675.75)
SIX HUNDRED SEVENTY FIVE DOLLARS & 75 CENTS
 (type/print above)

This Sales Fee is 1½% of the cash bonus as provided in Section 32.110 of the Natural Resources Code as amended.

MGL. NO.

130

APPLICANT NAME

Ammonite Oil & Gas Corp.
 (same as above)

BONUS AMOUNT ONLY (A)
(Do Not include sales fee)

14714708
 (\$ 45,050.00)

STATE OF TEXAS
TAX I.D. #

(must be an 11-digit number)

SIGNATURE OF
AGENT

(signature)

William Osborn
 (type/print name)

14714709\$675.75



File No. M-116703
Brd Form

Date Filed: 7/1/14

Jerry E. Patterson, Commissioner
By George Martin

14114108

14114108

130

The State of Texas



Austin, Texas

OIL AND GAS LEASE NO. M-116703

WHEREAS, pursuant to the Texas Natural Resources Code Chapters 32, 33, 51, and Chapter 52, Subchapters A-D and H, (said Code being hereinafter referred to as N.R.C.), and subject to all rules and regulations promulgated by the Commissioner of the General Land Office and/or the School Land Board pursuant thereto, and all other applicable statutes and amendments to said N.R.C., the following area, to-wit:

TRACT 4-D OF THE PECOS RIVER, LOVING AND REEVES COUNTIES, TEXAS, CONTAINING APPROXIMATELY 11 ACRES; TRACT 4-D IS BOUND ON ITS UPSTREAM END BY A NORTHEASTERLY EXTENSION OF THE NORTHWEST LINE OF SECTION 5, BLOCK 2, H. & G.N. RY. CO. SURVEY, A-364, REEVES COUNTY, A-364, AND IS BOUND ON ITS DOWNSTREAM END BY A NORTHEASTERLY EXTENSION OF THE SOUTHEAST LINE OF SECTION 7, BLOCK 2, H. & G.N. RY. CO. SURVEY, A-365, REEVES COUNTY,

was, after being duly advertised, offered for lease on the **1st day of July, 2014**, at 10:00 o'clock a.m., by the Commissioner of the General Land Office of the State of Texas and the School Land Board of the State of Texas, for the sole and only purpose of prospecting and drilling for, and producing oil and/or gas that may be found and produced from the above described area; and

WHEREAS, after all bids and remittances which were received up to said time have been duly considered by the Commissioner of the General Land Office and the School Land Board at a regular meeting thereof in the General Land Office, on the **1st day of July, 2014**, hereinafter the "**effective date**" and it was found and determined that **AMMONITE OIL & GAS CORP.**, whose address is **515 CONGRESS AVENUE, SUITE 2450, AUSTIN, TEXAS 78701**, had offered the highest and best bid for a lease of the area above described and is, therefore, entitled to receive a lease thereon:

NOW, THEREFORE, I, Jerry E. Patterson, Commissioner of the General Land Office of the State of Texas, hereinafter sometimes referred to as "Lessor," whose address is Austin, Texas, by virtue of the authority vested in me and in consideration of the payment by the hereinafter designated Lessee, the sum of **Forty-Five Thousand Fifty And 00/100 Dollars (\$45,050.00)**, receipt of which is hereby acknowledged and of the royalties, covenants, stipulations and conditions contained and hereby agreed to be paid, observed and performed by Lessee, do hereby demise, grant, lease and let unto the above mentioned bidder the exclusive right to prospect for, produce and take oil and/or gas from the aforesaid area upon the following terms and conditions, to-wit:

1. RESERVATION: 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, and to the extent herein granted to Lessee; the right to grant third parties seismic, geophysical and geological permits and to enter into other agreements with third parties, which allow such third parties to conduct geophysical, geological or seismic surveys on, over, under, through and across the land covered herein during the term of this lease; and 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 which are not covered, or which may not be covered in the future, under the terms of this lease, but which may be located within the surface boundaries of the leased area. All of the rights in and to the leased premises retained by Lessor and all of the rights in and to the leased premises granted to Lessee herein shall be exercised in such a manner that neither shall unduly interfere with the operations of the other.

2. TERM: Subject to the other provisions hereof, this lease shall be for a term of **three (3) years** from the effective date hereof (herein called "primary term") and as long thereafter as oil or gas is produced in paying quantities from said area.

3. DELAY RENTALS: If no well be commenced on the land hereby leased on or before the anniversary date of this lease, this lease shall terminate as to both parties unless the Lessee on or before said date shall pay or tender to the Commissioner of the General Land Office of the State of Texas at Austin, Texas, the sum of **Five Dollars (\$5.00), per acre**, which shall operate as rental and cover the privilege of deferring the commencement of a well for twelve (12) months from said date. In like manner and upon like payments or tenders the commencement of a well may be further deferred for like periods of the same number of months successively during the primary term hereof.

4. PRODUCTION ROYALTIES: Upon production of oil and/or gas, the 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, **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 leased 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) **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 lease 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 lease, 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 lease; 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 lease 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 lease 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 lease.

(G) **PLANT FUEL AND RECYCLED GAS:** No royalty shall be payable on any gas as may represent this lease'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 leased premises 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 lease.

(H) **MINIMUM ROYALTY:** During any year after the expiration of the primary term of this lease, if this lease is maintained by production, the royalties paid to Lessor in no event shall be less than an amount equal to the total annual delay rental herein provided; otherwise, there shall be due and payable on or before the last day of the month succeeding the anniversary date of this lease a sum equal to the total annual rental less the amount of royalties paid during the preceding year.

(I) **MARGINAL PRODUCTION ROYALTY:** Upon Lessee's written application, the School Land Board may reduce the royalty rate set out in this paragraph and/or the minimum royalty set out in subparagraph 4 (I) to extend the economic life of this lease and encourage recovery of oil or gas that might otherwise remain unrecovered. Any such royalty reduction must conform to the requirements of any School Land Board administrative rules on this subject. Royalty may not be reduced below the applicable statutory minimum.

5. 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 on each lease. 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 are 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.

6. (A) RESERVES, CONTRACTS AND OTHER RECORDS: Lessee shall annually furnish the Commissioner of the General Land Office with its best possible estimate of oil and gas reserves underlying this lease or allocable to this lease 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 oil and gas produced on said premises, 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 this lease 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 have an electrical and/or radioactivity survey made on the bore-hole section, from the base of the surface casing to the total depth of well, of all wells drilled on the above described premises and shall transmit a true copy of the log of each survey on each well to the General Land Office within fifteen (15) days after the making of said survey.

(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.

7. RETAINED ACREAGE: Notwithstanding any provision of this lease to the contrary, after a well producing or capable of producing oil or gas has been completed on the leased premises, Lessee shall exercise the diligence of a reasonably prudent operator in drilling such additional well or wells as may be reasonably necessary for the proper development of the leased premises and in marketing the production thereon.

(A) VERTICAL: In the event this lease is in force and effect two (2) years after the expiration date of the primary or extended term it shall then terminate as to all of the leased premises, EXCEPT (1) 40 acres surrounding each oil well capable of producing in paying quantities and 320 acres surrounding each gas well capable of producing in paying quantities (including a shut-in oil or gas well as provided in Paragraph 11 hereof), or a well upon which Lessee is then engaged in continuous drilling or reworking operations, or (2) the number of acres included in a producing pooled unit pursuant to Natural Resources Code Sections 52.151-52.153, or (3) such greater or lesser number of acres as may then be allocated for production purposes to a proration unit for each such producing well under the rules and regulations of the Railroad Commission of Texas, or any successor agency, or other governmental authority having jurisdiction. Within 90 days of a partial termination of this lease in accordance with this subparagraph and upon payment of the minimum filing fee set by General Land Office rules in effect at the time of the partial termination, Lessee shall have the right to obtain a surface lease for ingress and egress on and across the terminated portion of the leased premises as may be reasonably necessary for the continued operation of the portions of the lease remaining in force and effect. If Lessee fails to apply for a surface lease within the 90 day period specified above, Lessee may apply for a surface lease from the Land Office, but the Land Commissioner has the discretion to grant or deny such application and to set the fee for such surface lease.

(B) HORIZONTAL: In the event this lease is in force and effect two (2) years after the expiration date of the primary or extended term it shall further terminate as to all depths below 100 feet below the total depth drilled (hereinafter "deeper depths") in each well located on acreage retained in Paragraph 7 (A) above, unless on or before two (2) years after the primary or extended term Lessee pays an amount equal to one-half (1/2) of the bonus originally paid as consideration for this lease (as specified on page 1 hereof). If such amount is paid, this lease shall be in force and effect as to such deeper depths, and said termination shall be delayed for an additional period of two (2) years and so long thereafter as oil or gas is produced in paying quantities from such deeper depths covered by this lease.

(C) IDENTIFICATION AND FILING: The surface acreage retained hereunder as to each well shall, as nearly as practical, be in the form of a square with the well located in the center thereof, or such other shape as may be approved by the School Land Board. Within thirty (30) days after partial termination of this lease as provided herein, Lessee shall execute and record a release or releases containing a satisfactory legal description of the acreage and/or depths not retained hereunder. The recorded release, or a certified copy of same, shall be filed in the General Land Office, accompanied by the filing fee prescribed by the General Land Office rules in effect on the date the release is filed. If Lessee fails or refuses to execute and record such release or releases within ninety (90) days after being requested to do so by the General Land Office, then the Commissioner at his sole discretion may designate by written instrument the acreage and/or depths to be released hereunder and record such instrument at Lessee's expense in the county or counties where the lease is located and in the official records of the General Land Office and such designation shall be binding upon Lessee for all purposes. If at any time after the effective date of the partial termination provisions hereof, the applicable field rules are changed or the well or wells located thereon are reclassified so that less acreage is thereafter allocated to said well or wells for production purposes, this lease shall thereupon terminate as to all acreage not thereafter allocated to said well or wells for production purposes.

8. OFFSET WELLS: If oil and/or gas 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 lease, 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 lease begin in good faith and prosecute diligently the drilling of an offset well on the area covered by this lease, 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 lease, 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.

9. DRY HOLE/CESSATION OF PRODUCTION DURING PRIMARY TERM: If, during the primary term hereof and prior to discovery and production of oil or gas on said land, Lessee should drill a dry hole or holes thereon, or if during the primary term hereof and after the discovery and actual production of oil or gas from the leased premises such production thereof should cease from any cause, this lease shall not terminate if on or before the expiration of sixty (60) days from date of completion of said dry hole or cessation of production Lessee commences additional drilling or reworking operations thereon, or pays or tenders the next annual delay rental in the same manner as provided in this lease. If, during the last year of the primary term or within sixty (60) days prior thereto, a dry hole be completed and abandoned, or the production of oil or gas should cease for any cause, Lessee's rights shall remain in full force and effect without further operations until the expiration of the primary term; and if Lessee has not resumed production in paying quantities at the expiration of the primary term, Lessee may maintain this lease by conducting additional drilling or reworking operations pursuant to Paragraph 10, using the expiration of the primary term as the date of cessation of production under Paragraph 10. Should the first well or any subsequent well drilled on the above described land be completed as a shut-in oil or gas well within the primary term hereof, Lessee may resume payment of the annual rental in the same manner as provided herein on or before the rental paying date following the expiration of sixty (60) days from the date of completion of such shut-in oil or gas well and upon the failure to make such payment, this lease shall ipso facto terminate. If at the expiration of the primary term or any time thereafter a shut-in oil or gas well is located on the leased premises payments may be made in accordance with the shut-in provisions hereof.

10. CESSATION, DRILLING, AND REWORKING: If, after the expiration of the primary term, production of oil or gas from the leased premises, after once obtained, should cease from any cause, this lease shall not terminate if Lessee commences additional drilling or reworking operations within sixty (60) days after such cessation, and this lease 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. If such drilling or reworking operations result in the production of oil or gas, the lease shall remain in full force and effect for so long as oil or gas is produced from the leased premises 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, the lease 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 lease 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.

11. 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 expiration of the primary term of a lease that, until being shut in, was being maintained in force and effect, a well capable of producing oil or gas in paying quantities is located on the leased premises, but oil or gas 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 double the annual rental provided in the lease, but not less than \$1,200 a year for each well capable of producing oil or gas 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 oil or gas from the leased premises, or (3) 60 days after Lessee completes a drilling or reworking operation in accordance with the lease provisions; whichever date is latest. If the shut-in oil or gas royalty is paid, the lease shall be considered to be a producing lease and the payment shall extend the term of the lease for a period of one year from the end of the primary term, or 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 oil or gas exists, Lessee may extend the lease 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.

12. COMPENSATORY ROYALTIES: If, during the period the lease is kept in effect by payment of the shut-in oil or gas royalty, oil or gas is sold and delivered in paying quantities from a well located within one thousand (1,000) feet of the leased premises and completed in the same producing reservoir, or in any case in which drainage is occurring, the right to continue to maintain the lease by paying the shut-in oil or gas royalty shall cease, but the lease shall remain effective for the remainder of the year for which the royalty has been paid. The Lessee may maintain the lease for four more successive years by Lessee paying compensatory royalty at the royalty rate provided in the lease 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 leased premises. 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 oil or gas 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 leased premises; 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 5 of this lease.

13. EXTENSIONS: If, at the expiration of the primary term of this lease, production of oil or gas has not been obtained on the leased premises but drilling operations are being conducted thereon in good faith and in a good and workmanlike manner, Lessee may, on or before the expiration of the primary term, file in the General Land Office written application to the Commissioner of the General Land Office for a thirty (30) day extension of this lease, accompanied by payment of Three Thousand Dollars (\$3,000.00) if this lease covers six hundred forty (640) acres or less and Six Thousand Dollars (\$6,000.00) if this lease covers more than six hundred forty (640) acres and the Commissioner shall, in writing, extend this lease for a thirty (30) day period from and after the expiration of the primary term and so long thereafter as oil or gas is produced in paying quantities; provided further, that Lessee may, so long as such drilling operations are being conducted make like application and payment during any thirty (30) day extended period for an additional extension of thirty (30) days and, upon receipt of such application and payment, the Commissioner shall, in writing, again extend this lease so that same shall remain in force for such additional thirty (30) day period and so long thereafter as oil or gas is produced in paying quantities; provided, however, that this lease shall not be extended for more than a total of three hundred ninety (390) days from and after the expiration of the primary term unless production in paying quantities has been obtained.

14. USE OF WATER; SURFACE: Lessee shall have the right to use water produced on said land necessary for operations hereunder and solely upon the leased premises; 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. Lessee shall pay surface damages in an amount set by the General Land Office fee schedule which is effective on the date when the activity requiring the payment of surface damages occurs.

15. POLLUTION: In developing this 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) UPLANDS: 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) SUBMERGED LANDS: 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 leased 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 State of Texas lease to forfeiture." Such statement shall be in lettering of at least 1" in size.

(C) RIVERS: To the extent necessary to prevent pollution, the provisions found in subsections (a) and (b) of this paragraph shall also apply to rivers and riverbeds.

(D) PENALTY: Failure to comply with the requirements of this provision may result in the maximum penalty allowed by law including forfeiture of the lease. 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.

16. IDENTIFICATION MARKERS: Lessee shall erect, at a distance not to exceed twenty-five (25) feet from each well on the premises covered by this lease, a legible sign on which shall be stated the name of the operator, the lease 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 lease.

17. ASSIGNMENTS: The lease may be transferred at any time; provided, however, that the liability of the transferor to properly discharge its obligation under the lease, 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 the lease by the file number and must be recorded in the county where the 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 lease, including any liabilities to the state for unpaid royalties.

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

19. LIEN: In accordance with N.R.C. Section 52.136, the State shall have a first lien upon all oil and gas produced from the area covered by this lease to secure payment of all unpaid royalty and other sums of money that may become due under this lease. By acceptance of this lease, 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 leased minerals in and extracted from the leased premises, all proceeds which may accrue to Lessee from the sale of such leased minerals, whether such proceeds are held by Lessee or by a third party, and all fixtures on and improvements to the leased premises used in connection with the production or processing of such leased minerals in order to secure the payment of all royalties or other amounts due or to become due under this lease 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 lease, 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 acquisition of this lease. Should the Commissioner at any time determine that this representation is not true, then the Commissioner may declare this lease forfeited as provided herein.

20. 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 lease, or if this lease is assigned and the assignment is not filed in the General Land Office as required by law, the rights acquired under this lease shall be subject to forfeiture by the Commissioner, and he shall forfeit same when sufficiently informed of the facts which authorize a forfeiture, and when forfeited the area shall again be subject to lease to the highest bidder, under the same regulations controlling the original sale of leases. However, nothing herein shall be construed as waiving the automatic termination of this lease by operation of law or by reason of any special limitation arising hereunder. Forfeitures may be set aside and this lease and all rights thereunder reinstated before the rights of another intervene upon satisfactory evidence to the Commissioner of the General Land Office of future compliance with the provisions of the law and of this lease and the rules and regulations that may be adopted relative hereto.

21. RIVERBED TRACTS: In the event this lease covers a riverbed, 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.

22. APPLICABLE LAWS AND DRILLING RESTRICTIONS: This lease 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 lease. Without limiting the generality of the foregoing, Lessee hereby agrees, by the acceptance of this lease, 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 31 Texas Administrative Code, Chapter 4, and Texas Natural Resources Code Sections 52.135 and 52.137 through 52.140. In the event this lease covers land franchised or leased or otherwise used by a navigation district or by the United States for the purpose of navigation or other purpose incident to the operation of a port, then Lessee shall not be entitled to enter or possess such land without prior approval as provided under Section 61.117 of the Texas Water Code, but Lessee shall be entitled to develop such land for oil and gas by directional drilling; provided, however, that no surface drilling location may be nearer than 660 feet and special permission from the Commissioner of the General Land Office is necessary to make any surface location nearer than 2,160 feet measured at right angles from the nearest bulkhead line or from the nearest dredged bottom edge of any channel, slip, or turning basin which has been authorized by the United States as a federal project for future construction, whichever is nearer.

23. REMOVAL OF EQUIPMENT: Upon the termination of this lease for any cause, 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 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 leased premises the casing or any other equipment, material, machinery, appliances or property owned by Lessee and used by Lessee in the development and production of oil or gas 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.

24. FORCE MAJEURE: Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling operations thereon, or from producing oil and/or gas 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 lease operations suspended as provided in the rules and regulations adopted by the School Land Board); and this lease shall be extended while and so long as Lessee is prevented, by any such cause, from drilling, reworking operations or producing oil and/or gas from the leased premises; provided, however, that nothing herein shall be construed to suspend the payment of rentals during the primary or extended term, nor to abridge Lessee's right to a suspension under any applicable statute of this State.

25. LEASE 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 said lease. 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 at the lease'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.

26. REDUCTION OF PAYMENTS: If, during the primary term, a portion of the land covered by this lease is included within the boundaries of a pooled unit that has been approved by the School Land Board in accordance with Natural Resources Code Sections 52.151-52.153, or if, at any time after the expiration of the primary term or the extended term, this lease covers a lesser number of acres than the total amount described herein, payments that are made on a per acre basis hereunder shall be reduced according to the number of acres pooled, released, surrendered, or otherwise severed, so that payments determined on a per acre basis under the terms of this lease during the primary term shall be calculated based upon the number of acres outside the boundaries of a pooled unit, or, if after the expiration of the primary term, the number of acres actually retained and covered by this lease.

27. 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.

28. ANTIQUITIES CODE: In the event that any feature of archeological or historical interest on Permanent School Fund Land is encountered during the activities authorized by this lease, 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). On state-owned land not dedicated to the Permanent School Fund, lessee shall notify the Texas Historical Commission before breaking ground at a project location. An archaeological survey might be required by the commission before construction of the project can commence. Further, in the event that any site, object, location, artifact or other feature of archaeological, scientific, educational, cultural or historic interest is encountered during the activities authorize by this lease, lessee will immediately notify lessor and the Texas Historical Commission so that adequate measures may be undertaken to protect or recover such discoveries or findings, as appropriate.

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

30. LEASE FILING: Pursuant to Chapter 9 of the Tex. Bus. & Com. Code, this lease must be filed of record in the office of the County Clerk in any county in which all or any part of the leased premises is located, and certified copies thereof must be filed in the General Land Office. The prescribed filing fee shall accompany the certified copies sent to the General Land Office.

31. EXECUTION: This oil and gas lease must be signed and acknowledged by the Lessee before it is filed of record in the county records and in the General Land Office of the State of Texas.

LESSEE

BY: _____

TITLE: _____

DATE: _____

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

COMMISSIONER OF THE GENERAL LAND OFFICE
OF THE STATE OF TEXAS

APPROVED

Contents _____
Legal _____
DC _____
Exec _____

STATE OF _____

(CORPORATION ACKNOWLEDGMENT)

COUNTY OF _____

BEFORE ME, the undersigned authority, on this day personally appeared _____
known to me to be the person whose name is subscribed to the foregoing instrument, as _____ of
_____ and acknowledged to me that he executed the same
for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

Given under my hand and seal of office this the _____ day of _____, 20____.

Notary Public in and for _____

STATE OF _____

(INDIVIDUAL ACKNOWLEDGMENT)

COUNTY OF _____

Before me, the undersigned authority, on this day personally appeared _____
known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the
same for the purposes and consideration therein expressed.

Given under my hand and seal of office this the _____ day of _____, 20____.

Notary Public in and for _____

File No. M-116703
Oil & Gas Lease
Date Filed: 8/20/14
Jerry E. Patterson, Commissioner
By George Martin

TEXAS



GENERAL LAND OFFICE

JERRY PATTERSON, COMMISSIONER

August 20, 2014

Mr. William Osborn
Ammonite Oil & Gas Corp.
515 Congress Avenue, Suite 2450
Austin, Texas 78701

Dear Mr. Osborn:

Thank you for participating in the General Land Office Oil and Gas Lease Sale held on July 1, 2014. I am pleased to inform you that Ammonite Oil & Gas Corp. was the high bidder on **MGL. No. 130**, which has been assigned the lease number **M-116703**.

State Lease M-116703 is enclosed and serves as your receipt for your bid. This lease form must be fully executed by the lessee, and then recorded in the County Clerk's office of the county or counties in which lands covered by the lease are located. After signing and recording the lease, please submit a certified copy of the recorded lease to the attention of the undersigned. These requirements are material provisions of the lease; therefore, please return the certified copy at your earliest convenience.

The lessee's other contractual and statutory responsibilities are outlined in the lease agreement, such as Section 6(B), which requires submission of written notice for all drilling, production, and related activities. When forms are filed with the Texas Railroad Commission, they are required to submit copies of these forms to the General Land Office, such as Forms W-1, Application to Drill; W-2, Oil Well Completion Report and Log; G -1, Gas Well Completion Report and Log; W-3, Plugging Record; G-5, Gas Well Classification Report; G-10, Gas Well Status Report; W-10, Oil Well Status Report; W-12, Inclination Report; Electric Logs; Directional Surveys.

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

Sincerely,

Robert B. Hatter, Director
Mineral Leasing Division

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

③

File No.

M-116703

Transmittal Letter

Date Filed:

8/20/14

Jerry E. Patterson, Commissioner

By

George Martin

The State of Texas



Austin, Texas

OIL AND GAS LEASE
NO. M-116703

WHEREAS, pursuant to the Texas Natural Resources Code Chapters 32, 33, 51, and Chapter 52, Subchapters A-D and H, (said Code being hereinafter referred to as N.R.C.), and subject to all rules and regulations promulgated by the Commissioner of the General Land Office and/or the School Land Board pursuant thereto, and all other applicable statutes and amendments to said N.R.C., the following area, to-wit:

TRACT 4-D OF THE PECOS RIVER, LOVING AND REEVES COUNTIES, TEXAS, CONTAINING APPROXIMATELY 11 ACRES; TRACT 4-D IS BOUND ON ITS UPSTREAM END BY A NORTHEASTERLY EXTENSION OF THE NORTHWEST LINE OF SECTION 5, BLOCK 2, H. & G.N. RY. CO. SURVEY, A-364, REEVES COUNTY, A-364, AND IS BOUND ON ITS DOWNSTREAM END BY A NORTHEASTERLY EXTENSION OF THE SOUTHEAST LINE OF SECTION 7, BLOCK 2, H. & G.N. RY. CO. SURVEY, A-365, REEVES COUNTY,

was, after being duly advertised, offered for lease on the 1st day of July, 2014, at 10:00 o'clock a.m., by the Commissioner of the General Land Office of the State of Texas and the School Land Board of the State of Texas, for the sole and only purpose of prospecting and drilling for, and producing oil and/or gas that may be found and produced from the above described area; and

WHEREAS, after all bids and remittances which were received up to said time have been duly considered by the Commissioner of the General Land Office and the School Land Board at a regular meeting thereof in the General Land Office, on the 1st day of July, 2014, hereinafter the "effective date" and it was found and determined that AMMONITE OIL & GAS CORP. whose address is 515 CONGRESS AVENUE, SUITE 2450, AUSTIN, TEXAS 78701, had offered the highest and best bid for a lease of the area above described and is, therefore, entitled to receive a lease thereon:

NOW, THEREFORE, I, Jerry E. Patterson, Commissioner of the General Land Office of the State of Texas, hereinafter sometimes referred to as "Lessor," whose address is Austin, Texas, by virtue of the authority vested in me and in consideration of the payment by the hereinafter designated Lessee, the sum of **Forty-Five Thousand Fifty And 00/100 Dollars (\$45,050.00)**, receipt of which is hereby acknowledged and of the royalties, covenants, stipulations and conditions contained and hereby agreed to be paid, observed and performed by Lessee, do hereby demise, grant, lease and let unto the above mentioned bidder the exclusive right to prospect for, produce and take oil and/or gas from the aforesaid area upon the following terms and conditions, to-wit:

1. **RESERVATION:** 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, and to the extent herein granted to Lessee; the right to grant third parties seismic, geophysical and geological permits and to enter into other agreements with third parties, which allow such third parties to conduct geophysical, geological or seismic surveys on, over, under, through and across the land covered herein during the term of this lease; and 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 which are not covered, or which may not be covered in the future, under the terms of this lease, but which may be located within the surface boundaries of the leased area. All of the rights in and to the leased premises retained by Lessor and all of the rights in and to the leased premises granted to Lessee herein shall be exercised in such a manner that neither shall unduly interfere with the operations of the other.

2. **TERM:** Subject to the other provisions hereof, this lease shall be for a term of **three (3) years** from the effective date hereof (herein called "primary term") and as long thereafter as oil or gas is produced in paying quantities from said area.

3. **DELAY RENTALS:** If no well be commenced on the land hereby leased on or before the anniversary date of this lease, this lease shall terminate as to both parties unless the Lessee on or before said date shall pay or tender to the Commissioner of the General Land Office of the State of Texas at Austin, Texas, the sum of **Five Dollars (\$5.00), per acre**, which shall operate as rental and cover the privilege of deferring the commencement of a well for twelve (12) months from said date. In like manner and upon like payments or tenders the commencement of a well may be further deferred for like periods of the same number of months successively during the primary term hereof.

4. **PRODUCTION ROYALTIES:** Upon production of oil and/or gas, the 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, 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 leased 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) 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 lease 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 lease, 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 lease; 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 casing head, "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 lease 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 lease 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 lease.

(G) **PLANT FUEL AND RECYCLED GAS:** No royalty shall be payable on any gas as may represent this lease'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 leased premises 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 lease.

(H) **MINIMUM ROYALTY:** During any year after the expiration of the primary term of this lease, if this lease is maintained by production, the royalties paid to Lessor in no event shall be less than an amount equal to the total annual delay rental herein provided; otherwise, there shall be due and payable on or before the last day of the month succeeding the anniversary date of this lease a sum equal to the total annual rental less the amount of royalties paid during the preceding year.

(I) **MARGINAL PRODUCTION ROYALTY:** Upon Lessee's written application, the School Land Board may reduce the royalty rate set out in this paragraph and/or the minimum royalty set out in subparagraph 4 (I) to extend the economic life of this lease and encourage recovery of oil or gas that might otherwise remain unrecovered. Any such royalty reduction must conform to the requirements of any School Land Board administrative rules on this subject. Royalty may not be reduced below the applicable statutory minimum.

5. 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 on each lease. 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.

6. (A) RESERVES, CONTRACTS AND OTHER RECORDS: Lessee shall annually furnish the Commissioner of the General Land Office with its best possible estimate of oil and gas reserves underlying this lease or allocable to this lease 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 oil and gas produced on said premises, 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 this lease 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 have an electrical and/or radioactivity survey made on the bore-hole section, from the base of the surface casing to the total depth of well, of all wells drilled on the above described premises and shall transmit a true copy of the log of each survey on each well to the General Land Office within fifteen (15) days after the making of said survey.

(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.

7. RETAINED ACREAGE: Notwithstanding any provision of this lease to the contrary, after a well producing or capable of producing oil or gas has been completed on the leased premises, Lessee shall exercise the diligence of a reasonably prudent operator in drilling such additional well or wells as may be reasonably necessary for the proper development of the leased premises and in marketing the production thereon.

(A) VERTICAL: In the event this lease is in force and effect two (2) years after the expiration date of the primary or extended term it shall then terminate as to all of the leased premises, EXCEPT (1) 40 acres surrounding each oil well capable of producing in paying quantities and 320 acres surrounding each gas well capable of producing in paying quantities (including a shut-in oil or gas well as provided in Paragraph 11 hereof), or a well upon which Lessee is then engaged in continuous drilling or reworking operations, or (2) the number of acres included in a producing pooled unit pursuant to Natural Resources Code Sections 52.151-52.153, or (3) such greater or lesser number of acres as may then be allocated for production purposes to a proration unit for each such producing well under the rules and regulations of the Railroad Commission of Texas, or any successor agency, or other governmental authority having jurisdiction. Within 90 days after partial termination of this lease in accordance with this subparagraph and upon payment of the minimum filing fee set by General Land Office rules in effect at the time of the partial termination, Lessee shall have the right to obtain a surface lease for ingress and egress on and across the terminated portion of the leased premises as may be reasonably necessary for the continued operation of the portions of the lease remaining in force and effect. If Lessee fails to apply for a surface lease within the 90 day period specified above, Lessee may apply for a surface lease from the Land Office, but the Land Commissioner has the discretion to grant or deny such application and to set the fee for such surface lease.

(B) HORIZONTAL: In the event this lease is in force and effect two (2) years after the expiration date of the primary or extended term it shall further terminate as to all depths below 100 feet below the total depth drilled (hereinafter "deeper depths") in each well located on acreage retained in Paragraph 7 (A) above, unless on or before two (2) years after the primary or extended term Lessee pays an amount equal to one-half (1/2) of the bonus originally paid as consideration for this lease (as specified on page 1 hereof). If such amount is paid, this lease shall be in force and effect as to such deeper depths, and said termination shall be delayed for an additional period of two (2) years and so long thereafter as oil or gas is produced in paying quantities from such deeper depths covered by this lease.

(C) IDENTIFICATION AND FILING: The surface acreage retained hereunder as to each well shall, as nearly as practical, be in the form of a square with the well located in the center thereof, or such other shape as may be approved by the School Land Board. Within thirty (30) days after partial termination of this lease as provided herein, Lessee shall execute and record a release or releases containing a satisfactory legal description of the acreage and/or depths not retained hereunder. The recorded release, or a certified copy of same, shall be filed in the General Land Office, accompanied by the filing fee prescribed by the General Land Office rules in effect on the date the release is filed. If Lessee fails or refuses to execute and record such release or releases within ninety (90) days after being requested to do so by the General Land Office, then the Commissioner at his sole discretion may designate by written instrument the acreage and/or depths to be released hereunder and record such instrument at Lessee's expense in the county or counties where the lease is located and in the official records of the General Land Office and such designation shall be binding upon Lessee for all purposes. If at any time after the effective date of the partial termination provisions hereof, the applicable field rules are changed or the well or wells located thereon are reclassified so that less acreage is thereafter allocated to said well or wells for production purposes, this lease shall thereupon terminate as to all acreage not thereafter allocated to said well or wells for production purposes.

8. OFFSET WELLS: If oil and/or gas 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 lease, 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 lease begin in good faith and prosecute diligently the drilling of an offset well on the area covered by this lease, 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 lease, 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.

9. DRY HOLE/CESSATION OF PRODUCTION DURING PRIMARY TERM: If, during the primary term hereof and prior to discovery and production of oil or gas on said land, Lessee should drill a dry hole or holes thereon, or if during the primary term hereof and after the discovery and actual production of oil or gas from the leased premises such production thereof should cease from any cause, this lease shall not terminate if on or before the expiration of sixty (60) days from date of completion of said dry hole or cessation of production Lessee commences additional drilling or reworking operations thereon, or pays or tenders the next annual delay rental in the same manner as provided in this lease. If, during the last year of the primary term or within sixty (60) days prior thereto, a dry hole be completed and abandoned, or the production of oil or gas should cease for any cause, Lessee's rights shall remain in full force and effect without further operations until the expiration of the primary term; and if Lessee has not resumed production in paying quantities at the expiration of the primary term, Lessee may maintain this lease by conducting additional drilling or reworking operations pursuant to Paragraph 10, using the expiration of the primary term as the date of cessation of production under Paragraph 10. Should the first well or any subsequent well drilled on the above described land be completed as a shut-in oil or gas well within the primary term hereof, Lessee may resume payment of the annual rental in the same manner as provided herein on or before the rental paying date following the expiration of sixty (60) days from the date of completion of such shut-in oil or gas well and upon the failure to make such payment, this lease shall ipso facto terminate. If at the expiration of the primary term or any time thereafter a shut-in oil or gas well is located on the leased premises payments may be made in accordance with the shut-in provisions hereof.

10. CESSATION, DRILLING, AND REWORKING: If, after the expiration of the primary term, production of oil or gas from the leased premises, after once obtained, should cease from any cause, this lease shall not terminate if Lessee commences additional drilling or reworking operations within sixty (60) days after such cessation, and this lease 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. If such drilling or reworking operations result in the production of oil or gas, the lease shall remain in full force and effect for so long as oil or gas is produced from the leased premises 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, the lease 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 lease 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.

11. 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 expiration of the primary term of a lease that, until being shut in, was being maintained in force and effect, a well capable of producing oil or gas in paying quantities is located on the leased premises, but oil or gas 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 double the annual rental provided in the lease, but not less than \$1,200 a year for each well capable of producing oil or gas 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 oil or gas from the leased premises, or (3) 60 days after Lessee completes a drilling or reworking operation in accordance with the lease provisions; whichever date is latest. If the shut-in oil or gas royalty is paid, the lease shall be considered to be a producing lease and the payment shall extend the term of the lease for a period of one year from the end of the primary term, or 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 oil or gas exists, Lessee may extend the lease 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.

12. COMPENSATORY ROYALTIES: If, during the period the lease is kept in effect by payment of the shut-in oil or gas royalty, oil or gas is sold and delivered in paying quantities from a well located within one thousand (1,000) feet of the leased premises and completed in the same producing reservoir, or in any case in which drainage is occurring, the right to continue to maintain the lease by paying the shut-in oil or gas royalty shall cease, but the lease shall remain effective for the remainder of the year for which the royalty has been paid. The Lessee may maintain the lease for four more successive years by Lessee paying compensatory royalty at the royalty rate provided in the lease 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 leased premises. 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 oil or gas 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 leased premises; 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 5 of this lease.

13. **EXTENSIONS:** If, at the expiration of the primary term of this lease, production of oil or gas has not been obtained on the leased premises but drilling operations are being conducted thereon in good faith and in a good and workmanlike manner, Lessee may, on or before the expiration of the primary term, file in the General Land Office written application to the Commissioner of the General Land Office for a thirty (30) day extension of this lease, accompanied by payment of Three Thousand Dollars (\$3,000.00) if this lease covers six hundred forty (640) acres or less and Six Thousand Dollars (\$6,000.00) if this lease covers more than six hundred forty (640) acres and the Commissioner shall, in writing, extend this lease for a thirty (30) day period from and after the expiration of the primary term and so long thereafter as oil or gas is produced in paying quantities; provided further, that Lessee may, so long as such drilling operations are being conducted make like application and payment during any thirty (30) day extended period for an additional extension of thirty (30) days and, upon receipt of such application and payment, the Commissioner shall, in writing, again extend this lease so that same shall remain in force for such additional thirty (30) day period and so long thereafter as oil or gas is produced in paying quantities; provided, however, that this lease shall not be extended for more than a total of three hundred ninety (390) days from and after the expiration of the primary term unless production in paying quantities has been obtained.

14. **USE OF WATER; SURFACE:** Lessee shall have the right to use water produced on said land necessary for operations hereunder and solely upon the leased premises; 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. Lessee shall pay surface damages in an amount set by the General Land Office fee schedule which is effective on the date when the activity requiring the payment of surface damages occurs.

15. **POLLUTION:** In developing this 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) **UPLANDS:** 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) **SUBMERGED LANDS:** 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 leased 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 State of Texas lease to forfeiture." Such statement shall be in lettering of at least 1" in size.

(C) **RIVERS:** To the extent necessary to prevent pollution, the provisions found in subsections (a) and (b) of this paragraph shall also apply to rivers and riverbeds.

(D) **PENALTY:** Failure to comply with the requirements of this provision may result in the maximum penalty allowed by law including forfeiture of the lease. 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.

16. **IDENTIFICATION MARKERS:** Lessee shall erect, at a distance not to exceed twenty-five (25) feet from each well on the premises covered by this lease, a legible sign on which shall be stated the name of the operator, the lease 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 lease.

17. **ASSIGNMENTS:** The lease may be transferred at any time; provided, however, that the liability of the transferor to properly discharge its obligation under the lease, 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 the lease by the file number and must be recorded in the county where the 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 lease, including any liabilities to the state for unpaid royalties.

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

19. **LIEN:** In accordance with N.R.C. Section 52.136, the State shall have a first lien upon all oil and gas produced from the area covered by this lease to secure payment of all unpaid royalty and other sums of money that may become due under this lease. By acceptance of this lease, 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 leased minerals in and extracted from the leased premises, all proceeds which may accrue to Lessee from the sale of such leased minerals, whether such proceeds are held by Lessee or by a third party, and all fixtures on and improvements to the leased premises used in connection with the production or processing of such leased minerals in order to secure the payment of all royalties or other amounts due or to become due under this lease 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 lease, 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 acquisition of this lease. Should the Commissioner at any time determine that this representation is not true, then the Commissioner may declare this lease forfeited as provided herein.

20. **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 lease, or if this lease is assigned and the assignment is not filed in the General Land Office as required by law, the rights acquired under this lease shall be subject to forfeiture by the Commissioner, and he shall forfeit same when sufficiently informed of the facts which authorize a forfeiture, and when forfeited the area shall again be subject to lease to the highest bidder, under the same regulations controlling the original sale of leases. However, nothing herein shall be construed as waiving the automatic termination of this lease by operation of law or by reason of any special limitation arising hereunder. Forfeitures may be set aside and this lease and all rights thereunder reinstated before the rights of another intervene upon satisfactory evidence to the Commissioner of the General Land Office of future compliance with the provisions of the law and of this lease and the rules and regulations that may be adopted relative hereto.

21. **RIVERBED TRACTS:** In the event this lease covers a riverbed, 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.

22. **APPLICABLE LAWS AND DRILLING RESTRICTIONS:** This lease 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 lease. Without limiting the generality of the foregoing, Lessee hereby agrees, by the acceptance of this lease, 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 31 Texas Administrative Code, Chapter 4, and Texas Natural Resources Code Sections 52.135 and 52.137 through 52.140. In the event this lease covers land franchised or leased or otherwise used by a navigation district or by the United States for the purpose of navigation or other purpose incident to the operation of a port, then Lessee shall not be entitled to enter or possess such land without prior approval as provided under Section 61.117 of the Texas Water Code, but Lessee shall be entitled to develop such land for oil and gas by directional drilling; provided, however, that no surface drilling location may be nearer than 660 feet and special permission from the Commissioner of the General Land Office is necessary to make any surface location nearer than 2,160 feet measured at right angles from the nearest bulkhead line or from the nearest dredged bottom edge of any channel, slip, or turning basin which has been authorized by the United States as a federal project for future construction, whichever is nearer.

23. REMOVAL OF EQUIPMENT: Upon the termination of this lease for any cause, 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 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 leased premises the casing or any other equipment, material, machinery, appliances or property owned by Lessee and used by Lessee in the development and production of oil or gas 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.

24. FORCE MAJEURE: Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling operations thereon, or from producing oil and/or gas 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 lease operations suspended as provided in the rules and regulations adopted by the School Land Board); and this lease shall be extended while and so long as Lessee is prevented, by any such cause, from drilling, reworking operations or producing oil and/or gas from the leased premises; provided, however, that nothing herein shall be construed to suspend the payment of rentals during the primary or extended term, nor to abridge Lessee's right to a suspension under any applicable statute of this State.

25. LEASE 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 said lease. 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 at the lease'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.

26. REDUCTION OF PAYMENTS: If, during the primary term, a portion of the land covered by this lease is included within the boundaries of a pooled unit that has been approved by the School Land Board in accordance with Natural Resources Code Sections 52.151-52.153, or if, at any time after the expiration of the primary term or the extended term, this lease covers a lesser number of acres than the total amount described herein, payments that are made on a per acre basis hereunder shall be reduced according to the number of acres pooled, released, surrendered, or otherwise severed, so that payments determined on a per acre basis under the terms of this lease during the primary term shall be calculated based upon the number of acres outside the boundaries of a pooled unit, or, if after the expiration of the primary term, the number of acres actually retained and covered by this lease.

27. 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.

28. ANTIQUITIES CODE: In the event that any feature of archeological or historical interest on Permanent School Fund Land is encountered during the activities authorized by this lease, 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). On state-owned land not dedicated to the Permanent School Fund, lessee shall notify the Texas Historical Commission before breaking ground at a project location. An archaeological survey might be required by the commission before construction of the project can commence. Further, in the event that any site, object, location, artifact or other feature of archaeological, scientific, educational, cultural or historic interest is encountered during the activities authorize by this lease, lessee will immediately notify lessor and the Texas Historical Commission so that adequate measures may be undertaken to protect or recover such discoveries or findings, as appropriate.

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

30. LEASE FILING: Pursuant to Chapter 9 of the Tex. Bus. & Com. Code, this lease must be filed of record in the office of the County Clerk in any county in which all or any part of the leased premises is located, and certified copies thereof must be filed in the General Land Office. The prescribed filing fee shall accompany the certified copies sent to the General Land Office.

31. EXECUTION: This oil and gas lease must be signed and acknowledged by the Lessee before it is filed of record in the county records and in the General Land Office of the State of Texas.

Ammonite Oil & Gas Corp
LESSEE
BY: *[Signature]*
TITLE: *PRESIDENT*
DATE: *9/3/14*

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

COMMISSIONER OF THE GENERAL LAND OFFICE
OF THE STATE OF TEXAS

APPROVED

Contents
Legal
DC
Exec

STATE OF

COUNTY OF

TEXAS

TRAVIS

(CORPORATION ACKNOWLEDGMENT)

BEFORE ME, the undersigned authority, on this day personally appeared

known to me to be the person whose name is subscribed to the foregoing instrument, as

AMMONITE OIL & GAS CORP

William Osborn
PRESIDENT

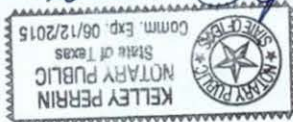
of

and acknowledged to me that he executed the same

for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation

Given under my hand and seal of office this the

3rd day of September, 2014



Notary Public in and for

STATE OF

COUNTY OF

(INDIVIDUAL ACKNOWLEDGMENT)

Before me, the undersigned authority, on this day personally appeared

known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this the

day of

, 20

Notary Public in and for

14-08480

VOL

1

105

PG

0007

Inst No. 14-08480
DIANNE O. FLOREZ
COUNTY CLERK

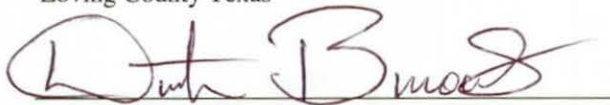
2014 Sep 15 at 01:26 PM
REEVES COUNTY TEXAS

By: ER Elizabeth Rags DEPUTY

I, Mozelle Carr, Clerk of the County Court, in and for said County, do hereby certify that the within instrument in writing, dated 07/01/2014 with its certification of authentication, was filed in my office 10/27/2014 at 10:44 AM and recorded 10/27/2014 in the OFFICIAL PUBLIC RECORDS of Loving County, Texas with Instrument Number 2014-2090. Witness my Hand and Seal of Said Court, at office in Mentone, Texas, on date and year last above written.



MOZELLE CARR, County Clerk
Loving County Texas



DUSTIN BURROWS, Deputy County Clerk
Loving County Texas

File No. MF 116703 (4)

Certified Copy of Lease

Date Filed: 11/06/2014

Jerry E. Patterson, Commissioner

By JEP

Texas General Land Office

11/4/2014

State Lease M116703-delay rental

110.00

RENTAL PAYMENT
2nd & 3rd yrs.

Ⓟ

15703549

47.9 .11

Broadway Bank Chec State Lease M116703-delay rental

121
+ 110.00

AMMONITE OIL & GAS COMPANY
515 CONGRESS AVE., STE. 2450
AUSTIN, TX 78701

BROADWAY NATIONAL BANK
800.531.7650
broadwaybank.com

157035491608

88-2193/1140
605

11/4/2014

PAY TO THE ORDER OF Texas General Land Office

\$ **110.00

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

Texas General Land Office
1700 Congress Avenue
Austin TX 78701

MEMO

State Lease M116703-delay rental

Kelley Perin
AUTHORIZED SIGNATURE

⑈001608⑈

AMMONITE OIL & GAS COMPANY

1608

Texas General Land Office

11/4/2014

State Lease M116703-delay rental

110.00

15703549

Broadway Bank Chec State Lease M116703-delay rental

121
+110.00

⑈001608⑈

OSBORN, GRIFFITH & HARGROVE

ATTORNEYS AT LAW
515 CONGRESS AVENUE, SUITE 2450
AUSTIN, TEXAS 78701

WILLIAM S. OSBORN
ANA MARIA MARSLAND-GRIFFITH
ROBERT G. HARGROVE

512/476-3529
FACSIMILE:
512/476-8310

ELMER F. PATMAN
(1907-1987)
PHILIP F. PATMAN
(1937-2005)

November 4, 2014

Robert Hatter
Director of Mineral Leasing
Texas General Land Office
1700 North Congress 8th Floor
Austin, Texas 78701

Dear Mr. Hatter,

Herewith is a copy of Oil and Gas Lease M-116703 taken by Ammonite Oil & Gas Corporation at the July 2014 State Lease Sale, showing the recording information.

Also enclosed please find Ammonite Check No. 1608 in the amount of \$110.00, which represents a payment of \$5.00 per acre, for 11 acres covered by the lease, times two, covering the delay rental payments for years two and three of the primary term, herewith prepaid.

Would someone on your staff be kind enough to sign and return to us a copy of this letter, acknowledging receipt of the delay rental payment?

Respectfully submitted,


Kelley Perrin

Receipt of \$ 110.00 Delay Rental for M- 116703

Acknowledged by  for GLO

File #

MF 116 703

RENTALS

RENTALS - 2nd & 3rd yrs.

5

Date filed

11/06/2014

Jerry E. Patterson, Commissioner

By

JEP



September 24, 2015

VIA UPS OVERNIGHT MAIL

Mr. J. Daryl Morgan, CPL
Texas General Land Office
1700 N. Congress Avenue
Austin, Texas 78701

RE: Pooling Agreement
Melville State Unit 2-6 – GLO Unit No. 7562
Loving and Reeves Counties, Texas

Dear Mr. Morgan:

Enclosed herewith please find two partially executed originals of the above referenced agreements. Once fully executed, please return one fully executed original to me.

Thank you for your assistance. Please do not hesitate to contact me at 832.636.2522 with questions.

Sincerely,

ANADARKO E&P ONSHORE LLC

A handwritten signature in blue ink that reads "Cari Kirk". The signature is written in a cursive, flowing style.

Cari Kirk
Land Analyst

Enclosure

6

File No. M-116703

Ltr. From Anyelo County

Date Filed: 9/30/15

George P. Bush, Commissioner

By _____

3.30.12



TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

October 8, 2015

Ms. Cari Kirk
Anadarko E&P Onshore LLC
P. O. Box 1330
Houston, Texas 77251-1330

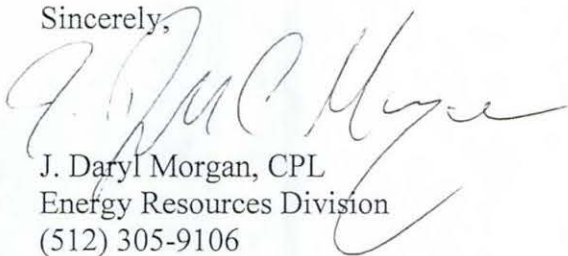
Re: Pooling Agreement
Melville State Unit 2-6
GLO Unit No. 7562
Loving and Reeves Counties, Texas

Dear Ms. Kirk:

Enclosed is a duplicate original of the above referenced Pooling Agreement that has been executed by George P. Bush, Commissioner of the Texas General Land Office ("GLO"). We have retained the other original of the Pooling Agreement for our files. Please refer to the referenced GLO Unit No. when filing Royalty Reports with the GLO.

Thank you for your assistance with this matter, if you have any questions or need anything further, please feel free to call.

Sincerely,


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

Enclosure

7

File No. M-116703

Ltr. to Andriko County

Date Filed: 10/8/15

George P. Bush, Commissioner

By [Signature]

DO NOT DESTROY



Texas General Land Office
UNIT AGREEMENT MEMO

UPA158864

Unit Number 7562
Operator Name Anadarko E&P Onshore LLC
Customer ID C000062275
Unit Name Melville State Unit 2-6
County 1 Loving RRC District 1 08
County 2 Reeves RRC District 2 08
County 3 RRC District 3
County 4 RRC District 4
Unit type Permanent
State Net Revenue Interest 0.00148309
State Part in Unit 0.00593234
Unit Depth Allow All Depths
From Depth Well
To Depth Formation
Participation Basis Surface Acreage
If Exclusions Apply: See Remarks

Effective Date
Unitized For Oil And Gas
Unit Term
Old Unit Number Inactive Status Date

Lease Number	Tract No	Lease Acres in Unit	Total Unit Acres	Tract Participation	Lease Royalty	Tract Royalty Participation	Royalty Rate Reduction Clause
MF116703	1	3.930000	662.470000	0.00593234	0.25000000	0.00148309	No

API Number

389-34910

Remarks:

Prepared By:

GLO Base Updated By:

RAM Approval By:

GIS By:

Well Inventory By:

Prepared Date:

GLO Base Date:

RAM Approval Date:

GIS Date:

WI Date:

07/14/2015

07/14/2015

07/24/2015

10-20-15

7/14/15

Pooling Committee Report

To: School Land Board

UPA158864

Date of Board Meeting: 07/14/2015

Unit Number: 7562

Effective Date:

Unit Expiration Date:

Applicant: Ammonite Oil & Gas Corp.

Attorney Rep: William Osborn

Operator: ANADARKO E&P ONSHORE LLC,

Unit Name: Melville State Unit 2-6

Field Name: PHANTOM (WOLFCAMP)

County: Loving
Reeves

<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>
R Fee	MF116703	0.25000000	07/01/2017	3 years	11.000000	3.930000	0.00148309

Private Acres:	658.540000
State Acres:	3.930000
Total Unit Acres:	662.470000

<u>Participation Basis:</u>	Surface Acreage
Surface Acreage	
<u>State Acreage:</u>	0.59%
<u>State Net Revenue Interest:</u>	0.15%

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

<u>RRC Rules:</u>	<u>Spacing Acres:</u>
Yes	704 acres for a 7,500 foot lateral (FTP to LTP).

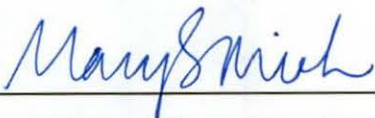
Working File Number: **UPA158864**

REMARKS:

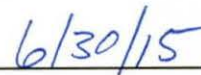
- Anadarko E&P Onshore, LLC is requesting permanent oil and gas pooling of all depths in order to test the Wolfcamp formation.
- The applicant plans to spud the well on July 20, 2015, with a proposed TD of 11,000 feet TVD. A 7,500 foot lateral is expected to be drilled.
- With approval of the unit the State's unit royalty participation will be 0.15%.
- 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.



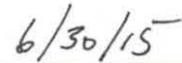
Mary Smith - Office of the Attorney General



Date



Robert Hatter - General Land Office



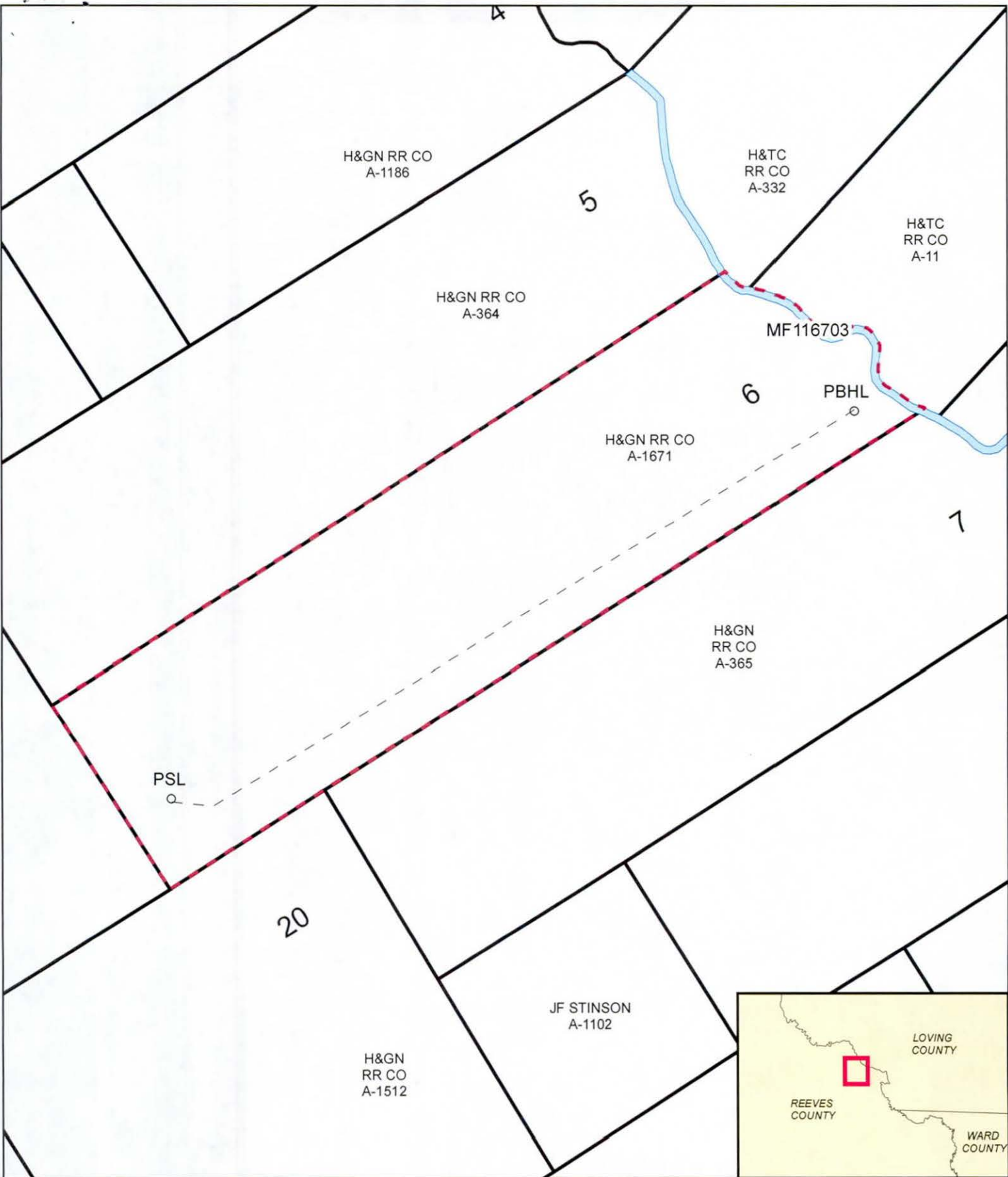
Date



Diane Morris - Office of the Governor



Date



Unit # 7562
Anadarko E&P Onshore, LLC.
Melville State Unit 2-6
Phantom (Wolfcamp) field
Reeves County, Texas

1,500 750 0 1,500 Feet



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
July 2015

POOLING AGREEMENT
ANADARKO E&P ONSHORE LLC
MELVILLE STATE UNIT 2-6
GLO UNIT NO. 7562
LOVING AND REEVES COUNTIES, TEXAS

THIS AGREEMENT is entered into by and between the Commissioner of the General Land Office, on behalf of the State of Texas, as "Lessor" and Anadarko E&P Onshore LLC and Ammonite Oil & Gas Corp., herein collectively referred to as "Lessee", and such other interested parties as may join in the execution hereof, the undersigned parties herein collectively referred to as the "parties", in consideration of the mutual agreements hereinafter set forth and other valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and for the purposes and upon the terms and conditions which follow:

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 formed hereby. 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 all depths underlying the surface boundaries of the pooled unit ("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. In the event the unitized area covered by this Agreement is maintained in force by drilling or reworking operations conducted on a directional well drilled under the unitized area from a surface location on adjacent or adjoining lands not included within the boundaries of the unitized area, such operations shall be considered to have been commenced on the unitized area when drilling is commenced on the adjacent or adjoining land for the purpose of directionally drilling under the unitized area and production of oil or gas from the unitized area through any directional well surfaced on adjacent or adjoining land or drilling or reworking of any such directional well shall be considered production or drilling or reworking operations, as the case may be, on the unitized area for all purposes under this Agreement. Nothing in this Agreement is intended or shall be construed as granting to Lessee any leasehold interest, easements, or other rights in or with respect to any such adjacent or adjoining land in addition to any such leasehold interests, easements, or other rights which the lessee, operator or other interest owner in the unitized area may have lawfully acquired from the state or others.
- (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. Provided that, payments that are made on a per acre basis shall be reduced according to the number of acres pooled and included herein, so that payments made on a per acre basis shall be calculated based upon the number of acres actually included within the boundaries of the pooled unit covered by this Agreement.
- (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 land or lease included within said unit; provided, however, that shut-in oil or gas well royalty shall be paid

to the State on each State lease wholly or partially within the unit, according to the terms of such lease as though such shut-in oil or gas well were located on said lease, it being agreed that shut-in royalties provided in each State lease shall not be shared with other royalty owners.

- (f) Notwithstanding any other provision hereof, it is expressly agreed that each State lease may be maintained in force as to areas lying outside the unitized area described in Exhibit "B" only as provided in each such lease without regard to unit operations or unit production. Neither production of the pooled mineral, nor unit operations with respect thereto, nor the payment of shut-in royalties from a unit well, shall serve to hold any State lease in force as to any area outside the unitized area described in Exhibit "B" regardless of whether the production or operations on the unit are actually located on the State lease or not. "Area" as used in this paragraph shall be based upon surface acres to the end that, except as may otherwise be provided in each State Lease, the area inside the surface boundaries of the pooled unit, if held, will be held as to all depths and horizons.
- (g) 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 662 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.
- (h) This Agreement shall not relieve Lessee from the duty of protecting the State leases described in Exhibit "A" and 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.
- (i) 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.
- (j) Should this Agreement terminate for any cause, the leases and other contracts affecting the lands within the unit, if not then otherwise maintained in force and effect, shall remain and may be maintained in force and effect under their respective terms and conditions in the same manner as though there had been production or operations under said lease or contract and the same had ceased on the date of the termination of this Agreement.

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.

TAKING ROYALTY IN KIND:

6.

Notwithstanding anything contained herein to the contrary, the State may, at its option, upon not less than sixty (60) days notice to Lessee, require that payment of all or any royalties accruing to the State under this pooling or unitization 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.

FULL MARKET VALUE:

7.

In the event the State does not elect to take its royalty in kind, the State shall receive full market value for its royalty hereunder, such value to be determined as follows:

- (a) As to royalty on oil 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 for the field where produced and when run, or (2) the highest market price thereof offered or paid for the field where produced and when run, or (3) gross proceeds of the sale thereof, whichever is the greater;
- (b) As to royalty on gas, such value to be based on (1) the highest market price paid or offered for gas of comparable quality for the field where produced and when run, or (2) the gross price paid or offered to the producer, whichever is the greater.

(For the purposes of this Agreement "field" means the general area in which the lands covered hereby are located.)

EFFECTIVE DATE:

8.

Upon execution by the Commissioner of the General Land Office of the State of Texas this Agreement shall become effective as of July 14, 2015.

TERM:

9.

This Agreement shall remain in effect so long as the pooled mineral is being produced from said unit, or so long as all leases included in the pooled unit are maintained in force by payment of delay rentals or shut-in oil or gas well royalties, by drilling or rework, or by other means, in accordance with the terms of said leases. Nothing herein shall amend or modify Section 52.031 of the Natural Resources Code, or any of the provisions thereof, which are contained in any State lease covered by this Agreement.

STATE LAND:

10.

Insofar as the royalty interest of the State of Texas in and under any State tract committed to the unit is concerned, this Agreement is entered into, made and executed by the undersigned Commissioner of the General Land Office by virtue of the authority and pursuant to the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, authorizing the same, after the prerequisites, findings and approval hereof, as provided in said Code having been duly considered, made and obtained.

DISSOLUTION:

11.

The unit covered by this Agreement may be dissolved by Lessee, his heirs, successors or assigns, by an instrument filed for record in Loving and Reeves 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:

12.

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 that has expired, terminated, or has been released in whole or in part or terminated under the terms of such State lease 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; (3) constitute a waiver or release of any claim by the State that such lease 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; (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.

COUNTERPARTS:

13.

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.

Date Executed

10/6/15

STATE OF TEXAS

Legal
Content
Geology
Executive

[Signature]

By:

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

Date Executed

ANADARKO E&P ONSHORE LLC

By:

[Signature]
LINDSAY N. JAFFEE, as Agent and
Attorney-in-Fact

[Signature]
RLM

TERM:

9.

This Agreement shall remain in effect so long as the pooled mineral is being produced from said unit, or so long as all leases included in the pooled unit are maintained in force by payment of delay rentals or shut-in oil or gas well royalties, by drilling or rework, or by other means, in accordance with the terms of said leases. Nothing herein shall amend or modify Section 52.031 of the Natural Resources Code, or any of the provisions thereof, which are contained in any State lease covered by this Agreement.

STATE LAND:

10.

Insofar as the royalty interest of the State of Texas in and under any State tract committed to the unit is concerned, this Agreement is entered into, made and executed by the undersigned Commissioner of the General Land Office by virtue of the authority and pursuant to the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, authorizing the same, after the prerequisites, findings and approval hereof, as provided in said Code having been duly considered, made and obtained.

DISSOLUTION:

11.

The unit covered by this Agreement may be dissolved by Lessee, his heirs, successors or assigns, by an instrument filed for record in Loving and Reeves 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:

12.

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 that has expired, terminated, or has been released in whole or in part or terminated under the terms of such State lease 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; (3) constitute a waiver or release of any claim by the State that such lease 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; (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.

COUNTERPARTS:

13.

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.

Date Executed _____

STATE OF TEXAS

Legal
Content
Geology
Executive

By: _____

George P. Bush, Commissioner
General Land Office

Date Executed

August 19, 2015

SWEPIILP

By: _____

Jeff Turnbull

Its: _____

Jeff Turnbull
Attorney-In-Fact

Date Executed

7-27-15

AMMONITE OIL & GAS CORP.

By:

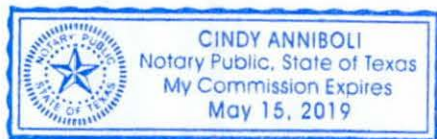
William Osborn, President

STATE OF TEXAS

COUNTY OF

Montgomery

This instrument was acknowledged before me on July 29th, 2015, by Lindsay N. Jaffee as Agent and Attorney-in-Fact for Anadarko E&P Onshore LLC, a Delaware limited liability company on behalf of said company.

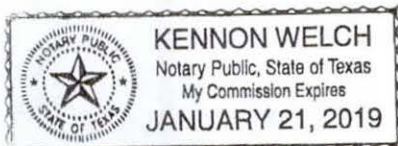


Cindy Anniboli
Notary Public in and for the
State of Texas

STATE OF TEXAS

COUNTY OF TRAVIS

This instrument was acknowledged before me on July 27, 2015, by William Osborn, President of Ammonite Oil & Gas Corp., a Texas corporation on behalf of said corporation.



Kennon Welch
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 14th day of July, 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 the 7th day of October, 2015.

Stephanie Crenshaw
Secretary of the School Land Board

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me on August 19th, 2015, by Jeff Turnbull as
Attorney-in-Fact of SWEPI LP, on behalf of said limited partnership.



Jeff Rogers
Notary Public in and for the State of Texas

Exhibit "A"
To that certain Pooling Agreement dated effective July 14, 2015.

Oil and Gas Lease(s) Included in the Unit:

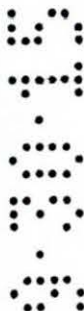
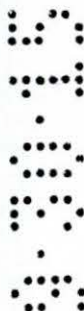
- 
1. APC LEASE NO: 1300253000
LESSOR: SHIRLIE J SWAYZE
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 7/15/2010
RECORDING: Volume 852, Page 407, Reeves County, Texas
 2. APC LEASE NO: 1300254000
LESSOR: IRVIN LEE GOSSETT
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 7/15/2010
RECORDING: Volume 852, Page 405, Reeves County, Texas
 3. APC LEASE NO: 1300255000
LESSOR: CATHY JONES
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 10/22/2010
RECORDING: Volume 861, Page 383, Reeves County, Texas
 4. APC LEASE NO: 1300256000
LESSOR: KENNETH L JONES
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 10/27/2010
RECORDING: Volume 861, Page 385, Reeves County, Texas
 5. APC LEASE NO: 1300257000
LESSOR: ROBIN PACHECO
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 10/27/2010
RECORDING: Volume 861, Page 158, Reeves County, Texas
 6. APC LEASE NO: 1318975000
LESSOR: DARRELL ANN MELVILLE
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 7/16/2010
RECORDING: Volume 852, Page 413, Reeves County, Texas
 7. APC LEASE NO: 1340432000
LESSOR: JUNE JONES HOWARD ET VIR
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 7/15/2010
RECORDING: Volume 852, Page 411, Reeves County, Texas
 8. APC LEASE NO: 1340442000
LESSOR: VALLEE J GALLOWAY ET VIR
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 7/15/2010
RECORDING: Volume 852, Page 409, Reeves County, Texas
 9. APC LEASE NO: PENDING MF-116703 / GLO UNIT NO. 7562
LESSOR: STATE OF TEXAS, COMMISSIONER OF GENERAL LAND OFFICE
LESSEE: AMMONITE OIL AND GAS CORPORATION
LEASE EFFECTIVE DATE: 7/01/2014
RECORDING: VOL 1105, PAGE 0001, REEVES COUNTY, TEXAS

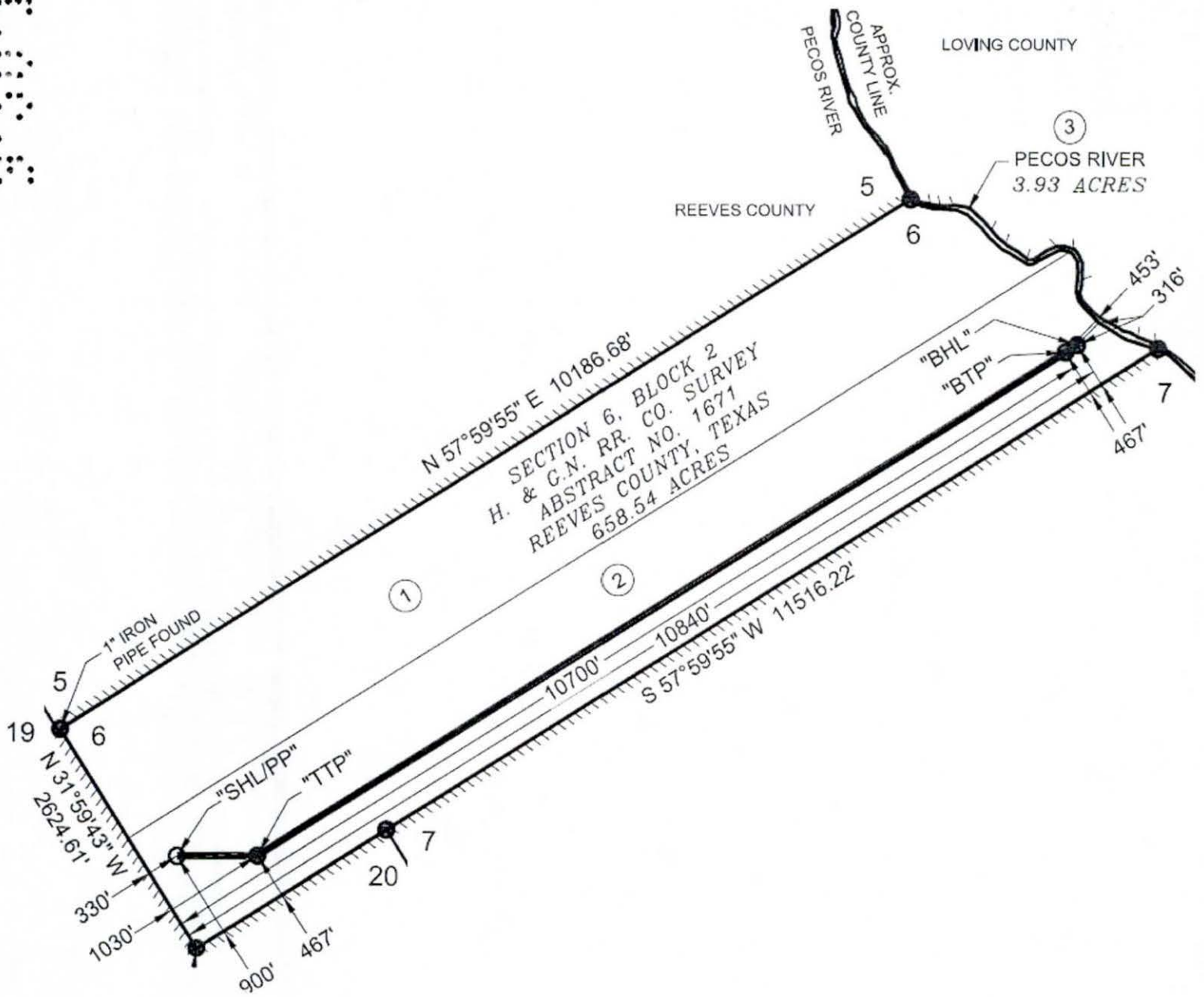
Exhibit "B"
To that certain Pooling Agreement dated effective July 14, 2015.

Legal Description of the tracts within the 662.47 acre Melville State Unit 2-6:

- 
- Tract 1: 320.23 acres, more or less, being the N/2 of Section 6, Block 2, H&GN RR Co. Survey
- Tract 2: 338.31 acres, more or less, being the S/2 of Section 6, Block 2, H&GN RR Co. Survey
- Tract 3: 3.93 acres, more or less, of the Pecos Riverbed on the Northeastern part of Section 6, Block 2, H&GN Ry. Co. Survey

To that certain Pooling Agreement dated effective July 14, 2015.

TRACT	ACREAGE	MINERAL OWNERSHIP
1	320.23	BARBARA ANDERSON, et al
2	338.31	DARRELL ANN MELVILLE, et al
3	3.93	AMMONITE OIL & GAS CORPORATION
TOTAL	662.47	



8

M-116703

File No.

Poling Agent Patrick # 7562

County

McVillie State Unit 2-6

10/8/15

Date Filed:

George P. Bush, Commissioner

By



3.20.15



January 12, 2016

VIA UPS OVERNIGHT MAIL

Texas General Land Office
1700 North Congress Avenue
Stephan F. Austin Building
Austin, TX 78701
Attn: J. Daryl Morgan, CPL

Re: Documents for your records

Dear Daryl:

Enclosed herewith please find the below copies of fully executed original agreements for your records

- Pooling Agreement – Sundance State 56-3-13 Unit
- Pooling Agreement – Melville State Unit 2-6
- Pooling Agreement – Juniper State Unit 2-3
- Pooling Agreement – Sievers State Unit 2-1
-

Please do not hesitate to contact me at 832.636.1089 with questions.

Sincerely,

ANADARKO E&P ONSHORE LLC
Felicia Barsh
Land Specialist

9

File No. M-116703

Ltr. From Annapolis County

Date Filed: 1/13/16

George P. Bush, Commissioner

By [Signature]

15-09843

FILED FOR RECORD
REEVES COUNTY, TEXAS
Oct 21, 2015 at 01:36:00 PM

POOLING AGREEMENT
ANADARKO E&P ONSHORE LLC
MELVILLE STATE UNIT 2-6
GLO UNIT NO. 7562
LOVING AND REEVES COUNTIES, TEXAS

THIS AGREEMENT is entered into by and between the Commissioner of the General Land Office, on behalf of the State of Texas, as "Lessor" and Anadarko E&P Onshore LLC and Ammonite Oil & Gas Corp., herein collectively referred to as "Lessee", and such other interested parties as may join in the execution hereof, the undersigned parties herein collectively referred to as the "parties", in consideration of the mutual agreements hereinafter set forth and other valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and for the purposes and upon the terms and conditions which follow:

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 formed hereby. 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 all depths underlying the surface boundaries of the pooled unit ("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. In the event the unitized area covered by this Agreement is maintained in force by drilling or reworking operations conducted on a directional well drilled under the unitized area from a surface location on adjacent or adjoining lands not included within the boundaries of the unitized area, such operations shall be considered to have been commenced on the unitized area when drilling is commenced on the adjacent or adjoining land for the purpose of directionally drilling under the unitized area and production of oil or gas from the unitized area through any directional well surfaced on adjacent or adjoining land or drilling or reworking of any such directional well shall be considered production or drilling or reworking operations, as the case may be, on the unitized area for all purposes under this Agreement. Nothing in this Agreement is intended or shall be construed as granting to Lessee any leasehold interest, easements, or other rights in or with respect to any such adjacent or adjoining land in addition to any such leasehold interests, easements, or other rights which the lessee, operator or other interest owner in the unitized area may have lawfully acquired from the state or others.
- (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. Provided that, payments that are made on a per acre basis shall be reduced according to the number of acres pooled and included herein, so that payments made on a per acre basis shall be calculated based upon the number of acres actually included within the boundaries of the pooled unit covered by this Agreement.
- (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 land or lease included within said unit; provided, however, that shut-in oil or gas well royalty shall be paid



TRUE & CORRECT
COPY OF
ORIGINAL FILED IN
REEVES COUNTY
CLERKS OFFICE

97.07.7

to the State on each State lease wholly or partially within the unit, according to the terms of such lease as though such shut-in oil or gas well were located on said lease, it being agreed that shut-in royalties provided in each State lease shall not be shared with other royalty owners.

- (f) Notwithstanding any other provision hereof, it is expressly agreed that each State lease may be maintained in force as to areas lying outside the unitized area described in Exhibit "B" only as provided in each such lease without regard to unit operations or unit production. Neither production of the pooled mineral, nor unit operations with respect thereto, nor the payment of shut-in royalties from a unit well, shall serve to hold any State lease in force as to any area outside the unitized area described in Exhibit "B" regardless of whether the production or operations on the unit are actually located on the State lease or not. "Area" as used in this paragraph shall be based upon surface acres to the end that, except as may otherwise be provided in each State Lease, the area inside the surface boundaries of the pooled unit, if held, will be held as to all depths and horizons.
- (g) 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 662 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.
- (h) This Agreement shall not relieve Lessee from the duty of protecting the State leases described in Exhibit "A" and 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.
- (i) 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.
- (j) Should this Agreement terminate for any cause, the leases and other contracts affecting the lands within the unit, if not then otherwise maintained in force and effect, shall remain and may be maintained in force and effect under their respective terms and conditions in the same manner as though there had been production or operations under said lease or contract and the same had ceased on the date of the termination of this Agreement.

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.

TAKING ROYALTY IN KIND:

6.

Notwithstanding anything contained herein to the contrary, the State may, at its option, upon not less than sixty (60) days notice to Lessee, require that payment of all or any royalties accruing to the State under this pooling or unitization 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.

FULL MARKET VALUE:

7.

In the event the State does not elect to take its royalty in kind, the State shall receive full market value for its royalty hereunder, such value to be determined as follows:

- (a) As to royalty on oil 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 for the field where produced and when run, or (2) the highest market price thereof offered or paid for the field where produced and when run, or (3) gross proceeds of the sale thereof, whichever is the greater;
- (b) As to royalty on gas, such value to be based on (1) the highest market price paid or offered for gas of comparable quality for the field where produced and when run, or (2) the gross price paid or offered to the producer, whichever is the greater.

(For the purposes of this Agreement "field" means the general area in which the lands covered hereby are located.)

EFFECTIVE DATE:

8.

Upon execution by the Commissioner of the General Land Office of the State of Texas this Agreement shall become effective as of July 14, 2015.



TRUE & CORRECT
COPY OF
ORIGINAL FILED IN
REEVES COUNTY
CLERKS OFFICE

TERM:

9.

This Agreement shall remain in effect so long as the pooled mineral is being produced from said unit, or so long as all leases included in the pooled unit are maintained in force by payment of delay rentals or shut-in oil or gas well royalties, by drilling or rework, or by other means, in accordance with the terms of said leases. Nothing herein shall amend or modify Section 52.031 of the Natural Resources Code, or any of the provisions thereof, which are contained in any State lease covered by this Agreement.

STATE LAND:

10.

Insofar as the royalty interest of the State of Texas in and under any State tract committed to the unit is concerned, this Agreement is entered into, made and executed by the undersigned Commissioner of the General Land Office by virtue of the authority and pursuant to the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, authorizing the same, after the prerequisites, findings and approval hereof, as provided in said Code having been duly considered, made and obtained.

DISSOLUTION:

11.

The unit covered by this Agreement may be dissolved by Lessee, his heirs, successors or assigns, by an instrument filed for record in Loving and Reeves 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:

12.

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 that has expired, terminated, or has been released in whole or in part or terminated under the terms of such State lease 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; (3) constitute a waiver or release of any claim by the State that such lease 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; (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.

COUNTERPARTS:

13.

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.

Date Executed

10/6/15

STATE OF TEXAS

Legal
Content
Geology
Executive

[Signature]

By:

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

Date Executed

7/29/2015

ANADARKO E&P ONSHORE LLC

By:

[Signature]
LINDSAY N. JAFFEE, as Agent and
Attorney-in-Fact

[Signature]
ECM



TRUE & CORRECT
COPY OF
ORIGINAL FILED IN
REEVES COUNTY
CLERKS OFFICE

97.57.7

TERM:

9.

This Agreement shall remain in effect so long as the pooled mineral is being produced from said unit, or so long as all leases included in the pooled unit are maintained in force by payment of delay rentals or shut-in oil or gas well royalties, by drilling or rework, or by other means, in accordance with the terms of said leases. Nothing herein shall amend or modify Section 52.031 of the Natural Resources Code, or any of the provisions thereof, which are contained in any State lease covered by this Agreement.

STATE LAND:

10.

Insofar as the royalty interest of the State of Texas in and under any State tract committed to the unit is concerned, this Agreement is entered into, made and executed by the undersigned Commissioner of the General Land Office by virtue of the authority and pursuant to the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, authorizing the same, after the prerequisites, findings and approval hereof, as provided in said Code having been duly considered, made and obtained.

DISSOLUTION:

11.

The unit covered by this Agreement may be dissolved by Lessee, his heirs, successors or assigns, by an instrument filed for record in Loving and Reeves 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:

12.

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 that has expired, terminated, or has been released in whole or in part or terminated under the terms of such State lease 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; (3) constitute a waiver or release of any claim by the State that such lease 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; (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.

COUNTERPARTS:

13.

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.

Date Executed _____

STATE OF TEXAS

Legal
Content
Geology
Executive

By:

George P. Bush, Commissioner
General Land Office

Date Executed

August 19, 2015

SWEET

DAA
BB

By:

Jeff Turnbull
Attorney-In-Fact

Its:



TRUE & CORRECT
COPY OF
ORIGINAL FILED IN
REEVES COUNTY
CLERKS OFFICE

91217

Date Executed 7/27/15

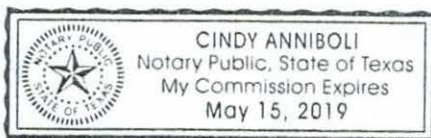
AMMONITE OIL & GAS CORP.

By: [Signature]
William Osborn, President

STATE OF TEXAS

COUNTY OF Montgomery

This instrument was acknowledged before me on July 29th, 2015, by Lindsay N. Jaffee as Agent and Attorney-in-Fact for Anadarko E&P Onshore LLC, a Delaware limited liability company on behalf of said company.

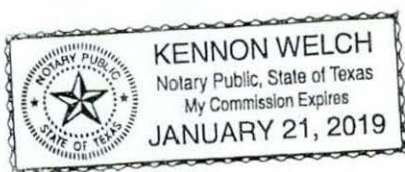


Cindy Anniboli
Notary Public in and for the
State of Texas

STATE OF TEXAS

COUNTY OF TRAVIS

This instrument was acknowledged before me on July 25, 2015, by William Osborn, President of Ammonite Oil & Gas Corp., a Texas corporation on behalf of said corporation.



Kennon Welch
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 14th day of July, 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 the 7th day of October, 2015.

Stephanie Crenshaw
Secretary of the School Land Board



TRUE & CORRECT
COPY OF
ORIGINAL FILED IN
REEVES COUNTY
CLERKS OFFICE

97.07.7

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me on August 19th, 2015, by Jeff Turnbull as
Attorney-in-Fact of SWEPI LP, on behalf of said limited partnership.



Jeff Rogers
Notary Public in and for the State of Texas



TRUE & CORRECT
COPY OF
ORIGINAL FILED IN
REEVES COUNTY
CLERKS OFFICE

97.07.1

Exhibit "A"

To that certain Pooling Agreement dated effective July 14, 2015.

Oil and Gas Lease(s) Included in the Unit:

1. APC LEASE NO: 1300253000
LESSOR: SHIRLIE J SWAYZE
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 7/15/2010
RECORDING: Volume 852, Page 407, Reeves County, Texas
2. APC LEASE NO: 1300254000
LESSOR: IRVIN LEE GOSSETT
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 7/15/2010
RECORDING: Volume 852, Page 405, Reeves County, Texas
3. APC LEASE NO: 1300255000
LESSOR: CATHY JONES
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 10/22/2010
RECORDING: Volume 861, Page 383, Reeves County, Texas
4. APC LEASE NO: 1300256000
LESSOR: KENNETH L JONES
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 10/27/2010
RECORDING: Volume 861, Page 385, Reeves County, Texas
5. APC LEASE NO: 1300257000
LESSOR: ROBIN PACHECO
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 10/27/2010
RECORDING: Volume 861, Page 158, Reeves County, Texas
6. APC LEASE NO: 1318975000
LESSOR: DARRELL ANN MELVILLE
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 7/16/2010
RECORDING: Volume 852, Page 413, Reeves County, Texas
7. APC LEASE NO: 1340432000
LESSOR: JUNE JONES HOWARD ET VIR
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 7/15/2010
RECORDING: Volume 852, Page 411, Reeves County, Texas
8. APC LEASE NO: 1340442000
LESSOR: VALLEE J GALLOWAY ET VIR
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 7/15/2010
RECORDING: Volume 852, Page 409, Reeves County, Texas
9. APC LEASE NO: PENDING MF-116703 / GLO UNIT NO. 7562
LESSOR: STATE OF TEXAS, COMMISSIONER OF GENERAL LAND OFFICE
LESSEE: AMMONITE OIL AND GAS CORPORATION
LEASE EFFECTIVE DATE: 7/01/2014
RECORDING: VOL 1105, PAGE 0001, REEVES COUNTY, TEXAS



TRUE & CORRECT
COPY OF
ORIGINAL FILED IN
REEVES COUNTY
CLERKS OFFICE

Exhibit "B"
To that certain Pooling Agreement dated effective July 14, 2015.

Legal Description of the tracts within the 662.47 acre Melville State Unit 2-6:

- Tract 1: 320.23 acres, more or less, being the N/2 of Section 6, Block 2, H&GN RR Co. Survey
- Tract 2: 338.31 acres, more or less, being the S/2 of Section 6, Block 2, H&GN RR Co. Survey
- Tract 3: 3.93 acres, more or less, of the Pecos Riverbed on the Northeastern part of Section 6, Block 2, H&GN Ry. Co. Survey

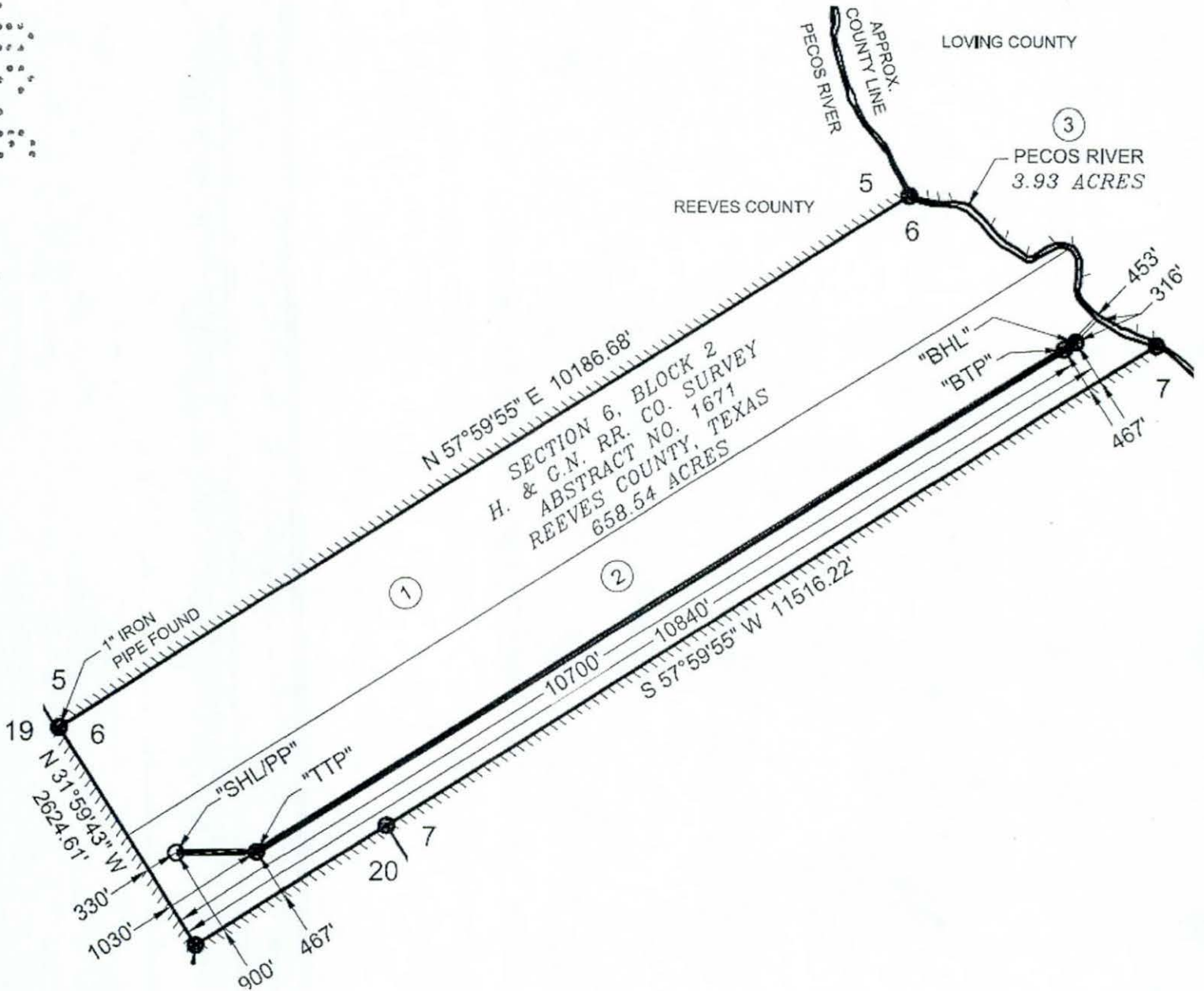


Exhibit "C"

To that certain Pooling Agreement dated effective July 14, 2015.

MELVILLE STATE UNIT 2-6
UNIT SUMMARY

TRACT	ACREAGE	MINERAL OWNERSHIP
1	320.23	BARBARA ANDERSON, et al
2	338.31	DARRELL ANN MELVILLE, et al
3	3.93	AMMONITE OIL & GAS CORPORATION
TOTAL	662.47	



I, Dianne O. Florez, Clerk of the County Court in and for Reeves County, Texas, do hereby certify that the foregoing is a true and correct copy of the original filed in the County Clerk's Office.



TRUE & CORRECT
COPY OF
ORIGINAL FILED IN
REEVES COUNTY
CLERK'S OFFICE

Inst No. 15-09843
DIANNE O. FLOREZ
COUNTY CLERK

2015 Oct 21 at 01:36 PM
REEVES COUNTY, TEXAS

By: BA *Buttani* DEPUTY

07.07.15

10

File No. M-116703

Recorded Pooling Agmt. County

Date Filed: 1/13/16

George P. Bush, Commissioner

By [Signature]

THE STATE OF TEXAS
COUNTY OF REEVES

I, Dianne O. Florez, Clerk of the County Court in and for said County and State do hereby certify that the foregoing is a true and correct copy of Pooling Agreement dated August 1, 2015, filed for record in my office this 21st day of October at 1:36 PM, under Clerk's File No. 15-09843, to be recorded in the DPR

Records of Reeves County, Texas.

TO CERTIFY WHICH, Witness my hand and official seal at Pecos, Texas this 21st day of October, 2015.

By Brittany Alida Deputy.

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS



February 11, 2016

VIA UPS OVERNIGHT MAIL

IZ XIW 140 01 9002 7154

Mr. J. Daryl Morgan, CPL
Texas General Land Office
1700 N. Congress Avenue
Austin, Texas 78701

RE: Pooling Agreements
Robertson State Unit 2-5 / GLO Unit 7558
Robertson State Unit 2-7 / GLO Unit 7556
Reeves Counties, Texas

Dear Mr. Morgan:

Enclosed herewith please find the partially executed originals of the above referenced Pooling Agreements. Once fully executed, please return one set of originals for each unit to me.

Thank you for your assistance. Please do not hesitate to contact me at 832.636.2522 with questions.

Sincerely,

ANADARKO E&P ONSHORE LLC

A handwritten signature in cursive script that reads "Cari Kirk".

Cari Kirk
Land Analyst

Enclosure

11

File No. M- 116703

Ltr. From Anushko County

Date Filed: 2/25/16

George P. Bush, Commissioner

By [Signature]

DO NOT DESTROY



Texas General Land Office
UNIT AGREEMENT MEMO

UPA158858

Unit Number 7556
Operator Name Anadarko E&P Onshore LLC Effective Date
Customer ID C000044444 Unitized For Oil And Gas
Unit Name Robertson State Unit 2-7 Unit Term
County 1 Loving RRC District 1 08 Old Unit Number Inactive Status Date
County 2 Reeves RRC District 2 08
County 3 RRC District 3
County 4 RRC District 4
Unit type Permanent
State Net Revenue Interest Oil 0.00207850
State Part in Unit 0.00831400
Unit Depth Allow All Depths Well
From Depth Formation
To Depth Participation Basis Surface Acreage
If Exclusions Apply: See Remarks

Lease Number	Tract No	Lease Acres in Unit	Total Unit Acres	Tract Participation	O/G	Lease Royalty	NRI of Lease in Unit	Royalty Rate Reduction Clause
MF116703	1	5.300000	637.480000	0.00831399	O/G	0.25000000	0.00207850	No

API Number
4238934955

Remarks:

Prepared By:

GLO Base Updated By:

RAM Approval By:

GIS By:

Well Inventory By:

Prepared Date:

GLO Base Date:

RAM Approval Date:

GIS Date:

WI Date:

02/16/2016

02/16/2016

02/25/2016

3-11-16

02/16/2016

Pooling Committee Report

To: School Land Board

UPA158858

Date of Board Meeting: 07/14/2015

Unit Number: 7556

Effective Date:

Unit Expiration Date:

Applicant: Ammonite Oil & Gas Corp.

Attorney Rep: William Osborn

Operator: ANADARKO E&P ONSHORE LLC,

Unit Name: Robertson State Unit 2-7

Field Name: PHANTOM (WOLFCAMP)

County: Loving

Reeves

<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>
R Fee	MF116703	0.25000000	07/01/2017	3 years	11.000000	5.300000	0.00205331

Private Acres:	640.000000
State Acres:	5.300000
Total Unit Acres:	645.300000

<u>Participation Basis:</u>	Surface Acreage
Surface Acreage	
<u>State Acreage:</u>	0.82%
<u>State Net Revenue Interest:</u>	0.21%

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

<u>RRC Rules:</u>	<u>Spacing Acres:</u>
Yes	704 acres for a 7,500 foot lateral (FTP to LTP).

Working File Number: UPA158858

REMARKS:

- Anadarko E&P Onshore, LLC is requesting permanent oil and gas pooling of all depths in order to test the Wolfcamp formation.
- The applicant plans to spud the well on October 15, 2015, with a proposed TD of 10,784 feet TVD. A 7,500 foot lateral is expected to be drilled.
- With approval of the unit the State's unit royalty participation will be 0.21%.
- 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.



Mary Smith - Office of the Attorney General

6/30/15

Date



Robert Hatter - General Land Office

6/30/15

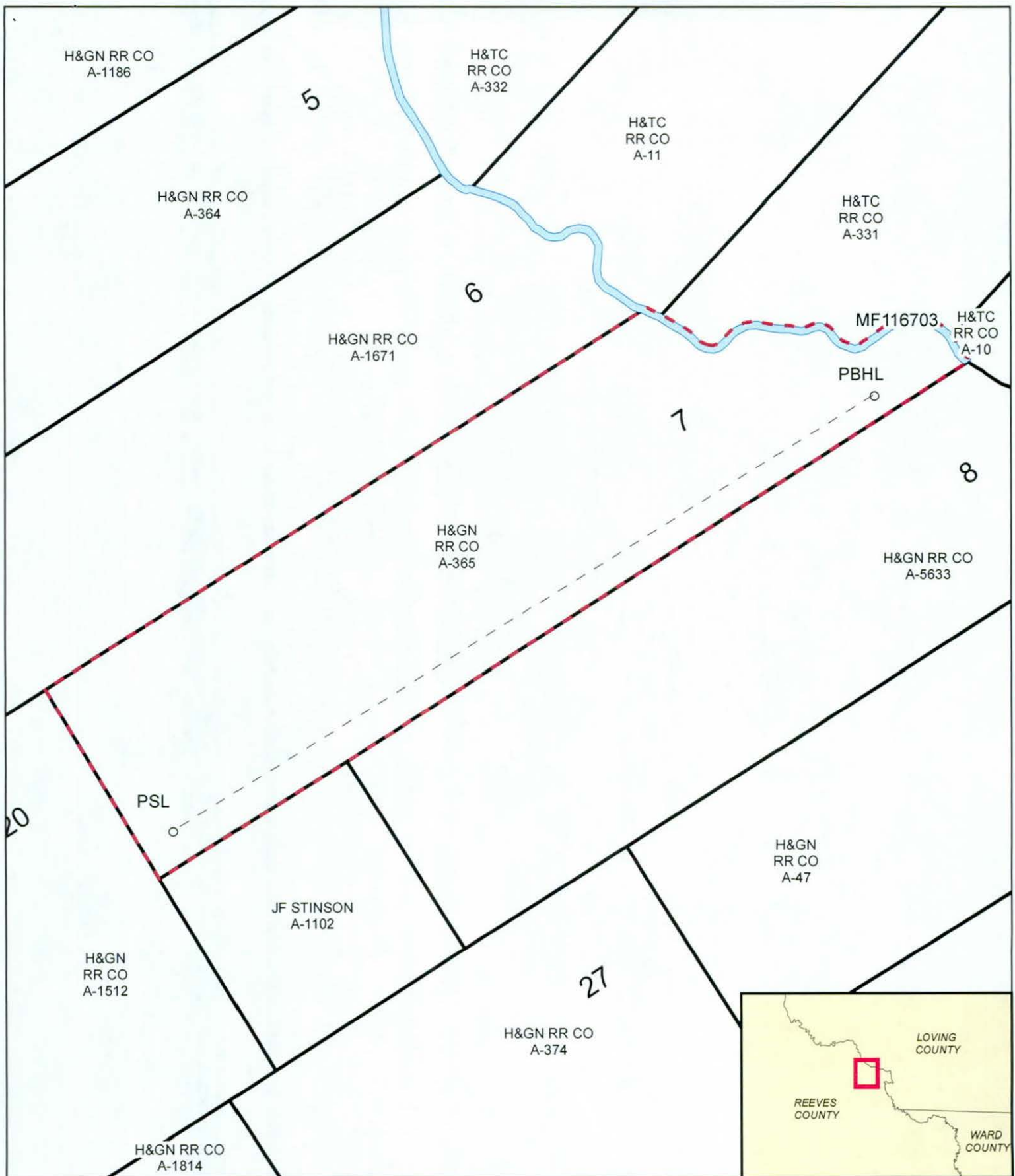
Date



Diane Morris - Office of the Governor

6-30-2015

Date



Unit # 7556
 Anadarko E&P Onshore, LLC.
 Robertson State Unit 2-7
 Phantom (Wolfcamp) field
 Reeves County, Texas

1,500 750 0 1,500 Feet



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
 July 2015

POOLING AGREEMENT
ANADARKO E&P ONSHORE LLC
ROBERTSON STATE UNIT 2-7
GLO UNIT NO. 7556
LOVING AND REEVES COUNTIES, TEXAS

THIS AGREEMENT is entered into by and between the Commissioner of the General Land Office, on behalf of the State of Texas, as "Lessor" and Anadarko E&P Onshore LLC and Ammonite Oil & Gas Corp., herein collectively referred to as "Lessee", and such other interested parties as may join in the execution hereof, the undersigned parties herein collectively referred to as the "parties", in consideration of the mutual agreements hereinafter set forth and other valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and for the purposes and upon the terms and conditions which follow:

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 formed hereby. 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 all depths underlying the surface boundaries of the pooled unit ("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. In the event the unitized area covered by this Agreement is maintained in force by drilling or reworking operations conducted on a directional well drilled under the unitized area from a surface location on adjacent or adjoining lands not included within the boundaries of the unitized area, such operations shall be considered to have been commenced on the unitized area when drilling is commenced on the adjacent or adjoining land for the purpose of directionally drilling under the unitized area and production of oil or gas from the unitized area through any directional well surfaced on adjacent or adjoining land or drilling or reworking of any such directional well shall be considered production or drilling or reworking operations, as the case may be, on the unitized area for all purposes under this Agreement. Nothing in this Agreement is intended or shall be construed as granting to Lessee any leasehold interest, easements, or other rights in or with respect to any such adjacent or adjoining land in addition to any such leasehold interests, easements, or other rights which the lessee, operator or other interest owner in the unitized area may have lawfully acquired from the state or others.
- (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. Provided that, payments that are made on a per acre basis shall be reduced according to the number of acres pooled and included herein, so that payments made on a per acre basis shall be calculated based upon the number of acres actually included within the boundaries of the pooled unit covered by this Agreement.
- (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 land or lease included within said unit; provided, however, that shut-in oil or gas well royalty shall be paid

91313

to the State on each State lease wholly or partially within the unit, according to the terms of such lease as though such shut-in oil or gas well were located on said lease, it being agreed that shut-in royalties provided in each State lease shall not be shared with other royalty owners.

- (f) Notwithstanding any other provision hereof, it is expressly agreed that each State lease may be maintained in force as to areas lying outside the unitized area described in Exhibit "B" only as provided in each such lease without regard to unit operations or unit production. Neither production of the pooled mineral, nor unit operations with respect thereto, nor the payment of shut-in royalties from a unit well, shall serve to hold any State lease in force as to any area outside the unitized area described in Exhibit "B" regardless of whether the production or operations on the unit are actually located on the State lease or not. "Area" as used in this paragraph shall be based upon surface acres to the end that, except as may otherwise be provided in each State Lease, the area inside the surface boundaries of the pooled unit, if held, will be held as to all depths and horizons.
- (g) 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 645 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.
- (h) This Agreement shall not relieve Lessee from the duty of protecting the State leases described in Exhibit "A" and 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.
- (i) 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.
- (j) Should this Agreement terminate for any cause, the leases and other contracts affecting the lands within the unit, if not then otherwise maintained in force and effect, shall remain and may be maintained in force and effect under their respective terms and conditions in the same manner as though there had been production or operations under said lease or contract and the same had ceased on the date of the termination of this Agreement.

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.

TAKING ROYALTY IN KIND:

6.

Notwithstanding anything contained herein to the contrary, the State may, at its option, upon not less than sixty (60) days notice to Lessee, require that payment of all or any royalties accruing to the State under this pooling or unitization 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.

FULL MARKET VALUE:

7.

In the event the State does not elect to take its royalty in kind, the State shall receive full market value for its royalty hereunder, such value to be determined as follows:

- (a) As to royalty on oil 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 for the field where produced and when run, or (2) the highest market price thereof offered or paid for the field where produced and when run, or (3) gross proceeds of the sale thereof, whichever is the greater;
- (b) As to royalty on gas, such value to be based on (1) the highest market price paid or offered for gas of comparable quality for the field where produced and when run, or (2) the gross price paid or offered to the producer, whichever is the greater.

(For the purposes of this Agreement "field" means the general area in which the lands covered hereby are located.)

EFFECTIVE DATE:

8.

Upon execution by the Commissioner of the General Land Office of the State of Texas this Agreement shall become effective as of July 14, 2015.



TERM:

9.

This Agreement shall remain in effect so long as the pooled mineral is being produced from said unit, or so long as all leases included in the pooled unit are maintained in force by payment of delay rentals or shut-in oil or gas well royalties, by drilling or rework, or by other means, in accordance with the terms of said leases. Nothing herein shall amend or modify Section 52.031 of the Natural Resources Code, or any of the provisions thereof, which are contained in any State lease covered by this Agreement.

STATE LAND:

10.

Insofar as the royalty interest of the State of Texas in and under any State tract committed to the unit is concerned, this Agreement is entered into, made and executed by the undersigned Commissioner of the General Land Office by virtue of the authority and pursuant to the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, authorizing the same, after the prerequisites, findings and approval hereof, as provided in said Code having been duly considered, made and obtained.

DISSOLUTION:

11.

The unit covered by this Agreement may be dissolved by Lessee, his heirs, successors or assigns, by an instrument filed for record in Loving and Reeves 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:

12.

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 that has expired, terminated, or has been released in whole or in part or terminated under the terms of such State lease 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; (3) constitute a waiver or release of any claim by the State that such lease 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; (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.

COUNTERPARTS:

13.

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.

Date Executed

2/17/14

STATE OF TEXAS

Legal
Content
Geology
Executive

KCM
[Signature]
[Signature]

By:

[Signature]

George P. Bush, Commissioner
General Land Office

Date Executed

July 29, 2015

ANADARKO E&P ONSHORE LLC

By:

[Signature]
LINTSAY N. JAFFEE, as Agent and
Attorney-in-Fact

DL
KCM

TERM:

9.

This Agreement shall remain in effect so long as the pooled mineral is being produced from said unit, or so long as all leases included in the pooled unit are maintained in force by payment of delay rentals or shut-in oil or gas well royalties, by drilling or rework, or by other means, in accordance with the terms of said leases. Nothing herein shall amend or modify Section 52.031 of the Natural Resources Code, or any of the provisions thereof, which are contained in any State lease covered by this Agreement.

STATE LAND:

10.

Insofar as the royalty interest of the State of Texas in and under any State tract committed to the unit is concerned, this Agreement is entered into, made and executed by the undersigned Commissioner of the General Land Office by virtue of the authority and pursuant to the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, authorizing the same, after the prerequisites, findings and approval hereof, as provided in said Code having been duly considered, made and obtained.

DISSOLUTION:

11.

The unit covered by this Agreement may be dissolved by Lessee, his heirs, successors or assigns, by an instrument filed for record in Loving and Reeves 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:

12.

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 that has expired, terminated, or has been released in whole or in part or terminated under the terms of such State lease 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; (3) constitute a waiver or release of any claim by the State that such lease 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; (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.

COUNTERPARTS:

13.

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.

Date Executed _____

STATE OF TEXAS

Legal
Content
Geology
Executive

By: _____
George P. Bush, Commissioner
General Land Office

Date Executed

August 18, 2015

SWERILP

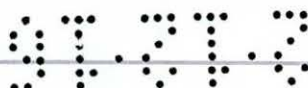
By:

Jeff Turnbull 88

Jeff Turnbull 85

Jeff Turnbull
Attorney-In-Fact

Its:



TERM:

9.

This Agreement shall remain in effect so long as the pooled mineral is being produced from said unit, or so long as all leases included in the pooled unit are maintained in force by payment of delay rentals or shut-in oil or gas well royalties, by drilling or rework, or by other means, in accordance with the terms of said leases. Nothing herein shall amend or modify Section 52.031 of the Natural Resources Code, or any of the provisions thereof, which are contained in any State lease covered by this Agreement.

STATE LAND:

10.

Insofar as the royalty interest of the State of Texas in and under any State tract committed to the unit is concerned, this Agreement is entered into, made and executed by the undersigned Commissioner of the General Land Office by virtue of the authority and pursuant to the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, authorizing the same, after the prerequisites, findings and approval hereof, as provided in said Code having been duly considered, made and obtained.

DISSOLUTION:

11.

The unit covered by this Agreement may be dissolved by Lessee, his heirs, successors or assigns, by an instrument filed for record in Loving and Reeves 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:

12.

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 that has expired, terminated, or has been released in whole or in part or terminated under the terms of such State lease 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; (3) constitute a waiver or release of any claim by the State that such lease 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; (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.

COUNTERPARTS:

13.

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.

Date Executed _____

STATE OF TEXAS

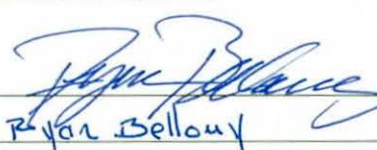
Legal
Content
Geology
Executive

jm

By: _____
George P. Bush, Commissioner
General Land Office

Date Executed Feb. 1, 2010

THE BELLAMY GROUP LLC

By: 
Ryan Bellamy
Its: Manager



TERM:

9.

This Agreement shall remain in effect so long as the pooled mineral is being produced from said unit, or so long as all leases included in the pooled unit are maintained in force by payment of delay rentals or shut-in oil or gas well royalties, by drilling or rework, or by other means, in accordance with the terms of said leases. Nothing herein shall amend or modify Section 52.031 of the Natural Resources Code, or any of the provisions thereof, which are contained in any State lease covered by this Agreement.

STATE LAND:

10.

Insofar as the royalty interest of the State of Texas in and under any State tract committed to the unit is concerned, this Agreement is entered into, made and executed by the undersigned Commissioner of the General Land Office by virtue of the authority and pursuant to the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, authorizing the same, after the prerequisites, findings and approval hereof, as provided in said Code having been duly considered, made and obtained.

DISSOLUTION:

11.

The unit covered by this Agreement may be dissolved by Lessee, his heirs, successors or assigns, by an instrument filed for record in Loving and Reeves 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:

12.

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 that has expired, terminated, or has been released in whole or in part or terminated under the terms of such State lease 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; (3) constitute a waiver or release of any claim by the State that such lease 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; (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.

COUNTERPARTS:

13.

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.

Date Executed _____

STATE OF TEXAS

Legal
Content
Geology
Executive

gm

By: _____
George P. Bush, Commissioner
General Land Office

Date Executed January 29, 2015

PIVOTAL DELAWARE BASIN, LP

Pivotal Delaware GP LLC its general partner
By: William B DeArman
William B DeArman
Its: Vice President

91.21.3

Date Executed 7-27-15

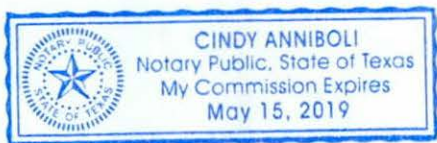
AMMONITE OIL & GAS CORP.

By: [Signature]
William Osborn, President

STATE OF TEXAS

COUNTY OF Montgomery

This instrument was acknowledged before me on July 29th, 2015, by Lindsay N. Jaffee as Agent and Attorney-in-Fact for Anadarko E&P Onshore LLC, a Delaware limited liability company on behalf of said company.

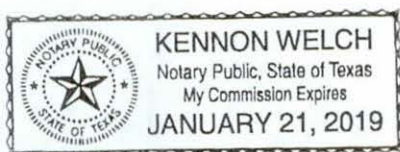


Cindy Anniboli
Notary Public in and for the
State of Texas

STATE OF TEXAS

COUNTY OF TRAVIS

This instrument was acknowledged before me on July 27, 2015, by William Osborn, President of Ammonite Oil & Gas Corp., a Texas corporation on behalf of said corporation.



Kennon Welch
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 14th day of July, 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 the 14th day of February, 2015.

Stephanie Crenshaw
Secretary of the School Land Board

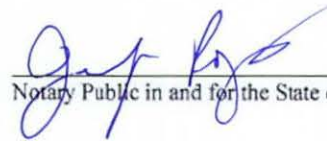
91.21.3

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me on August 18th, 2015, by Jeff Turnbull as
Attorney-in-Fact of SWEPI LP, on behalf of said limited partnership.

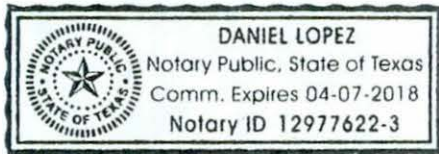



Notary Public in and for the State of Texas

STATE OF TEXAS

COUNTY OF DALLAS

This instrument was acknowledged before me on February 1 2016, by Ryan Bellomy as
Manager of The Bellomy Group LLC, on behalf of said corporation.

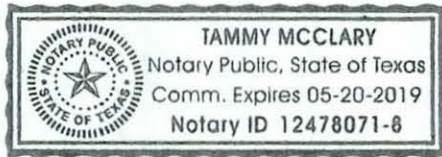


D. Lopez
Notary Public in and for the State of Texas

91.213

STATE OF TEXAS
COUNTY OF DALLAS

This instrument was acknowledged before me on January 29 2016, by William De Arman as
Vice President of Pivotal Delaware Basin, LP, on behalf of said partnership.



Tammy McClary
Notary Public in and for the State of Texas

Exhibit "A"

To that certain Pooling Agreement dated effective July 14, 2015.

Oil and Gas Lease(s) Included in the Unit:

1. APC LEASE NO: 1300072000
LESSOR: MAATCO PARTNERSHIP
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 10/14/2005
RECORDING: VOLUME 723, PAGE 781, REEVES COUNTY, TEXAS
2. APC LEASE NO: 1300073000
LESSOR: DOROTHY THURBER SIMPSON
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 1/31/2006
RECORDING: VOLUME 730, PAGE 508, REEVES COUNTY, TEXAS
3. APC LEASE NO: 1300075000
LESSOR: JODI LYNN CHERRY
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 9/20/2010
RECORDING: VOLUME 856, PAGE 584, REEVES COUNTY, TEXAS
4. APC LEASE NO: 1300076000
LESSOR: NANCY R WOOLLEY
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 6/29/2010
RECORDING: VOLUME 850, PAGE 477, REEVES COUNTY, TEXAS
5. APC LEASE NO: 1300079000
LESSOR: JULIE A STEINGRABER AND JOEL STEINGRABER
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 9/20/2010
RECORDING: VOLUME 855, PAGE 156, REEVES COUNTY, TEXAS
6. APC LEASE NO: 1300080000
LESSOR: SHARON ANN CHERRY
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 9/20/2010
RECORDING: VOLUME 855, PAGE 54, REEVES COUNTY, TEXAS
7. APC LEASE NO: 1300085000
LESSOR: DEBORAH DYER GUTTING
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 10/20/2010
RECORDING: VOLUME 859, PAGE 621, REEVES COUNTY, TEXAS
8. APC LEASE NO: 1300091000
LESSOR: SUE ELLEN LANGAN EPLER
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 8/25/2010
RECORDING: VOLUME 860, PAGE 103, REEVES COUNTY, TEXAS
9. APC LEASE NO: 1300092000
LESSOR: PAUL M GARMON III
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 10/20/2010
RECORDING: VOLUME 859, PAGE 609, REEVES COUNTY, TEXAS
10. APC LEASE NO: 1300093000
LESSOR: MICHAEL GREGORY LANGAN
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 6/29/2010
RECORDING: VOLUME 850, PAGE 451, REEVES COUNTY, TEXAS
11. APC LEASE NO: 1300094000
LESSOR: TILLA MAE RICHARDSON
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 6/29/2010
RECORDING: VOLUME 850, PAGE 463, REEVES COUNTY, TEXAS



12. APC LEASE NO: 1300095000
LESSOR: ELIZABETH R RILEY
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 6/29/2010
RECORDING: VOLUME 850, PAGE 461, REEVES COUNTY, TEXAS
13. APC LEASE NO: 1300096000
LESSOR: ANDREW N RICHARDSON
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 6/29/2010
RECORDING: VOLUME 850, PAGE 468, REEVES COUNTY, TEXAS
14. APC LEASE NO: 1300097000
LESSOR: DONALD ELLIS RICHARDSON II
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 6/29/2010
RECORDING: VOLUME 850, PAGE 465, REEVES COUNTY, TEXAS
15. APC LEASE NO: 1300098000
LESSOR: ANN E HEMINWAY
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 6/29/2010
RECORDING: VOLUME 850, PAGE 433, REEVES COUNTY, TEXAS
16. APC LEASE NO: 1300106000
LESSOR: DOROTHY N SMITH
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 10/18/2010
RECORDING: VOLUME 859, PAGE 675, REEVES COUNTY, TEXAS
17. APC LEASE NO: 1300109000
LESSOR: MINNIE MOORE TURPIN TRUST
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 3/4/2011
RECORDING: VOLUME 872, PAGE 539, REEVES COUNTY, TEXAS
18. APC LEASE NO: 1300110000
LESSOR: WILLIAM T EISENLOHR FAMILY TRUST
LESSEE: KEW DRILLING
LEASE EFFECTIVE DATE: 9/9/2010
RECORDING: VOLUME 856, PAGE 620, REEVES COUNTY, TEXAS
19. APC LEASE NO: 1300121000
LESSOR: ROBERT M TURPIN ESTATE
LESSEE: DOUGLAS W FERGUSON
LEASE EFFECTIVE DATE: 6/6/2013
RECORDING: VOLUME 1009, PAGE 736, REEVES COUNTY, TEXAS
20. APC LEASE NO: 1300122000
LESSOR: ASHLEY E GARMON
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 10/20/2010
RECORDING: VOLUME 862, PAGE 234, REEVES COUNTY, TEXAS
21. APC LEASE NO: 1300123000
LESSOR: DEBORAH DENISE DYER
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 10/20/2010
RECORDING: VOLUME 862, PAGE 237, REEVES COUNTY, TEXAS
22. APC LEASE NO: 1300903000
LESSOR: LINDA LOUISE MOSS CASTON
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 9/27/2010
RECORDING: VOLUME 856, PAGE 582, REEVES COUNTY, TEXAS
23. APC LEASE NO: 1300904000
LESSOR: PHILIP C MOSS TRUST
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 9/2/2010
RECORDING: VOLUME 854, PAGE 388, REEVES COUNTY, TEXAS
24. APC LEASE NO: 1300905000
LESSOR: FLETCHER JEFFREY CARSON
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 10/11/2010
RECORDING: VOLUME 857, PAGE 335, REEVES COUNTY, TEXAS



25. APC LEASE NO:	1300910000
LESSOR:	SUZANNE L WHITLOW
LESSEE:	DOUGLAS W FERGUSON
LEASE EFFECTIVE DATE:	8/20/2013
RECORDING:	VOLUME 1029, PAGE 706, REEVES COUNTY, TEXAS
26. APC LEASE NO:	1300912000
LESSOR:	GARY C MOSS ET UX
LESSEE:	DOUGLAS W FERGUSON
LEASE EFFECTIVE DATE:	9/12/2013
RECORDING:	VOLUME 1036, PAGE 342, REEVES COUNTY, TEXAS
27. APC LEASE NO:	1301683000
LESSOR:	STEVEN ROBERT ENDERSON
LESSEE:	ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE:	1/26/2006
RECORDING:	VOLUME 726, PAGE 487, REEVES COUNTY, TEXAS
28. APC LEASE NO:	1301684000
LESSOR:	NANCY ELLIS
LESSEE:	ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE:	1/26/2006
RECORDING:	VOLUME 729, PAGE 146, REEVES COUNTY, TEXAS
29. APC LEASE NO:	1301766000
LESSOR:	AUGUST C SIEVERS JR TRUSTEE
LESSEE:	W L&T SERVICES
LEASE EFFECTIVE DATE:	8/11/2005
RECORDING:	VOLUME 719, PAGE 583, REEVES COUNTY, TEXAS
30. APC LEASE NO:	1301794000
LESSOR:	CARTER J COLEMAN
LESSEE:	ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE:	9/3/2010
RECORDING:	VOLUME 856, PAGE 146, REEVES COUNTY, TEXAS
31. APC LEASE NO:	1301795000
LESSOR:	FRANCES ANNE POLLARD
LESSEE:	ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE:	9/28/2010
RECORDING:	VOLUME 856, PAGE 148, REEVES COUNTY, TEXAS
32. APC LEASE NO:	1301796000
LESSOR:	WILLIAM PERRY COLEMAN
LESSEE:	ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE:	9/3/2010
RECORDING:	VOLUME 854, PAGE 378, REEVES COUNTY, TEXAS
33. APC LEASE NO:	1301799000
LESSOR:	AWP 1983 TRUST
LESSEE:	ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE:	1/26/2011
RECORDING:	VOLUME 870, PAGE 70, REEVES COUNTY, TEXAS
34. APC LEASE NO:	1301800000
LESSOR:	MEEKER INVESTMENTS INC
LESSEE:	ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE:	1/26/2011
RECORDING:	VOLUME 870, PAGE 84, REEVES COUNTY, TEXAS
35. APC LEASE NO:	1301803000
LESSOR:	ESTATE OF KELLY H BAXTER
LESSEE:	ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE:	1/10/2011
RECORDING:	VOLUME 868, PAGE 188, REEVES COUNTY, TEXAS
36. APC LEASE NO:	1301807000
LESSOR:	J R MEEKER TRUST
LESSEE:	ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE:	1/11/2011
RECORDING:	VOLUME 866, PAGE 35, REEVES COUNTY, TEXAS
37. APC LEASE NO:	1301831000
LESSOR:	BLAKE OIL AND GAS CORPORATION
LESSEE:	KEW DRILLING
LEASE EFFECTIVE DATE:	10/29/2010
RECORDING:	VOLUME 858, PAGE 15, REEVES COUNTY, TEXAS



38. APC LEASE NO:	1301832000
LESSOR:	CLIFFORD WAYNE FINE ET UX
LESSEE:	ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE:	8/23/2010
RECORDING:	VOLUME 852, PAGE 421, REEVES COUNTY, TEXAS
39. APC LEASE NO:	1301840000
LESSOR:	TEMIN 1987 PARTNERSHIP
LESSEE:	DOUGLAS W. FERGUSON
LEASE EFFECTIVE DATE:	4/30/2013
RECORDING:	VOLUME 1029, PAGE 691, REEVES COUNTY, TEXAS
40. APC LEASE NO:	1319712000
LESSOR:	MARY EVELYN ROBERTS
LESSEE:	ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE:	8/23/2010
RECORDING:	VOLUME 852, PAGE 596, REEVES COUNTY, TEXAS
41. APC LEASE NO:	1319713000
LESSOR:	JAMES MICHAEL DOWALIBY II
LESSEE:	ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE:	8/6/2010
RECORDING:	VOLUME 850, PAGE 680, REEVES COUNTY, TEXAS
42. APC LEASE NO:	1319714000
LESSOR:	CHARLES B DOWALIBY
LESSEE:	ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE:	7/30/2010
RECORDING:	VOLUME 850, PAGE 429, REEVES COUNTY, TEXAS
43. APC LEASE NO:	1319715000
LESSOR:	DIANE M BUDZYN
LESSEE:	DOUGLAS W FERGUSON
LEASE EFFECTIVE DATE:	5/6/2013
RECORDING:	VOLUME 1003, PAGE 653, REEVES COUNTY, TEXAS
44. APC LEASE NO:	1327043000
LESSOR:	LLOYD MCCLURE COSTLEY
LESSEE:	DOUGLAS W FERGUSON
LEASE EFFECTIVE DATE:	4/17/2013
RECORDING:	VOLUME 1001, PAGE 763, REEVES COUNTY, TEXAS
45. APC LEASE NO:	1327044000
LESSOR:	GORDON COSTLEY
LESSEE:	DOUGLAS W FERGUSON
LEASE EFFECTIVE DATE:	4/17/2013
RECORDING:	VOLUME 1001, PAGE 760, REEVES COUNTY, TEXAS
46. APC LEASE NO:	1327966000
LESSOR:	MARY ELIZABETH JANE ROBERTSON
LESSEE:	DOUGLAS W FERGUSON
LEASE EFFECTIVE DATE:	7/20/2013
RECORDING:	VOLUME 1025, PAGE 582, REEVES COUNTY, TEXAS
47. APC LEASE NO:	1327967000
LESSOR:	MARY ELIZABETH JANE ROBERTSON
LESSEE:	DOUGLAS W FERGUSON
LEASE EFFECTIVE DATE:	7/20/2013
RECORDING:	VOLUME 1025, PAGE 599, REEVES COUNTY, TEXAS
48. APC LEASE NO:	1329568000
LESSOR:	ALICE CALDERWOOD HAWK
LESSEE:	DOUGLAS W. FERGUSON
LEASE EFFECTIVE DATE:	5/8/2014
RECORDING:	VOLUME 1082, PAGE 494, REEVES COUNTY, TEXAS
49. APC LEASE NO:	1329570000
LESSOR:	MARK N OSBORN
LESSEE:	DOUGLAS W FERGUSON
LEASE EFFECTIVE DATE:	5/7/2014
RECORDING:	VOLUME 1082, PAGE 497, REEVES COUNTY, TEXAS
50. APC LEASE NO:	1329960000
LESSOR:	ARCHBISHOPRIC OF NEW YORK
LESSEE:	ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE:	10/14/2014
RECORDING:	VOLUME 1068, PAGE 0376, REEVES COUNTY, TEXAS



51. APC LEASE NO:	1329961000
LESSOR:	LASCA, INC.
LESSEE:	ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE:	10/14/2014
RECORDING:	VOLUME 1068, PAGE 385, REEVES COUNTY, TEXAS
52. APC LEASE NO:	1329964000
LESSOR:	DAVID THIELE
LESSEE:	DOUGLAS W FERGUSON
LEASE EFFECTIVE DATE:	4/24/2014
RECORDING:	VOLUME 1085, PAGE 0017, REEVES COUNTY, TEXAS
53. APC LEASE NO:	1341466000
LESSOR:	SHARON E WADE FKA SHARON E BLYTHE
LESSEE:	ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE:	9/5/2014
RECORDING:	VOLUME 1123, PAGE 141, REEVES COUNTY, TEXAS
54. APC LEASE NO:	1341467000
LESSOR:	MARY LOU WALTERS
LESSEE:	ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE:	9/5/2014
RECORDING:	VOLUME 1123, PAGE 144, REEVES COUNTY, TEXAS
55. APC LEASE NO:	1341470000
LESSOR:	RUTH ANN STUMP
LESSEE:	ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE:	9/5/2014
RECORDING:	VOLUME 1123, PAGE 137, REEVES COUNTY, TEXAS
56. APC LEASE NO:	1341763000
LESSOR:	LARRY COOPER
LESSEE:	ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE:	10/21/2014
RECORDING:	VOLUME 1126, PAGE 424, REEVES COUNTY, TEXAS
57. APC LEASE NO:	1342399000
LESSOR:	JOSEPH M GREGORY
LESSEE:	ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE:	3/28/2014
RECORDING:	VOLUME 1084, PAGE 625, REEVES COUNTY, TEXAS
58. APC LEASE NO:	1344729000
LESSOR:	JILL HOLT BELL
LESSEE:	ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE:	12/22/2014
RECORDING:	VOLUME 1140, PAGE 255, REEVES COUNTY, TEXAS
59. APC LEASE NO:	1346772000
LESSOR:	LINDSAY FREIHOFFER
LESSEE:	ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE:	12/8/2014
RECORDING:	VOLUME 1143, PAGE 509, REEVES COUNTY, TEXAS
60. APC LEASE NO:	1300124000
LESSOR:	MEKUSUKEY OIL COMPANY LLC
LESSEE:	SWEPI LP
LEASE EFFECTIVE DATE:	9/17/2013
RECORDING:	VOLUME 1048, PAGE 30, REEVES COUNTY, TEXAS
61. APC LEASE NO:	1300125000
LESSOR:	ESPADA INVESTMENT LLC
LESSEE:	SWEPI LP
LEASE EFFECTIVE DATE:	8/24/2013
RECORDING:	VOLUME 1038, PAGE 126, REEVES COUNTY, TEXAS
62. APC LEASE NO:	1352449000
LESSOR:	THE ALLAR COMPANY
LESSEE:	ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE:	5/20/2015
RECORDING:	VOLUME 1171, PAGE 682, REEVES COUNTY, TEXAS
63. APC LEASE NO:	1300908000
LESSOR:	DAVID SAMUEL CARSON ET UX
LESSEE:	ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE:	9/14/2010
RECORDING:	VOLUME 854, PAGE 376, REEVES COUNTY, TEXAS



64. APC LEASE NO:	1346789000
LESSOR:	CLAIRE K FLYNN
LESSEE:	ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE:	2/03/2015
RECORDING:	VOLUME 1149, PAGE 644, REEVES COUNTY, TEXAS
65. APC LEASE NO:	1346715000
LESSOR:	SYDNEY FIELDER DROSIHN SEAVER
LESSEE:	ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE:	1/19/2015
RECORDING:	VOLUME 1146, PAGE 421, REEVES COUNTY, TEXAS
66. APC LEASE NO:	1347903000
LESSOR:	TED M KERR
LESSEE:	ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE:	2/03/2015
RECORDING:	VOLUME 1158, PAGE 482, REEVES COUNTY, TEXAS
67. APC LEASE NO:	1346792000
LESSOR:	PAMELA FIELDER WYATT
LESSEE:	ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE:	1/19/2015
RECORDING:	VOLUME 1149, PAGE 650, REEVES COUNTY, TEXAS
68. APC LEASE NO:	1344692000
LESSOR:	MDJ MINERALS LLP
LESSEE:	ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE:	10/01/2014
RECORDING:	MEMORANDUM OF OIL AND GAS LEASE VOLUME 1135, PAGE 650, REEVES COUNTY, TEXAS
69. APC LEASE NO:	1347838000
LESSOR:	HARRIS E KERR
LESSEE:	ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE:	2/03/2015
RECORDING:	VOLUME 1158, PAGE 476, REEVES COUNTY, TEXAS
70. APC LEASE NO:	1347841000
LESSOR:	JOSEPH DROSIHN
LESSEE:	ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE:	1/19/2015
RECORDING:	VOLUME 1158, PAGE 471, REEVES COUNTY, TEXAS
71. APC LEASE NO:	1347844000*
LESSOR:	KIRA DROSIHN MATTHEWS
LESSEE:	ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE:	1/19/2015
RECORDING:	VOLUME 1158, PAGE 485, REEVES COUNTY, TEXAS
72. APC LEASE NO:	1347943000
LESSOR:	MOSHE H KERR
LESSEE:	ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE:	2/03/2015
RECORDING:	VOLUME 1158, PAGE 479, REEVES COUNTY, TEXAS
73. APC LEASE NO:	1348131000
LESSOR:	MARY SUSANNA DROSIHN
LESSEE:	ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE:	1/19/2015
RECORDING:	VOLUME 1158, PAGE 1, REEVES COUNTY, TEXAS
74. APC LEASE NO:	1350154000
LESSOR:	ELIZABETH DROSIHN PIAZZA
LESSEE:	ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE:	1/19/2015
RECORDING:	VOLUME 1158, PAGE 466, REEVES COUNTY, TEXAS
75. APC LEASE NO:	1350357000
LESSOR:	MARGUERITE BRONWEN WYATT
LESSEE:	ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE:	3/20/2015
RECORDING:	VOLUME 1169, PAGE 326, REEVES COUNTY, TEXAS

76. APC LEASE NO:	N/A	MF-116703 / GLO UNIT NO. 7556
LESSOR:	STATE OF TEXAS, COMMISSIONER OF GENERAL LAND OFFICE	
LESSEE:	AMMONITE OIL AND GAS CORPORATION	
LEASE EFFECTIVE DATE:	7/01/2014	
RECORDING:	VOLUME 1105, PAGE 0001, REEVES COUNTY, TEXAS	
77. APC LEASE NO:	1354897000	
LESSOR:	THE BNSF RAILWAY COMPANY	
LESSEE:	ANADARKO E&P ONSHORE LLC	
LEASE EFFECTIVE DATE:	6/29/2015	
RECORDING:	VOLUME 1189, PAGE 107, REEVES COUNTY, TEXAS	
78. APC LEASE NO:	PENDING	
LESSOR:	MCGARY FAMILY TRUST, KELLY MCGARY TRUSTEE	
LESSEE:	THE BELLOMY GROUP LLC	
LEASE EFFECTIVE DATE:	10/01/2014	
RECORDING:	VOLUME 1121, PAGE 476, REEVES COUNTY, TEXAS	
79. APC LEASE NO:	PENDING	
LESSOR:	MCGARY LIVING TRUST, BRIAN MCGARY TRUSTEE	
LESSEE:	THE BELLOMY GROUP LLC	
LEASE EFFECTIVE DATE:	10/01/2014	
RECORDING:	VOLUME 1121, PAGE 488, REEVES COUNTY, TEXAS	
80. APC LEASE NO:	PENDING	
LESSOR:	MARY JANE MCGARY	
LESSEE:	THE BELLOMY GROUP LLC	
LEASE EFFECTIVE DATE:	10/01/2014	
RECORDING:	VOLUME 1121, PAGE 482, REEVES COUNTY, TEXAS	
81. APC LEASE NO:	1359740000	
LESSOR:	PAULA D COOLEY	
LESSEE:	ANADARKO E&P ONSHORE LLC	
LEASE EFFECTIVE DATE:	9/21/2015	
RECORDING:	VOLUME 1204, PAGE 464, REEVES COUNTY, TEXAS	
82. APC LEASE NO:	1358095000	
LESSOR:	COLLEEN C HOULAHAN	
LESSEE:	ANADARKO E&P ONSHORE LLC	
LEASE EFFECTIVE DATE:	8/27/2015	
RECORDING:	VOLUME 1213, PAGE 696, REEVES COUNTY, TEXAS	
83. APC LEASE NO:	1358096000	
LESSOR:	MARCELETA C RIBA	
LESSEE:	ANADARKO E&P ONSHORE LLC	
LEASE EFFECTIVE DATE:	8/27/2015	
RECORDING:	VOLUME 1213, PAGE 699, REEVES COUNTY, TEXAS	
84. APC LEASE NO:	1356238000	
LESSOR:	DOUGLAS EARL BELL	
LESSEE:	ANADARKO E&P ONSHORE LLC	
LEASE EFFECTIVE DATE:	8/21/2015	
RECORDING:	MEMORANDUM OF OIL AND GAS LEASE VOLUME 1193, PAGE 780, REEVES COUNTY, TEXAS	
85. APC LEASE NO:	1356641000	
LESSOR:	WILLIAM L CALDERWOOD	
LESSEE:	ANADARKO E&P ONSHORE LLC	
LEASE EFFECTIVE DATE:	8/27/2015	
RECORDING:	VOLUME 1200, PAGE 306, REEVES COUNTY, TEXAS	
86. APC LEASE NO:	1356642000	
LESSOR:	CYNTHIA CALDERWOOD TOMLIN	
LESSEE:	ANADARKO E&P ONSHORE LLC	
LEASE EFFECTIVE DATE:	8/27/2015	
RECORDING:	VOLUME 1200, PAGE 311, REEVES COUNTY, TEXAS	
87. APC LEASE NO:	1356643000	
LESSOR:	DONNA DENISE CALDERWOOD	
LESSEE:	ANADARKO E&P ONSHORE LLC	
LEASE EFFECTIVE DATE:	8/27/2015	
RECORDING:	VOLUME 1200, PAGE 304, REEVES COUNTY, TEXAS	



88. APC LEASE NO: 1356649000
LESSOR: CAROL L WATSON
LESSEE: ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE: 6/18/2015
RECORDING: VOLUME 1192, PAGE 25, REEVES COUNTY, TEXAS
89. APC LEASE NO: 1354492000
LESSOR: ENDEAVOR ACQUISITIONS LLC
LESSEE: ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE: 7/31/2015
RECORDING: VOLUME 1190, PAGE 459, REEVES COUNTY, TEXAS
90. LEASE NO: 1359768000
LESSOR: CHARLES R MEEKER TRUST U/A BANK OF AMERICA,
NA, TRUSTEE
LESSEE: SWEPI LP
LEASE EFFECTIVE DATE: 6/16/2015
RECORDING: VOLUME 1185, PAGE 283, REEVES COUNTY, TEXAS
91. APC LEASE NO: 1360702000
LESSOR: KATHLEEN R DUNNING
LESSEE: ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE: 11/18/2015
RECORDING: VOLUME ____, PAGE ____, REEVES COUNTY, TEXAS
92. APC LEASE NO: 1360693000
LESSOR: WILLIAM D HASSINGER JR
LESSEE: ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE: 11/18/2015
RECORDING: VOLUME 1220, PAGE 290, REEVES COUNTY, TEXAS
93. APC LEASE NO: 1361244000
LESSOR: ERIC DROSIHN
LESSEE: ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE: 1/19/2015
RECORDING: VOLUME ____, PAGE ____, REEVES COUNTY, TEXAS

Exhibit "B"

To that certain Pooling Agreement dated effective July 14, 2015.

Legal Description of the tracts within the 637.48 acre Robertson State Unit 2-7:

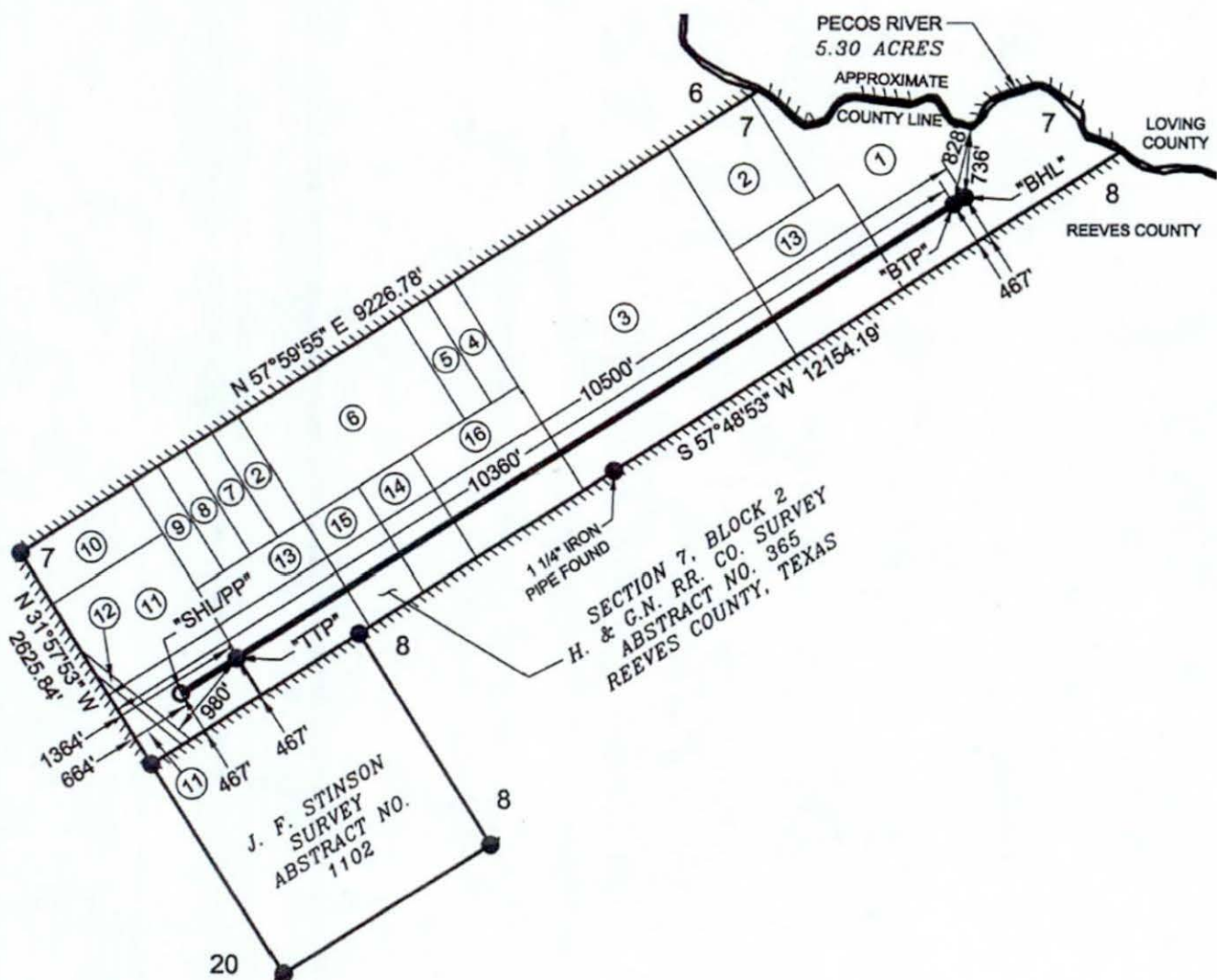
- Tract No. 1: 82.18 acres, more or less, being All of Subdivision 1 and the E/2 E/2 of Subdivision 2, in Block 2, Section 7, H&GN RR Co Survey, Reeves County, Texas
- Tract No. 2: 40.00 acres, more or less, being the West $\frac{3}{4}$ of Subdivision 2 and the E/2 E/2 of Subdivision 7, in Block 2, Section 7, H&GN RR Co Survey, Reeves County, Texas
- Tract No. 3: 160.00 acres, more or less, being All of Subdivisions 3, 4, 13 and 14, in Block 2, Section 7, H&GN RR Co Survey, Reeves County, Texas
- Tract No. 4: 10.00 acres, more or less, being the E/2 E/2 of Subdivision 5, in Block 2, Section 7, H&GN RR Co Survey, Reeves County, Texas
- Tract No. 5: 10.00 acres, more or less, being the W/2 E/2 of Subdivision 5, in Block 2, Section 7, H&GN RR Co Survey, Reeves County, Texas
- Tract No. 6: 60.00 acres, more or less, being the W/2 of Subdivision 5 and All of Subdivision 6, in Block 2, Section 7, H&GN RR Co Survey, Reeves County, Texas
- Tract No. 7: 10.00 acres, more or less, being the E/2 W/2 of Subdivision 7, in Block 2, Section 7, H&GN RR Co Survey, Reeves County, Texas
- Tract No. 8: 10.00 acres, more or less, being the W/2 E/2 of Subdivision 7, in Block 2, Section 7, H&GN RR Co Survey, Reeves County, Texas
- Tract No. 9: 10.00 acres, more or less, being the W/2 W/2 of Subdivision 7, in Block 2, Section 7, H&GN RR Co Survey, Reeves County, Texas
- Tract No. 10: 20.00 acres, more or less, being the N/2 of Subdivision 8, in Block 2, Section 7, H&GN RR Co Survey, Reeves County, Texas
- Tract No. 11: 56.30 acres, more or less, being the S/2 of Subdivision 8 and All of Subdivision 9, in Block 2, Section 7, H&GN RR Co Survey, Reeves County, Texas
- Tract No. 12: 2.70 acres, more or less, being described in Warranty Deed dated August 13, 1901 and recorded in Volume 9, Page 380, from Thomas R. White, Jr. to the Pecos River Railroad Company, said 2.7 acres traversing Lots 8 and 9 in Block 2, Section 7, H&GN RR Co Survey, Reeves County, Texas
- Tract No. 13: 80.00 acres, more or less, being All of Subdivisions 10 and 15, in Block 2, Section 7, H&GN RR Co Survey, Reeves County, Texas
- Tract No. 14: 20.00 acres, more or less, being the E/2 of Subdivision 11, in Block 2, Section 7, H&GN RR Co Survey, Reeves County, Texas
- Tract No. 15: 20.00 acres, more or less, being the W/2 of Subdivision 11, in Block 2, Section 7, H&GN RR Co Survey, Reeves County, Texas
- Tract No. 16: 40.00 acres, more or less, being All of Subdivision 12, in Block 2, Section 7, H&GN RR Co Survey, Reeves County, Texas
- Tract No. 17: 5.30 acres, more or less, of the Pecos Riverbed on the Northeastern part of Section 7, Block 2, H&GN RR Co Survey, Reeves County, Texas

Exhibit "C"

To that certain Pooling Agreement dated effective July 14, 2015.

ROBERTSON STATE UNIT 2-7 UNIT SUMMARY

TRACT	ACREAGE	MINERAL OWNERSHIP
1	CALLED 82.18	McGARY LIVING TRUST, et al
2	CALLED 40.00	DOROTHY THURBER SIMPSON, et al
3	CALLED 160.00	NANCY R. WOOLLEY, et al
4	CALLED 10.00	AUGUST C. SIEVERS, JR., TRUSTEE, et al
5	CALLED 10.00	MEEKER INVESTMENTS, INC., et al
6	CALLED 60.00	CLIFFORD W. FINE, et al
7	CALLED 10.00	MEEKER INVESTMENTS, INC., et al
8	CALLED 10.00	MEEKER INVESTMENTS, INC., et al
9	CALLED 10.00	GORDON COSTLEY, et al
10	CALLED 20.00	ROBERT L. CALDERWOOD
11	CALLED 56.30	ALFRED MAXWELL, et al
12	CALLED 2.70	BNSF RAILWAY COMPANY
13	CALLED 80.00	MARY ELIZABETH JANE ROBERTSON
14	CALLED 20.00	FREDERICA L. GALBRAITH, et al
15	CALLED 20.00	BEVERLY McDONALD, et al
16	CALLED 40.00	ANADARKO E&P ONSHORE, LLC
17	5.30	STATE OF TEXAS
TOTAL	637.48	



File No. M-116763
Pooling Agmt. Packet # 7556
Robertson State Unit 2-7
County
Date Filed: 2/25/16
George P. Bush, Commissioner
By: [Signature]

5.15.16

DO NOT DESTROY



Texas General Land Office
UNIT AGREEMENT MEMO

UPA158860

Unit Number 7558
Operator Name Anadarko E&P Onshore LLC
Customer ID C000044444
Unit Name Robertson State Unit 2-5
County 1 Loving RRC District 1 08
County 2 Reeves RRC District 2 08
County 3 RRC District 3
County 4 RRC District 4
Unit type Permanent
State Net Revenue Interest Oil 0.00109640
State Part in Unit 0.00438560
Unit Depth Allow All Depths
From Depth
To Depth
Well Formation
Participation Basis Surface Acreage
If Exclusions Apply: See Remarks

Effective Date
Unitized For Oil And Gas
Unit Term
Old Unit Number Inactive Status Date

Lease Number	Tract No	Lease Acres in Unit	Total Unit Acres	Tract Participation	O/G	Lease Royalty	NRI of Lease in Unit	Royalty Rate Reduction Clause
MF116703	1	2.630000	599.690000	0.00438560	O/G	0.25000000	0.00109640	No

API Number
4238934956

Remarks:

Prepared By:

GLO Base Updated By:

RAM Approval By:

GIS By:

Well Inventory By:

Prepared Date:

GLO Base Date:

RAM Approval Date:

GIS Date:

WI Date:

02/15/2016

02/15/2016

02/25/2016

3-11-16

02/15/2016

Pooling Committee Report

To: School Land Board

UPA158860

Date of Board Meeting: 07/14/2015

Unit Number: 7558

Effective Date:

Unit Expiration Date:

Applicant: Ammonite Oil & Gas Corp.

Attorney Rep: William Osborn

Operator: ANADARKO E&P ONSHORE LLC,

Unit Name: Robertson State Unit 2-5

Field Name: PHANTOM (WOLFCAMP)

County: Loving

Reeves

<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>
R Fee	MF116703	0.25000000	07/01/2017	3 years	11.000000	2.630000	0.00102314

Private Acres:	640.000000
State Acres:	2.630000
Total Unit Acres:	642.630000

Participation Basis:	Surface Acreage
Surface Acreage	
State Acreage:	0.41%
State Net Revenue Interest:	0.10%

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

RRC Rules:	Spacing Acres:
Yes	704 acres for a 7,500 foot lateral (FTP to LTP).

Working File Number: UPA158860

REMARKS:

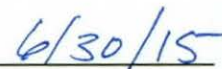
- Anadarko E&P Onshore, LLC is requesting permanent oil and gas pooling of all depths in order to test the Wolfcamp formation.
- The applicant plans to spud the well on October 15, 2015, with a proposed TD of 10,784 feet TVD. A 7,500 foot lateral is expected to be drilled.
- With approval of the unit the State's unit royalty participation will be 0.10%.
- 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.



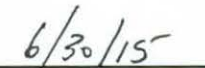
Mary Smith - Office of the Attorney General



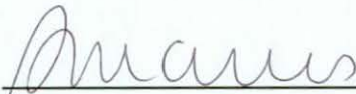
Date



Robert Hatter - General Land Office



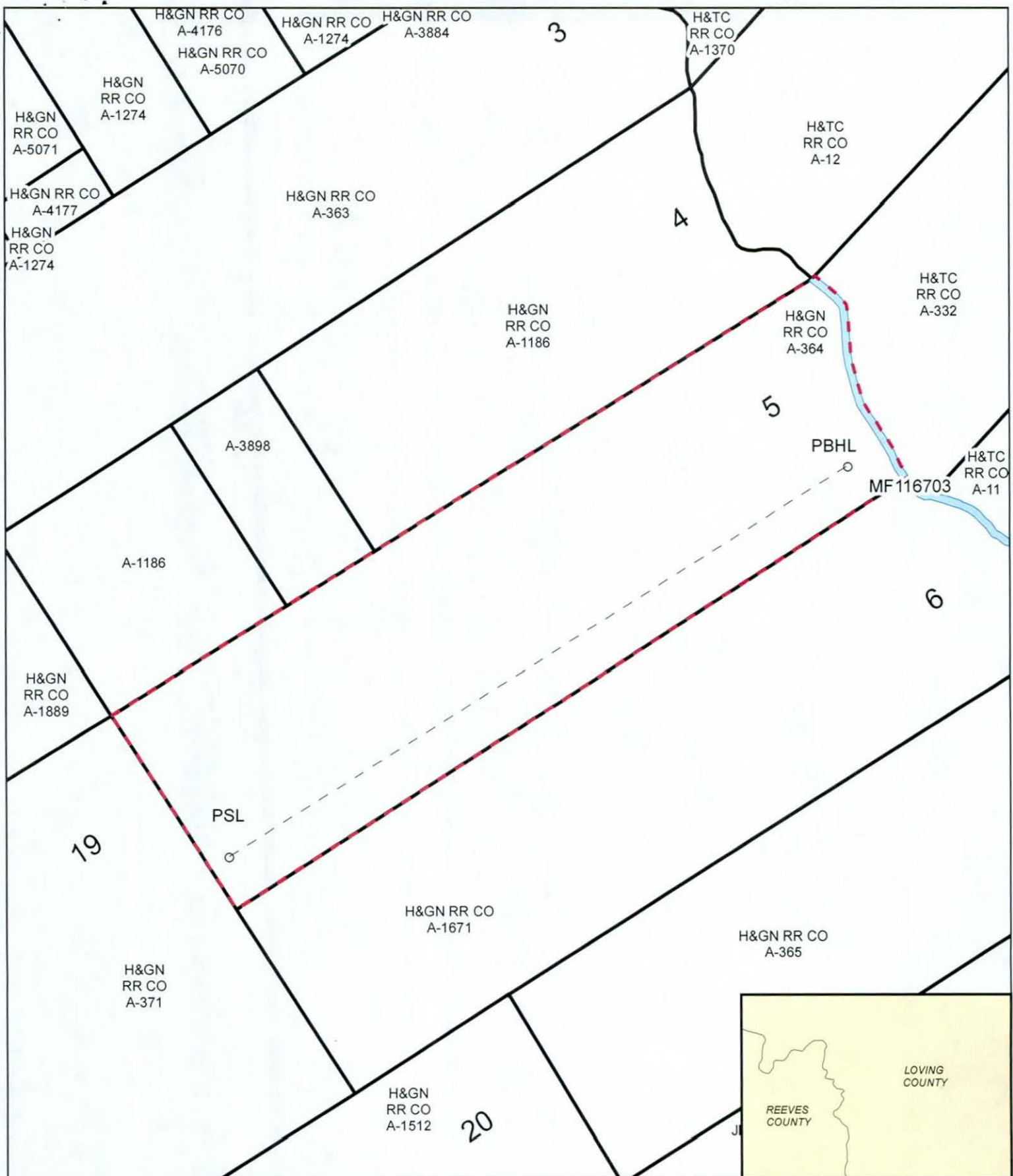
Date



Diane Morris - Office of the Governor



Date



Unit # 7558
 Anadarko E&P Onshore, LLC.
 Robertson State Unit 2-5
 Phantom (Wolfcamp) field
 Reeves County, Texas

1,500 750 0 1,500 Feet



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
 July 2015

POOLING AGREEMENT
ANADARKO E&P ONSHORE LLC
ROBERTSON STATE UNIT 2-5
GLO UNIT NO. 7558
LOVING AND REEVES COUNTIES, TEXAS

THIS AGREEMENT is entered into by and between the Commissioner of the General Land Office, on behalf of the State of Texas, as "Lessor" and Anadarko E&P Onshore LLC and Ammonite Oil & Gas Corp., herein collectively referred to as "Lessee", and such other interested parties as may join in the execution hereof, the undersigned parties herein collectively referred to as the "parties", in consideration of the mutual agreements hereinafter set forth and other valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and for the purposes and upon the terms and conditions which follow:

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 formed hereby. 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 all depths underlying the surface boundaries of the pooled unit ("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. In the event the unitized area covered by this Agreement is maintained in force by drilling or reworking operations conducted on a directional well drilled under the unitized area from a surface location on adjacent or adjoining lands not included within the boundaries of the unitized area, such operations shall be considered to have been commenced on the unitized area when drilling is commenced on the adjacent or adjoining land for the purpose of directionally drilling under the unitized area and production of oil or gas from the unitized area through any directional well surfaced on adjacent or adjoining land or drilling or reworking of any such directional well shall be considered production or drilling or reworking operations, as the case may be, on the unitized area for all purposes under this Agreement. Nothing in this Agreement is intended or shall be construed as granting to Lessee any leasehold interest, easements, or other rights in or with respect to any such adjacent or adjoining land in addition to any such leasehold interests, easements, or other rights which the lessee, operator or other interest owner in the unitized area may have lawfully acquired from the state or others.
- (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. Provided that, payments that are made on a per acre basis shall be reduced according to the number of acres pooled and included herein, so that payments made on a per acre basis shall be calculated based upon the number of acres actually included within the boundaries of the pooled unit covered by this Agreement.
- (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 land or lease included within said unit; provided, however, that shut-in oil or gas well royalty shall be paid

91313

to the State on each State lease wholly or partially within the unit, according to the terms of such lease as though such shut-in oil or gas well were located on said lease, it being agreed that shut-in royalties provided in each State lease shall not be shared with other royalty owners.

- (f) Notwithstanding any other provision hereof, it is expressly agreed that each State lease may be maintained in force as to areas lying outside the unitized area described in Exhibit "B" only as provided in each such lease without regard to unit operations or unit production. Neither production of the pooled mineral, nor unit operations with respect thereto, nor the payment of shut-in royalties from a unit well, shall serve to hold any State lease in force as to any area outside the unitized area described in Exhibit "B" regardless of whether the production or operations on the unit are actually located on the State lease or not. "Area" as used in this paragraph shall be based upon surface acres to the end that, except as may otherwise be provided in each State Lease, the area inside the surface boundaries of the pooled unit, if held, will be held as to all depths and horizons.
- (g) 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 642 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.
- (h) This Agreement shall not relieve Lessee from the duty of protecting the State leases described in Exhibit "A" and 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.
- (i) 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.
- (j) Should this Agreement terminate for any cause, the leases and other contracts affecting the lands within the unit, if not then otherwise maintained in force and effect, shall remain and may be maintained in force and effect under their respective terms and conditions in the same manner as though there had been production or operations under said lease or contract and the same had ceased on the date of the termination of this Agreement.

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.

TAKING ROYALTY IN KIND:

6.

Notwithstanding anything contained herein to the contrary, the State may, at its option, upon not less than sixty (60) days notice to Lessee, require that payment of all or any royalties accruing to the State under this pooling or unitization 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.

FULL MARKET VALUE:

7.

In the event the State does not elect to take its royalty in kind, the State shall receive full market value for its royalty hereunder, such value to be determined as follows:

- (a) As to royalty on oil 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 for the field where produced and when run, or (2) the highest market price thereof offered or paid for the field where produced and when run, or (3) gross proceeds of the sale thereof, whichever is the greater;
- (b) As to royalty on gas, such value to be based on (1) the highest market price paid or offered for gas of comparable quality for the field where produced and when run, or (2) the gross price paid or offered to the producer, whichever is the greater.

(For the purposes of this Agreement "field" means the general area in which the lands covered hereby are located.)

EFFECTIVE DATE:

8.

Upon execution by the Commissioner of the General Land Office of the State of Texas this Agreement shall become effective as of July 14, 2015.

TERM:

9.

This Agreement shall remain in effect so long as the pooled mineral is being produced from said unit, or so long as all leases included in the pooled unit are maintained in force by payment of delay rentals or shut-in oil or gas well royalties, by drilling or rework, or by other means, in accordance with the terms of said leases. Nothing herein shall amend or modify Section 52.031 of the Natural Resources Code, or any of the provisions thereof, which are contained in any State lease covered by this Agreement.

STATE LAND:

10.

Insofar as the royalty interest of the State of Texas in and under any State tract committed to the unit is concerned, this Agreement is entered into, made and executed by the undersigned Commissioner of the General Land Office by virtue of the authority and pursuant to the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, authorizing the same, after the prerequisites, findings and approval hereof, as provided in said Code having been duly considered, made and obtained.

DISSOLUTION:

11.

The unit covered by this Agreement may be dissolved by Lessee, his heirs, successors or assigns, by an instrument filed for record in Loving and Reeves 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:

12.

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 that has expired, terminated, or has been released in whole or in part or terminated under the terms of such State lease 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; (3) constitute a waiver or release of any claim by the State that such lease 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; (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.

COUNTERPARTS:

13.

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.

Date Executed

2/17/14

STATE OF TEXAS

Legal
Content
Geology
Executive

cam
[Signature]
[Signature]

By:

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

Date Executed

July 29, 2015

ANADARKO E&P ONSHORE LLC

By:

[Signature]
LINDSAY N. JAFFEE, as Agent and
Attorney-in-Fact

[Signature]
RCM

91.21.3

TERM:

9.

This Agreement shall remain in effect so long as the pooled mineral is being produced from said unit, or so long as all leases included in the pooled unit are maintained in force by payment of delay rentals or shut-in oil or gas well royalties, by drilling or rework, or by other means, in accordance with the terms of said leases. Nothing herein shall amend or modify Section 52.031 of the Natural Resources Code, or any of the provisions thereof, which are contained in any State lease covered by this Agreement.

STATE LAND:

10.

Insofar as the royalty interest of the State of Texas in and under any State tract committed to the unit is concerned, this Agreement is entered into, made and executed by the undersigned Commissioner of the General Land Office by virtue of the authority and pursuant to the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, authorizing the same, after the prerequisites, findings and approval hereof, as provided in said Code having been duly considered, made and obtained.

DISSOLUTION:

11.

The unit covered by this Agreement may be dissolved by Lessee, his heirs, successors or assigns, by an instrument filed for record in Loving and Reeves 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:

12.

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 that has expired, terminated, or has been released in whole or in part or terminated under the terms of such State lease 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; (3) constitute a waiver or release of any claim by the State that such lease 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; (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.

COUNTERPARTS:

13.

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.

Date Executed _____

STATE OF TEXAS

Legal
Content
Geology
Executive

By: _____

George P. Bush, Commissioner
General Land Office

Date Executed _____

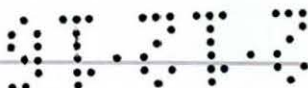
August 18, 2015

SWEET LLP

By: _____

Jeff Turnbull
Attorney-In-Fact

Its: _____



TERM:

9.

This Agreement shall remain in effect so long as the pooled mineral is being produced from said unit, or so long as all leases included in the pooled unit are maintained in force by payment of delay rentals or shut-in oil or gas well royalties, by drilling or rework, or by other means, in accordance with the terms of said leases. Nothing herein shall amend or modify Section 52.031 of the Natural Resources Code, or any of the provisions thereof, which are contained in any State lease covered by this Agreement.

STATE LAND:

10.

Insofar as the royalty interest of the State of Texas in and under any State tract committed to the unit is concerned, this Agreement is entered into, made and executed by the undersigned Commissioner of the General Land Office by virtue of the authority and pursuant to the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, authorizing the same, after the prerequisites, findings and approval hereof, as provided in said Code having been duly considered, made and obtained.

DISSOLUTION:

11.

The unit covered by this Agreement may be dissolved by Lessee, his heirs, successors or assigns, by an instrument filed for record in Loving and Reeves 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:

12.

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 that has expired, terminated, or has been released in whole or in part or terminated under the terms of such State lease 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; (3) constitute a waiver or release of any claim by the State that such lease 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; (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.

COUNTERPARTS:

13.

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.

Date Executed _____

STATE OF TEXAS

Legal
Content
Geology
Executive

By: _____

George P. Bush, Commissioner
General Land Office

Date Executed _____

1/21/2016

ENERGEN RESOURCES CORPORATION

By: _____

David W. Bolton

Its: Vice President - Land

91.31.3

Date Executed 7-27-15

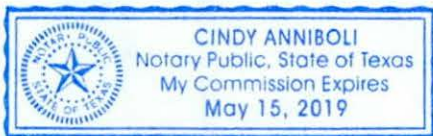
AMMONITE OIL & GAS CORP.

By: [Signature]
William Osborn, President

STATE OF TEXAS

COUNTY OF Montgomery

This instrument was acknowledged before me on July 29th, 2015, by Lindsay N. Jaffee as Agent and Attorney-in-Fact for Anadarko E&P Onshore LLC, a Delaware limited liability company on behalf of said company.

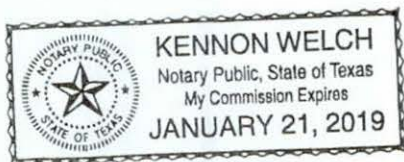


Cindy Anniboli
Notary Public in and for the
State of Texas

STATE OF TEXAS

COUNTY OF TRAVIS

This instrument was acknowledged before me on July 27, 2015, by William Osborn, President of Ammonite Oil & Gas Corp., a Texas corporation on behalf of said corporation.



Kennon Welch
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 14th day of July, 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 the 16th day of February, 2015.

Stephanie Crenshaw
Secretary of the School Land Board

91.21.3

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me on August 18th, 2015, by Jeff Turnbull as
Attorney-in-Fact of SWEPI LP, on behalf of said limited partnership.



Jeff Rogers
Notary Public in and for the State of Texas

STATE OF ALABAMA §
 §
COUNTY OF JEFFERSON §

This instrument was acknowledged before me on JANUARY 21st, 2016, by DAVID W. BOLTON, as VICE PRESIDENT - LAND, of Energen Resources Corporation, a ALABAMA Corporation, on behalf of said corporation.

Lanndea D. Canel

Signature

LANNDEA D. CANEL

Name (Print)

My commission expires 7-6-2016

Exhibit "A"

To that certain Pooling Agreement dated effective July 14, 2015.

Oil and Gas Lease(s) Included in the Unit:

1. APC LEASE NO: 1300903000
LESSOR: LINDA LOUISE MOSS CASTON
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 9/27/2010
RECORDING: VOLUME 856, PAGE 582, REEVES COUNTY, TEXAS
2. APC LEASE NO: 1300904000
LESSOR: PHILIP C MOSS TRUST
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 9/2/2010
RECORDING: VOLUME 854, PAGE 388, REEVES COUNTY, TEXAS
3. APC LEASE NO: 1300905000
LESSOR: FLETCHER JEFFREY CARSON
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 10/11/2010
RECORDING: VOLUME 857, PAGE 335, REEVES COUNTY, TEXAS
4. APC LEASE NO: 1300908000
LESSOR: DAVID SAMUEL CARSON ET UX
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 9/14/2010
RECORDING: VOLUME 854, PAGE 376, REEVES COUNTY, TEXAS
5. APC LEASE NO: 1300910000
LESSOR: SUZANNE L WHITLOW
LESSEE: DOUGLAS W FERGUSON
LEASE EFFECTIVE DATE: 8/20/2013
RECORDING: VOLUME 1029, PAGE 706, REEVES COUNTY, TEXAS
6. APC LEASE NO: 1300912000
LESSOR: GARY C MOSS ET UX
LESSEE: DOUGLAS W FERGUSON
LEASE EFFECTIVE DATE: 9/12/2013
RECORDING: VOLUME 1036, PAGE 342, REEVES COUNTY, TEXAS
7. APC LEASE NO: 1301766000
LESSOR: AUGUST C SIEVERS JR TRUSTEE
LESSEE: WL&T SERVICES
LEASE EFFECTIVE DATE: 8/11/2005
RECORDING: MEMORANDUM OF OIL & GAS LEASE
VOLUME 719, PAGE 583, REEVES COUNTY, TEXAS
8. APC LEASE NO: 1301801000
LESSOR: KENNEDY MINERALS LTD
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 10/27/2010
RECORDING: VOLUME 863, PAGE 82, REEVES COUNTY, TEXAS
9. APC LEASE NO: 1301840000
LESSOR: TEMIN 1987 PARTNERSHIP
LESSEE: DOUGLAS W FERGUSON
LEASE EFFECTIVE DATE: 4/30/2013
RECORDING: VOLUME 1029, PAGE 691, REEVES COUNTY, TEXAS
10. APC LEASE NO: 1302781000
LESSOR: ANNE ELIZABETH CARPENTER ET AL
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 1/16/2006
RECORDING: VOLUME 733, PAGE 218, REEVES COUNTY, TEXAS
11. APC LEASE NO: 1319928000
LESSOR: BLAKE OIL AND GAS CORPORATION
LESSEE: KEW DRILLING
LEASE EFFECTIVE DATE: 10/29/2010
RECORDING: VOLUME 858, PAGE 9, REEVES COUNTY, TEXAS



12. APC LEASE NO: 1327964000
LESSOR: MARY ELIZABETH JANE ROBERTSON
LESSEE: DOUGLAS W FERGUSON
LEASE EFFECTIVE DATE: 7/20/2013
RECORDING: VOLUME 1025, PAGE 548, REEVES COUNTY, TEXAS
13. APC LEASE NO: 1327965000
LESSOR: MARY ELIZABETH JANE ROBERTSON
LESSEE: DOUGLAS W FERGUSON
LEASE EFFECTIVE DATE: 7/20/2013
RECORDING: VOLUME 1025, PAGE 565, REEVES COUNTY, TEXAS
14. APC LEASE NO: 1329494000
LESSOR: BEVERLY MCDONALD
LESSEE: DOUGLAS W FERGUSON
LEASE EFFECTIVE DATE: 2/27/2014
RECORDING: VOLUME 1075, PAGE 140, REEVES COUNTY, TEXAS
15. APC LEASE NO: 1329960000
LESSOR: ARCHBISHOPRIC OF NEW YORK
LESSEE: ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE: 10/14/2014
RECORDING: VOLUME 1068, PAGE 376, REEVES COUNTY, TEXAS
16. APC LEASE NO: 1329961000
LESSOR: LASCA, INC
LESSEE: ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE: 10/14/2014
RECORDING: VOLUME 1068, PAGE 385, REEVES COUNTY, TEXAS
17. APC LEASE NO: 1352478000
LESSOR: THE ALLAR COMPANY
LESSEE: ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE: 5/20/2015
RECORDING: INSTRUMENT NUMBER 15-05029, REEVES COUNTY, TEXAS
18. APC LEASE NO: 1318969000
LESSOR: WILLON A HENDERSON JR
LESSEE: ANADARKO PETROLEUM CORPORATION
LEASE EFFECTIVE DATE: 10/19/2010
RECORDING: VOLUME 857, PAGE 337, REEVES COUNTY, TEXAS
19. APC LEASE NO: 1344692000
LESSOR: MDJ MINERALS LLP
LESSEE: ANADARKO E&P ONSHORE LLC
LEASE EFFECTIVE DATE: 10/01/2014
RECORDING: MEMORANDUM OF OIL AND GAS LEASE
VOLUME 1135, PAGE 650, REEVES COUNTY, TEXAS
20. APC LEASE NO: PENDING
LESSOR: JASE MINERALS LP AND JK ROYALTY LP
LESSEE: ENERGEN RESOURCES CORPORATION
LEASE EFFECTIVE DATE: 2/07/2011
RECORDING: VOLUME 874, PAGE 778, REEVES COUNTY, TEXAS
21. APC LEASE NO: PENDING
LESSOR: JAMES R HILL, INDIVIDUALLY AS TRUSTEE OF THE HOUSTON & EMMA HILL TRUST ESTATE, , HILL INVESTMENTS LTD, VIRGINIA LATTIMORE, INDIVIDUALLY AND AS TRUSTEE OF THE HOUSTON & EMMA HILL TRUST ESTATE, H-MINERALS & REALTY LTD, THE WALTRIP MARITAL TRUST, THE MSW REVOCABLE TRUST, THE MLH REVOCABLE TRUST, THE NANCY PUFF JONES TRUST, WESTCO FAMILY LIMITED PARTNERSHIP AND GEOMAR RESOURCES INC
LESSEE: ENERGEN RESOURCES CORPORATION
LEASE EFFECTIVE DATE: 12/01/2010
RECORDING: VOLUME 863, PAGE 315, REEVES COUNTY, TEXA
22. APC LEASE NO: PENDING
LESSOR: OAK VALLEY MINERAL & LAND LP
LESSEE: ENERGEN RESOURCES CORPORATION
LEASE EFFECTIVE DATE: 9/30/2011
RECORDING: VOLUME 913, PAGE 330, REEVES COUNTY, TEXAS



23.	APC LEASE NO: LESSOR: LESSEE: LEASE EFFECTIVE DATE: RECORDING:	PENDING MBR OIL & GAS #1 LTD ENERGEN RESOURCES CORPORATION 12/05/2011 VOLUME 933, PAGE 7440, REEVES COUNTY, TEXAS
24.	APC LEASE NO: LESSOR: LESSEE: LEASE EFFECTIVE DATE: RECORDING:	PENDING MF-116703 / GLO UNIT NO. 7558 STATE OF TEXAS, COMMISSIONER OF GENERAL LAND OFFICE AMMONITE OIL AND GAS CORPORATION 7/01/2014 VOL 1105, PAGE 0001, REEVES COUNTY, TEXAS
25.	APC LEASE NO: LESSOR: LESSEE: LEASE EFFECTIVE DATE: RECORDING:	1354897000 THE BNSF RAILWAY COMPANY ANADARKO E&P ONSHORE LLC 6/29/2015 INSTRUMENT #15-07398, REEVES COUNTY, TEXAS
26.	APC LEASE NO: LESSOR: LESSEE: LEASE EFFECTIVE DATE: RECORDING:	1356227000 ROBERT G. COPES JR ANADARKO E&P ONSHORE LLC 8/13/2015 VOL 1194, PAGE 163, REEVES COUNTY, TEXAS
27.	APC LEASE NO: LESSOR: LESSEE: LEASE EFFECTIVE DATE: RECORDING:	PENDING MARY SCHNEIDER ANADARKO E&P ONSHORE LLC 9/3/2015 VOLUME 1200, PAGE 308, REEVES COUNTY, TEXAS
28.	APC LEASE NO: LESSOR: LESSEE: LEASE EFFECTIVE DATE: RECORDING:	1356645000 JOHN S SCHNEIDER JR ANADARKO E&P ONSHORE LLC 9/3/2015 VOLUME 1201, PAGE 366, REEVES COUNTY, TEXAS
29.	APC LEASE NO: LESSOR: LESSEE: LEASE EFFECTIVE DATE: RECORDING:	PENDING PAULA D COOLEY ANADARKO E&P ONSHORE LLC 9/21/2015 INSTRUMENT #: 15-09548, REEVES COUNTY, TEXAS



Exhibit "B"
To that certain Pooling Agreement dated effective July 14, 2015.

Legal Description of the tracts within the 599.69 acre Robertson State Unit 2-5:

- Tract 1: 82.06 acres, more or less, including Subdivision 1 (as to depths below 5,851'), Subdivision 3 (save and except the North-5 acres) and the Southeast Quarter of Subdivision 4 of Section 5, Block 2, H&GN Ry. Co. Survey, Reeves County, Texas
- Tract 2: 18.00 acres, more or less, containing the West 13 acres of the N/2 of Subdivision 2 and the North 5 acres of Subdivision 3 in Section 5, Block 2, H&GN Ry. Co. Survey, Reeves County, Texas
- Tract 3: 7.00 acres, more or less, being the East 7 acres of the N/2 of Subdivision 2 in Section 5, Block 2, H&GN Ry. Co. Survey, Reeves County, Texas
- Tract 4: 20.00 acres, more or less, being the S/2 (20 acres) of Subdivision 2 in Section 5, Block 2, H&GN Ry. Co. Survey, Reeves County, Texas
- Tract 5: 10.00 acres, more or less, being the NE/4 (10 acres) of Subdivision 4 in Section 5, Block 2, H&GN Ry. Co. Survey, Reeves County, Texas
- Tract 6: 100.00 acres, more or less, being the W/2 (20 acres) of Subdivision 4 and all of Subdivision 5 & Subdivision 6 (40 acres each) in Section 5, Block 2, H&GN Ry. Co. Survey, more particularly described by that certain Plat dated October 12, 1904, recorded in Volume 10, Page 378, Deed Records of Reeves County, Texas
- Tract 7: 153.40 acres, more or less, including all of Subdivisions 7, 8, 9 & 10 (40 acres each), SAVE AND EXCEPT 6.6 acres described as Tract No. 8 below (153.4 acres net) in Section 5, Block 2, H&GN Ry. Co. Survey, Reeves County, Texas
- Tract 8: 6.60 acres, more or less, being described in Warranty Deed dated August 13, 1901 and recorded in Volume 9, Page 380, from Thomas R. White, Jr. to the Pecos River Railroad Company, said 6.6 acres traversing Subdivisions 8 and 9 as shown on Exhibit C attached hereto;
- Tract 9: 40.00 acres, more or less, including all of Subdivision 11 in Section 5, Block 2, H&GN Ry. Co. Survey, Reeves County, Texas
- Tract 10: 80.00 acres, more or less, being all of Subdivisions 12 & 14 (40 acres each) in Section 5, Block 2, H&GN Ry. Co. Survey, Reeves County, Texas
- Tract 11: 40.00 acres, more or less, being all of Subdivision 13 in Section 5, Block 2, H&GN Ry. Co. Survey, Reeves County, Texas
- Tract 12: 40.00 acres, more or less, being all of Subdivision 15 in Section 5, Block 2, H&GN Ry. Co. Survey, Reeves County, Texas
- Tract 13: 2.63 acres, more or less, of the Pecos Riverbed on the Northeastern part of Section 5, Block 2, H&GN Ry. Co. Survey, Reeves County, Texas

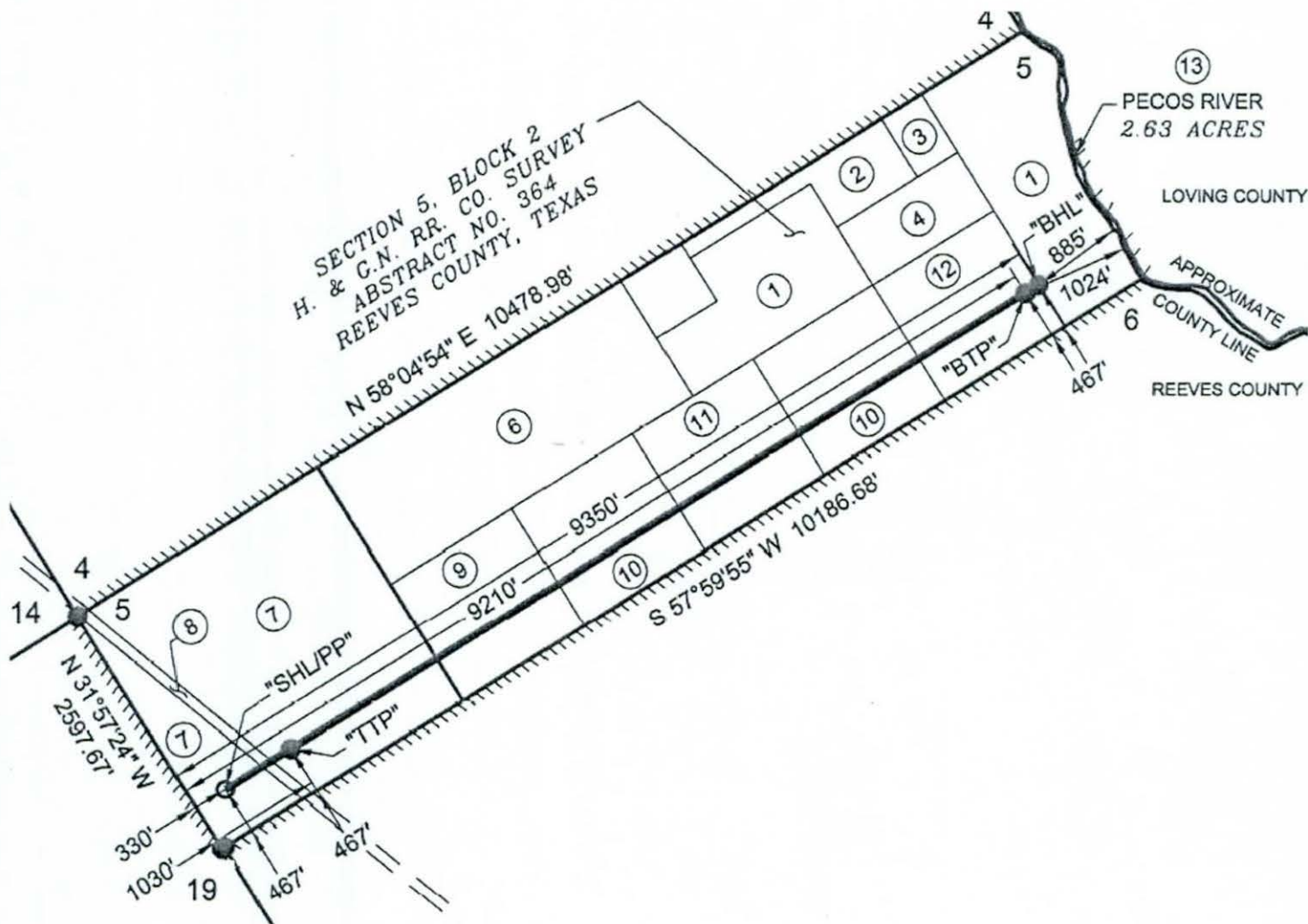


Exhibit "C"

To that certain Pooling Agreement dated effective July 14, 2015.

ROBERTSON STATE UNIT 2-5
UNIT SUMMARY

TRACT	ACREAGE	MINFRAI OWNERSHIP
1	CALLED 82.06	THE HOUSTON AND EMMA HILL TRUST ESTATE, et al
2	CALLED 18.00	AUGUST C. SIEVERS, JR., TRUSTEE, et al
3	CALLED 7.00	GEORGE B. ADDICKS
4	CALLED 20.00	MARY W. ADDICKS
5	CALLED 10.00	BETTIE ANDREWS SARRAFIAN, et al
6	CALLED 100.00	CHARLOTTE LYNN CARPENTER, et al
7	CALLED 153.40	AUGUST C. SIEVERS, JR., TRUSTEE, et al
8	CALLED 6.6	BNSF RAILWAY COMPANY
9	CALLED 40.00	BEVERLY McDONALD, et al
10	CALLED 80.00	MARY ELIZABETH ZABIK ROBERTSON
11	CALLED 40.00	MARGARET BETHANY WESTENBERG, et al
12	CALLED 40.00	BLAKE OIL & GAS CORPORATION
13	2.63	STATE OF TEXAS
TOTAL	599.69	





TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

February 18, 2016

Ms. Cari Kirk
Anadarko E&P Onshore, LLC
P. O. Box 1330
Houston, Texas 77251-1330

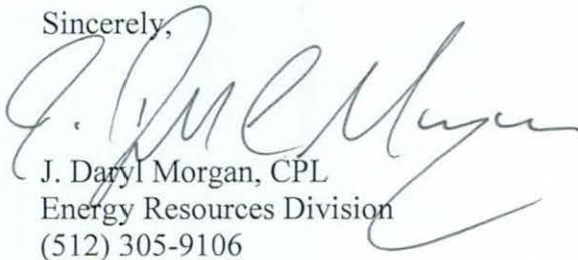
Re: Pooling Agreements
Robertson State Unit 2-5 - GLO Unit No. 7558
Robertson State Unit 2-7 - GLO Unit No. 7556
Loving and Reeves Counties, Texas

Dear Ms. Kirk:

Enclosed is a duplicate original of each of the above referenced Pooling Agreements that have been executed by George P. Bush, Commissioner of the Texas General Land Office ("GLO"). We have retained the other original of each Agreement for our files. Please refer to the referenced GLO Unit Nos. for each Unit when filing Royalty Reports with the GLO.

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

Sincerely,


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

Enclosures



February 11, 2016

VIA UPS OVERNIGHT MAIL

IZ XIW 140 01 9002 7154

Mr. J. Daryl Morgan, CPL
Texas General Land Office
1700 N. Congress Avenue
Austin, Texas 78701

RE: Pooling Agreements
Robertson State Unit 2-5 / GLO Unit 7558
Robertson State Unit 2-7 / GLO Unit 7556
Reeves Counties, Texas

Dear Mr. Morgan:

Enclosed herewith please find the partially executed originals of the above referenced Pooling Agreements. Once fully executed, please return one set of originals for each unit to me.

Thank you for your assistance. Please do not hesitate to contact me at 832.636.2522 with questions.

Sincerely,

ANADARKO E&P ONSHORE LLC

A handwritten signature in blue ink that reads "Cari Kirk". The signature is written in a cursive, flowing style.

Cari Kirk
Land Analyst

Enclosure

13

File No. M-116703
Pooling Agrmt. Packet # 7550
Robertson State Unit 2-5
County
Date Filed: 2/25/16
George P. Bush, Commissioner
By: [Signature]

5-13-16



TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

February 18, 2016

Ms. Cari Kirk
Anadarko E&P Onshore, LLC
P. O. Box 1330
Houston, Texas 77251-1330

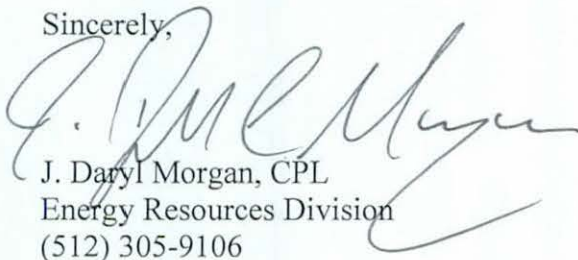
Re: Pooling Agreements
Robertson State Unit 2-5 - GLO Unit No. 7558
Robertson State Unit 2-7 - GLO Unit No. 7556
Loving and Reeves Counties, Texas

Dear Ms. Kirk:

Enclosed is a duplicate original of each of the above referenced Pooling Agreements that have been executed by George P. Bush, Commissioner of the Texas General Land Office ("GLO"). We have retained the other original of each Agreement for our files. Please refer to the referenced GLO Unit Nos. for each Unit when filing Royalty Reports with the GLO.

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

Sincerely,


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

Enclosures

14

File No. M-116703

Ltr. to Angelyko County

Date Filed: 2/25/16

George P. Bush, Commissioner

By [Signature]

**RAILROAD COMMISSION OF TEXAS**

1701 N. Congress
P.O. Box 12967
Austin, Texas 78701-2967

Status: Approved
Date: 03/09/2016
Tracking No.: 151268

Form W-2**OIL WELL POTENTIAL TEST, COMPLETION OR RECOMPLETION REPORT, AND LOG****OPERATOR INFORMATION**

Operator Name: ANADARKO E&P ONSHORE LLC Operator No.: 020528
Operator Address: ATTN FRANK A. DAVIS PO BOX 1330 HOUSTON, TX 77251-1330

WELL INFORMATION

API No.: 42-389-34956 County: REEVES
Well No.: 1H RRC District No.: 08
Lease Name: ROBERTSON STATE UNIT 2-5 Field Name: PHANTOM (WOLFCAMP)
RRC Lease No.: 47332 Field No.: 71052900
Location: Section: 5, Block: 2, Survey: H&GN RR CO, Abstract: 364

Latitude: Longitude:
This well is located 15.15 miles in a SE
direction from ORLA,
which is the nearest town in the county.

FILING INFORMATION

Purpose of filing: Initial Potential
Type of completion: New Well
Well Type: Producing Completion or Recompletion Date: 12/31/2015

Type of Permit	Date	Permit No.
Permit to Drill, Plug Back, or Deepen	09/03/2015	808781
Rule 37 Exception		0297580
Fluid Injection Permit		
O&G Waste Disposal Permit		
Other:		

COMPLETION INFORMATION

Spud date: 10/02/2015	Date of first production after rig released: 12/31/2015
Date plug back, deepening, recompletion, or drilling operation commenced: 10/02/2015	Date plug back, deepening, recompletion, or drilling operation ended: 10/29/2015
Number of producing wells on this lease in this field (reservoir) including this well: 1	Distance to nearest well in lease & reservoir (ft.): 0.0
Total number of acres in lease: 599.69	Elevation (ft.): 2687 GL
Total depth TVD (ft.): 10742	Total depth MD (ft.): 20202
Plug back depth TVD (ft.):	Plug back depth MD (ft.):
Was directional survey made other than inclination (Form W-12)? Yes	Rotation time within surface casing (hours): 24.0
Recompletion or reclass? No	Is Cementing Affidavit (Form W-15) attached? Yes
Type(s) of electric or other log(s) run: Gamma Ray (MWD)	Multiple completion? No
Electric Log Other Description:	
Location of well, relative to nearest lease boundaries of lease on which this well is located:	Off Lease : No
329.0 Feet from the	SW Line and
467.0 Feet from the	SE Line of the
	ROBERTSON STATE UNIT 2-5 Lease.

FORMER FIELD (WITH RESERVOIR) & GAS ID OR OIL LEASE NO.

Field & Reservoir	Gas ID or Oil Lease No.	Well No.	Prior Service Type
-------------------	-------------------------	----------	--------------------

PACKET: N/A



W2: N/A

FOR NEW DRILL OR RE-ENTRY, SURFACE CASING DEPTH DETERMINED BY:

GAU Groundwater Protection Determination

Depth (ft.): 1250.0

Date: 07/09/2015

SWR 13 Exception

Depth (ft.):

INITIAL POTENTIAL TEST DATA FOR NEW COMPLETION OR RECOMPLETION

Date of test: 01/11/2016

Production method: Flowing

Number of hours tested: 24

Choke size: 48/64

Was swab used during this test? No

Oil produced prior to test:

PRODUCTION DURING TEST PERIOD:

Oil (BBLs): 2354.00

Gas (MCF): 6276

Gas - Oil Ratio: 2666

Flowing Tubing Pressure: 0.00

Water (BBLs): 7518

CALCULATED 24-HOUR RATE

Oil (BBLs): 2354.0

Gas (MCF): 6276

Oil Gravity - API - 60.: 47.3

Casing Pressure: 2649.00

Water (BBLs): 7518

CASING RECORD

Row	Type of Casing	Casing Size (in.)	Hole Size (in.)	Setting Depth (ft.)	Multi - Stage Depth (ft.)	Multi - Shoe Depth (ft.)	Cement Class	Cement Amount (sacks)	Slurry Volume (cu. ft.)	Top of Cement (ft.)	TOC Determined By
1	Surface	13 3/8	17 7/8	1436			C PREMIUM PLUS	1670	4932.0	0	Circulated to Surface
2	Intermediate	9 5/8	12 1/4	4057			C PREMIUM PLUS	775	825.0	427	Calculation
3	Intermediate	7	8 3/4	10875			H	525	1673.0	3028	Calculation

LINER RECORD

Row	Liner Size (in.)	Hole Size (in.)	Liner Top (ft.)	Liner Bottom (ft.)	Cement Class	Cement Amount (sacks)	Slurry Volume (cu. ft.)	Top of Cement (ft.)	TOC Determined By
1	4 1/2	6 1/8	10047	20199	H	830	963.0	10115	Calculation

TUBING RECORD

Row	Size (in.)	Depth Size (ft.)	Packer Depth (ft.)/Type
1	2 7/8	10070	10070 / SUPERIOR RET. PKR.

PRODUCING/INJECTION/DISPOSAL INTERVAL

Row	Open hole?	From (ft.)	To (ft.)
1	No	L1 10942	19935.0

97.12.2

ACID, FRACTURE, CEMENT SQUEEZE, CAST IRON BRIDGE PLUG, RETAINER, ETC.

Was hydraulic fracturing treatment performed? Yes

Is well equipped with a downhole actuation sleeve? No

If yes, actuation pressure (PSIG):

Production casing test pressure (PSIG) prior to hydraulic fracturing treatment: 8900

Actual maximum pressure (PSIG) during hydraulic fracturing: 8811

Has the hydraulic fracturing fluid disclosure been reported to FracFocus disclosure registry (SWR29)? Yes

Row	Type of Operation	Amount and Kind of Material Used	Depth Interval (ft.)
1	Fracture	TOTAL FLUID 294,062 BBLs; TOTAL PROPPANT 12,856,720 LBS	10942 19935

FORMATION RECORD

Formations	Encountered	Depth TVD (ft.)	Depth MD (ft.)	Is formation isolated?	Remarks
FORD-DELAWARE	Yes	3881.0	3883.0	Yes	
CASTILLE	Yes	1730.0	1730.0	Yes	
BELL CANYON	Yes	3951.0	3953.0	Yes	
DELAWARE	Yes	3881.0	3883.0	Yes	
DELAWARE CONSOLIDATED GAS	Yes	3881.0	3883.0	Yes	
CHERRY CANYON	Yes	4917.0	4917.0	Yes	
BONE SPRINGS	Yes	7496.0	7499.0	Yes	
PERMIAN	Yes	717.0	717.0	Yes	
WOLFCAMP	Yes	10504.0	10553.0	Yes	
PENNSYLVANIAN	No			No	WELL NOT DEEP ENOUGH
MISSISSIPPIAN	No			No	WELL NOT DEEP ENOUGH
DEVONIAN	No			No	WELL NOT DEEP ENOUGH
FUSSELMAN	No			No	WELL NOT DEEP ENOUGH
ELLENBURGER	No			No	WELL NOT DEEP ENOUGH

Do the producing interval of this well produce H2S with a concentration in excess of 100 ppm (SWR 36)? No

Is the completion being downhole commingled (SWR 10)? No

REMARKS

91.12.2

RRC REMARKS**PUBLIC COMMENTS:**

[RRC Staff 2016-02-26 15:43:19.485] EDL=8993 feet, max acres=704, PHANTOM (WOLFCAMP) oil or gas well

CASING RECORD :

KOP @ 10080'. WELL WILL FLOW FOR 4-6 MONTHS THEN BE PUT ON PUMP.

TUBING RECORD:**PRODUCING/INJECTION/DISPOSAL INTERVAL :****ACID, FRACTURE, CEMENT SQUEEZE, CAST IRON BRIDGE PLUG, RETAINER, ETC. :****POTENTIAL TEST DATA:****OPERATOR'S CERTIFICATION**

Printed Name: Carla Ghazizadeh

Title: Staff Regulatory Analyst

Telephone No.: (832) 636-3315

Date Certified: 02/24/2016

97.12.2



RAILROAD COMMISSION OF TEXAS

1701 N. Congress
P.O. Box 12967

Austin, Texas 78701-2967

CEMENTING REPORT

Form W-15

Rev. 08/2014

Cementer: Fill in shaded areas.
Operator: Fill in other items.

OPERATOR INFORMATION	
Operator Name:	ANADARKO E+P Onshore
Cementer Name: Allied Oil And Gas Services, LLC	Operator P-5 No.: 020528
	Cementer P-5 No.: 014447

WELL INFORMATION	
District No.: 08	County: Reeves
Well No.: #1H	API No.: 4238934956
Lease Name: Robertson State Unit 2-5	Drilling Permit No.: 808781
Field Name: Phantom (Wolfcamp)	Lease No.:
	Field No.:

I. CASING CEMENTING DATA					
Type of casing:	☐ Conductor	☒ Surface	☐ Intermediate	☐ Liner	☐ Production
Drilled hole size (in.): 17 1/2	Depth of drilled hole (ft.): 1436		Est. % wash-out or hole enlargement:		
Size of casing in O.D. (in.): 13 3/8	Casing weight (lbs/ft) and grade: 54.5		No. of centralizers used: 11		
Was cement circulated to ground surface (or bottom of cellar) outside casing? ☒ YES ☐ NO			Setting depth shoe (ft.): 1436	Top of liner (ft.):	
Hrs. waiting on cement before drill-out: 24			Calculated top of cement (ft.): 0	Cementing date: 10/3/2015	
SLURRY					
Slurry No.	No. of Sacks	Class	Additives	Volume (cu.ft.)	Height (ft.)
1	1485	CLASS C PREMIUM PLUS		3786	1086
2	185	CLASS C PREMIUM PLUS		246	355
3					
Total	1670			4932	1441

II. CASING CEMENTING DATA					
Type of casing:	☐ Surface	☐ Intermediate	☐ Production	☐ Tapered production	☐ Multi-stage cement shoe
Drilled hole size (in.):	Depth of drilled hole (ft.):		Est. % wash-out or hole enlargement:		
Size of casing in O.D. (in.):	Casing weight (lbs/ft) and grade:		No. of centralizers used:		
Tapered string drilled hole size (in.):	Tapered string drilled hole size (in.):				
Tapered string size of casing in O.D. (in.):	Tapered string casing weight (lbs/ft) and grade:		Tapered string no. of centralizers used:		
Was cement circulated to ground surface (or bottom of cellar) outside casing? ☐ YES ☐ NO			Setting depth shoe (ft.):		
Hrs. waiting on cement before drill-out:			Calculated top of cement (ft.):	Cementing date: 10/3/2015	
SLURRY					
Slurry No.	No. of Sacks	Class	Additives	Volume (cu.ft.)	Height (ft.)
1					
2					
3					
Total					

III. CASING CEMENTING DATA					
Type of casing:	☐ Surface	☐ Intermediate	☐ Production	☐ Tapered production	☐ Multi-stage cement/DV tool
Drilled hole size (in.):	Depth of drilled hole (ft.):		Est. % wash-out or hole enlargement:		
Size of casing in O.D. (in.):	Casing weight (lbs/ft) and grade:		No. of centralizers used:		
Tapered string drilled hole size (in.):	Tapered string depth of drilled hole (ft.):				
Upper:	Lower:	Upper:	Lower:		
Tapered string size of casing in O.D. (in.):	Tapered string casing weight (lbs/ft) and grade:		Tapered string no. of centralizers used:		
Upper:	Lower:	Upper:	Lower:		
Was cement circulated to ground surface (or bottom of cellar) outside casing? ☐ YES ☐ NO			Setting depth tool (ft.):		
Hrs. waiting on cement before drill-out:			Calculated top of cement (ft.):	Cementing date: 10/3/2015	
SLURRY					
Slurry No.	No. of Sacks	Class	Additives	Volume (cu.ft.)	Height (ft.)
1					
2					
3					
Total					

05.12.14

CEMENTING TO SQUEEZE, PLUG BACK OR PLUG AND ABANDON							
	PLUG #1	PLUG #2	PLUG #3	PLUG #4	PLUG #5	PLUG #6	PLUG #7
Cementing Date							
Size of hole or pipe (in.)							
Depth to bottom of tubing or drill pipe (ft.)							
Cement retainer setting depth (ft.)							
CIBP setting depth (ft.)							
Amount of cement on top of CIBP (ft.)							
Sacks of cement used							
Slurry volume pumped (cu. ft.)							
Calculated top of plug (ft.)							
Measured top of plug, if tagged (ft.)							
Slurry weight (lbs/gal)							
Class/type of cement							
Perforate and squeeze (YES/NO)							
REMARKS							

CEMENTER'S CERTIFICATE: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that the cementing of casing and/or the placing of cement plugs in this well as shown in the report was performed by me or under my supervision, and that the cementing data and facts presented on both sides of this form are true, correct, and complete, to the best of my knowledge. This certification covers cementing data only.

ALBERT SNYDER SS2	Allied Oil & Gas Services, LLC	<i>Albert Snyder</i>
Name and title of cementer's representative	Cementing Company	Signature
8711 W. CR 127	Midland Texas 79706	(432) 563-4440
Address	City, State, Zip Code	Tel: Area Code Number
		Date: mo. Day yr. 10/3/15

OPERATOR'S CERTIFICATE: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have knowledge of the well data and information presented in this report, and that data and facts presented on both sides of this form are true, correct and complete to the best of my knowledge. This certification covers all well data.

<i>Carla Ghazizadeh</i>	Staff Reg. Analyst	<i>Carla Ghazizadeh</i>
Type or printed name of operator's representative	Title	Signature
P.O. Box 1330, Houston, TX 77251		832-636-3315
Address	City, State, Zip Code	Tel: Area Code Number
		Date: mo. Day yr. 2-22-16

Instructions for Form W-15, Cementing Report

NOTICE: The Form W-15 must be submitted as an attachment to a Form G-1 (Gas Well Back Pressure Test, Completion or Recompletion Report, and Log), Form W-2 (Oil Well Potential Test, Completion or Recompletion Report, and Log), Form W-3 (Plugging Record), or Form W-4 (Application for Multiple Completion), any time cement is pumped in a wellbore.

A. **What to file:** An operator should file an original and one copy of the completed Form W-15 for each cementing company used on a well. The cementing of different casing strings on a well by one cementing company may be reported on one form.

The Form W-15 should be filed with the Form W-3, Plugging Record, unless the Form W-3 is signed by the cementing company representatives. When reporting dry holes, operators must complete Form W-15, in addition to Form W-3, to show any casing cemented in the hole.

B. **How to file:** An oil and gas completion report and form W-15 may be filed online using the Commissioner's Online System (<https://webapps.rrc.state.tx.us/security/login.do>) or a paper copy of the form may be mailed to the Commission in Austin (P.O. Box 12967, Austin, Texas 78711-2697).

C. **Surface Casing:** An operator must set and cement sufficient surface casing to protect all usable-quality water strata, as defined by the Groundwater Advisory Unit in Austin. Sufficient cement shall be used to fill the annular space outside the casing from the shoe to the ground surface or to the bottom of the cellar. Before drilling a well, an operator must obtain a letter from the Groundwater Advisory Unit stating the protection depth. Surface casing should not be set deeper than 200 feet below the specified depth without prior approval from the commission.

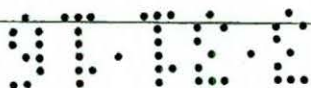
To plug and abandon a well, operators must use only cementers approved by the Commission's Director of Field Operations in accordance with SWR 14 ([http://info.sos.state.tx.us/pls/pub/readtac\\$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_pg=1&p_tac=&ti=16&pt=1&ch=3&rl=14](http://info.sos.state.tx.us/pls/pub/readtac$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_pg=1&p_tac=&ti=16&pt=1&ch=3&rl=14)). Cementing companies, service companies, or operators can qualify as approved cementers by demonstrating that they are able to mix and pump cement in compliance with Commission rules and regulations.

D. **Estimated % wash-out:** If the estimated % wash-out is less than 20% (or 30% along the Gulf Coast), provide supporting documentation such as a caliper log to show how the estimated % wash-out was obtained.

E. **Multi-stage cement:** An operator must report the multi-stage cement shoe in II. Casing Cement Data section by selecting the type of casing and Multi-stage cement shoe. The operator must report the multi-stage cement tool in III. Casing Cementing Data section by selecting the type of casing and Multi-Stage cement/DV tool.

F. **Multiple parallel strings:** An operator should file the Form W-15 as an attachment to the Form W-4, Application for Multiple Completion. An operator may be required to submit multiple form W-15s to show all data for multiple parallel strings.

G. **Slurry Data:** If cement job exceeds three slurries, continue the list of slurries in the Slurry table in the subsequent Casing Cementing Data box.





RAILROAD COMMISSION OF TEXAS

1701 N. Congress
P.O. Box 12967

Austin, Texas 78701-2967

CEMENTING REPORT

Form W-15

Rev. 08/2014

Cementer: Fill in shaded areas.
Operator: Fill in other items.

OPERATOR INFORMATION	
Operator Name: ANADARKO E+P Onshore	Operator P-5 No.: 020528
Cementer Name: Allied Oil And Gas Services, LLC	Cementer P-5 No.: 014447

WELL INFORMATION	
District No.: 08	County: Reeves
Well No.: #1H	API No.: 4238934956 Drilling Permit No.: 808781
Lease Name: Robertson State Unit 2-5	Lease No.:
Field Name: Phantom (Wolfcamp)	Field No.:

I. CASING CEMENTING DATA					
Type of casing: ☐ Conductor ☐ Surface ☒ Intermediate ☐ Liner ☐ Production					
Drilled hole size (in.): 12 1/4	Depth of drilled hole 4057'		Est. % wash-out or hole enlargement:		
Size of casing in O.D. (in.): 9 5/8	Casing weight (lbs/ft) and grade: 40#		No. of centralizers used: 16		
Was cement circulated to ground surface (or bottom of cellar) outside casing? ☐ YES ☒ NO		Setting depth shoe: 4057'		Top of liner (ft.):	
Hrs. waiting on cement before drill-out: 24		Calculated top of cement (ft.): 427		Cementing date: 10/7/2015	
SLURRY					
Slurry No.	No. of Sacks	Class	Additives	Volume (cu.ft.)	Height (ft.)
1	645	class c premium plus		694	3498
2	130	class c premium plus		131	556
3					
Total	775			825	4054

II. CASING CEMENTING DATA					
Type of casing: ☐ Surface ☐ Intermediate ☐ Production ☐ Tapered production ☐ Multi-stage cement shoe ☐ Multiple parallel strings					
Drilled hole size (in.):	Depth of drilled hole (ft.):		Est. % wash-out or hole enlargement:		
Size of casing in O.D. (in.):	Casing weight (lbs/ft) and grade:		No. of centralizers used:		
Tapered string drilled hole size (in.):	Tapered string drilled hole size (in.):				
Tapered string size of casing in O.D. (in.):	Tapered string casing weight (lbs/ft) and grade:		Tapered string no. of centralizers used:		
Was cement circulated to ground surface (or bottom of cellar) outside casing? ☐ YES ☐ NO		Setting depth shoe (ft.):			
Hrs. waiting on cement before drill-out:		Calculated top of cement (ft.):		Cementing date: 10/7/2015	
SLURRY					
Slurry No.	No. of Sacks	Class	Additives	Volume (cu.ft.)	Height (ft.)
1					
2					
3					
Total					

III. CASING CEMENTING DATA					
Type of casing: ☐ Surface ☐ Intermediate ☐ Production ☐ Tapered production ☐ Multi-stage cement/DV tool ☐ Multiple parallel strings					
Drilled hole size (in.):	Depth of drilled hole (ft.):		Est. % wash-out or hole enlargement:		
Size of casing in O.D. (in.):	Casing weight (lbs/ft) and grade:		No. of centralizers used:		
Tapered string drilled hole size (in.):	Tapered string depth of drilled hole (ft.):				
Upper: Lower:	Upper: Lower:				
Tapered string size of casing in O.D. (in.):	Tapered string casing weight (lbs/ft) and grade:		Tapered string no. of centralizers used:		
Upper: Lower:	Upper: Lower:		Upper: Lower:		
Was cement circulated to ground surface (or bottom of cellar) outside casing? ☐ YES ☐ NO		Setting depth tool (ft.):			
Hrs. waiting on cement before drill-out:		Calculated top of cement (ft.):		Cementing date: 10/7/2015	
SLURRY					
Slurry No.	No. of Sacks	Class	Additives	Volume (cu.ft.)	Height (ft.)
1					
2					
3					
Total					

97-12-2

CEMENTING TO SQUEEZE, PLUG BACK OR PLUG AND ABANDON							
	PLUG #1	PLUG #2	PLUG #3	PLUG #4	PLUG #5	PLUG #6	PLUG #7
Cementing Date							
Size of hole or pipe (in.)							
Depth to bottom of tubing or drill pipe (ft.)							
Cement retainer setting depth (ft.)							
CIBP setting depth (ft.)							
Amount of cement on top of CIBP (ft.)							
Sacks of cement used							
Slurry volume pumped (cu. ft.)							
Calculated top of plug (ft.)							
Measured top of plug, if tagged (ft.)							
Slurry weight (lbs/gal)							
Class/type of cement							
Perforate and squeeze (YES/NO)							
REMARKS							

CEMENTER'S CERTIFICATE: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that the cementing of casing and/or the placing of cement plugs in this well as shown in the report was performed by me or under my supervision, and that the cementing data and facts presented on both sides of this form are true, correct, and complete, to the best of my knowledge. This certification covers cementing data only.

ALBERT SNYDER SS2	Allied Oil & Gas Services, LLC	<i>Albert Snyder</i>
Name and title of cementer's representative	Cementing Company	Signature
8711 W. CR 127	Midland Texas 79706	(432) 563-4440
Address	City, State, Zip Code	Tel: Area Code Number Date: mo. Day yr. 10/7/15

OPERATOR'S CERTIFICATE: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have knowledge of the well data and information presented in this report, and that data and facts presented on both sides of this form are true, correct and complete to the best of my knowledge. This certification covers all well data.

<i>Carla Ghazizadeh</i>	staff Reg. Analyst	<i>Carla Ghazizadeh</i>
Type and printed name of operator's representative	Title	Signature
P.O. Box 1330, Houston, TX 77251		832-636-3315
Address	City, State, Zip Code	Tel: Area Code Number Date: mo. Day yr. 2-22-16

Instructions for Form W-15, Cementing Report

NOTICE: The Form W-15 must be submitted as an attachment to a Form G-1 (Gas Well Back Pressure Test, Completion or Recompletion Report, and Log), Form W-2 (Oil Well Potential Test, Completion or Recompletion Report, and Log), Form W-3 (Plugging Record), or Form W-4 (Application for Multiple Completion), any time cement is pumped in a wellbore.

- What to file:** An operator should file an original and one copy of the completed Form W-15 for each cementing company used on a well. The cementing of different casing strings on a well by one cementing company may be reported on one form.
The Form W-15 should be filed with the Form W-3, Plugging Record, unless the Form W-3 is signed by the cementing company representatives. When reporting dry holes, operators must complete Form W-15, in addition to Form W-3, to show any casing cemented in the hole.
- How to file:** An oil and gas completion report and form W-15 may be filed online using the Commissioner's Online System (<https://webapps.rrc.state.tx.us/security/login.do>) or a paper copy of the form may be mailed to the Commission in Austin (P.O. Box 12967, Austin, Texas 78711-2697).
- Surface Casing:** An operator must set and cement sufficient surface casing to protect all usable-quality water strata, as defined by the Groundwater Advisory Unit in Austin. Sufficient cement shall be used to fill the annular space outside the casing from the shoe to the ground surface or to the bottom of the cellar. Before drilling a well, an operator must obtain a letter from the Groundwater Advisory Unit stating the protection depth. Surface casing should not be set deeper than 200 feet below the specified depth without prior approval from the commission.
To plug and abandon a well, operators must use only cementers approved by the Commission's Director of Field Operations in accordance with SWR 14 (http://info.sos.state.tx.us/pls/pub/readacSext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_pg=1&p_tac=&ti=16&pt=1&ch=3&ri=14). Cementing companies, service companies, or operators can qualify as approved cementers by demonstrating that they are able to mix and pump cement in compliance with Commission rules and regulations.
- Estimated % wash-out:** If the estimated % wash-out is less than 20% (or 30% along the Gulf Coast), provide supporting documentation such as a caliper log to show how the estimated % wash-out was obtained.
- Multi-stage cement:** An operator must report the multi-stage cement shoe in II. Casing Cement Data section by selecting the type of casing and Multi-stage cement shoe. The operator must report the multi-stage cement tool in III. Casing Cementing Data section by selecting the type of casing and Multi-Stage cement/DV tool.
- Multiple parallel strings:** An operator should file the Form W-15 as an attachment to the Form W-4, Application for Multiple Completion. An operator may be required to submit multiple form W-15s to show all data for multiple parallel strings.
- Slurry Data:** If cement job exceeds three slurries, continue the list of slurries in the Slurry table in the subsequent Casing Cementing Data box.

57-15-2



RAILROAD COMMISSION OF TEXAS

1701 N. Congress
P.O. Box 12967
Austin, Texas 78701-2967

CEMENTING REPORT

Form W-15

Rev. 08/2014

Cementer: Fill in shaded areas.
Operator: Fill in other items.

OPERATOR INFORMATION	
Operator Name: ANADARKO E&P Onshore LLC	Operator P-5 No.: 020528
Cementer Name: Allied Oil And Gas Services, LLC	Cementer P-5 No.: 014447

WELL INFORMATION	
District No.: 08	County: Reeves
Well No.: #1H	API No.: 4238934956 Drilling Permit No.: 808781
Lease Name: Robertson State Unit 2-5	Lease No.:
Field Name: Phantom (Wolfcamp)	Field No.:

I. CASING CEMENTING DATA					
Type of casing: ☐ Conductor ☐ Surface ☒ Intermediate ☐ Liner ☐ Production					
Drilled hole size (in.): 8 3/4	Depth of drilled hole (ft.): 10875	Est. % wash-out or hole enlargement:			
Size of casing in O.D. (in.): 7	Casing weight (lbs/ft) and grade:	No. of centralizers used: 40			
Was cement circulated to ground surface (or bottom of cellar) outside casing? If no for surface casing, explain in Remarks. ☐ YES ☒ NO	Setting depth shoe (ft.): 10875	Top of liner (ft.):			
Hrs. waiting on cement before drill-out: 24	Calculated top of cement (ft.): 3028	Cementing date: 10/14/2015			
SLURRY					
Slurry No.	No. of Sacks	Class	Additives	Volume (cu.ft.)	Height (ft.)
1	385	H	See Remarks	1501.5	9988.27
2	140	H	See Remarks	170.8	1136.19
3					
Total					

II. CASING CEMENTING DATA					
Type of casing: ☐ Surface ☐ Intermediate ☐ Production ☐ Tapered production ☐ Multi-stage cement shoe ☐ Multiple parallel strings					
Drilled hole size (in.):	Depth of drilled hole (ft.):	Est. % wash-out or hole enlargement:			
Size of casing in O.D. (in.):	Casing weight (lbs/ft) and grade:	No. of centralizers used:			
Tapered string drilled hole size (in.):	Tapered string drilled hole size (in.):				
Tapered string size of casing in O.D. (in.):	Tapered string casing weight (lbs/ft) and grade:		Tapered string no. of centralizers used:		
Was cement circulated to ground surface (or bottom of cellar) outside casing? ☐ YES ☐ NO	Setting depth shoe (ft.):				
Hrs. waiting on cement before drill-out:	Calculated top of cement (ft.):	Cementing date: 10/14/2015			
SLURRY					
Slurry No.	No. of Sacks	Class	Additives	Volume (cu.ft.)	Height (ft.)
1					
2					
3					
Total					

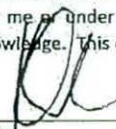
III. CASING CEMENTING DATA					
Type of casing: ☐ Surface ☐ Intermediate ☐ Production ☐ Tapered production ☐ Multi-stage cement/DV tool ☐ Multiple parallel strings					
Drilled hole size (in.):	Depth of drilled hole (ft.):	Est. % wash-out or hole enlargement:			
Size of casing in O.D. (in.):	Casing weight (lbs/ft) and grade:	No. of centralizers used:			
Tapered string drilled hole size (in.):	Tapered string depth of drilled hole (ft.):				
Upper: Lower:	Upper: Lower:				
Tapered string size of casing in O.D. (in.):	Tapered string casing weight (lbs/ft) and grade:		Tapered string no. of centralizers used:		
Upper: Lower:	Upper: Lower:		Upper: Lower:		
Was cement circulated to ground surface (or bottom of cellar) outside casing? ☐ YES ☐ NO	Setting depth tool (ft.):				
Hrs. waiting on cement before drill-out:	Calculated top of cement (ft.):	Cementing date: 10/14/2015			
SLURRY					
Slurry No.	No. of Sacks	Class	Additives	Volume (cu.ft.)	Height (ft.)
1					
2					
3					
Total					

01.10.0

CEMENTING TO SQUEEZE, PLUG BACK OR PLUG AND ABANDON							
	PLUG #1	PLUG #2	PLUG #3	PLUG #4	PLUG #5	PLUG #6	PLUG #7
Cementing Date							
Size of hole or pipe (in.)							
Depth to bottom of tubing or drill pipe (ft.)							
Cement retainer setting depth (ft.)							
CIBP setting depth (ft.)							
Amount of cement on top of CIBP (ft.)							
Sacks of cement used							
Slurry volume pumped (cu. ft.)							
Calculated top of plug (ft.)							
Measured top of plug, if tagged (ft.)							
Slurry weight (lbs/gal)							
Class/type of cement							
Perforate and squeeze (YES/NO)							

REMARKS
Lead Slurry 1: CTXI 75#/SK, CGEL 7.50%, CSEA 10#/SK, CLW-SFA 5#/SK, CFL-270 0.45%, CDF-046P 0.50#/SK, GA-400 0.75%, CR-150 0.30%
Tail Slurry 1: CCHP 47#/SK, CPOZ 37#/SK, CGEL 1.68%, CFL-300 0.51%, CR-100 0.11%
CMT TO SURFACE :

CEMENTER'S CERTIFICATE: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that the cementing of casing and/or the placing of cement plugs in this well as shown in the report was performed by me or under my supervision, and that the cementing data and facts presented on both sides of this form are true, correct, and complete, to the best of my knowledge. This certification covers cementing data only.

JUAN OCHOA JR / CEMENTER	Allied Oil & Gas Services, LLC	
Name and title of cementer's representative	Cementing Company	Signature
8711 W. CR 127	Midland Texas 79706	(432) 563-4440
Address	City, State, Zip Code	Tel: Area Code Number
		Date: mo. Day yr. 10/14/2015

OPERATOR'S CERTIFICATE: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have knowledge of the well data and information presented in this report, and that data and facts presented on both sides of this form are true, correct and complete to the best of my knowledge. This certification covers all well data.

Carla Ghazizadeh	Staff Reg. Analyst	
Typed or printed name of operator's representative	Title	Signature
P.O. Box 1330, Houston, TX 77251		832-636-3315
Address	City, State, Zip Code	Tel: Area Code Number
		Date: mo. Day yr. 2-22-16

Instructions for Form W-15, Cementing Report

NOTICE: The Form W-15 must be submitted as an attachment to a Form G-1 (Gas Well Back Pressure Test, Completion or Recompletion Report, and Log), Form W-2 (Oil Well Potential Test, Completion or Recompletion Report, and Log), Form W-3 (Plugging Record), or Form W-4 (Application for Multiple Completion), any time cement is pumped in a wellbore.

- What to file:** An operator should file an original and one copy of the completed Form W-15 for each cementing company used on a well. The cementing of different casing strings on a well by one cementing company may be reported on one form.
The Form W-15 should be filed with the Form W-3, Plugging Record, unless the Form W-3 is signed by the cementing company representatives. When reporting dry holes, operators must complete Form W-15, in addition to Form W-3, to show any casing cemented in the hole.
- How to file:** An oil and gas completion report and form W-15 may be filed online using the Commissioner's Online System (<https://webapps.rrc.state.tx.us/security/login.do>) or a paper copy of the form may be mailed to the Commission in Austin (P.O. Box 12967, Austin, Texas 78711-2697).
- Surface Casing:** An operator must set and cement sufficient surface casing to protect all usable-quality water strata, as defined by the Groundwater Advisory Unit in Austin. Sufficient cement shall be used to fill the annular space outside the casing from the shoe to the ground surface or to the bottom of the cellar. Before drilling a well, an operator must obtain a letter from the Groundwater Advisory Unit stating the protection depth. Surface casing should not be set deeper than 200 feet below the specified depth without prior approval from the commission.
To plug and abandon a well, operators must use only cementers approved by the Commission's Director of Field Operations in accordance with SWR 14 ([http://info.sos.state.tx.us/pls/pub/readtac\\$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&pg=1&p_tac=&ti=16&pt=1&ch=3&rl=14](http://info.sos.state.tx.us/pls/pub/readtac$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&pg=1&p_tac=&ti=16&pt=1&ch=3&rl=14)). Cementing companies, service companies, or operators can qualify as approved cementers by demonstrating that they are able to mix and pump cement in compliance with Commission rules and regulations.
- Estimated % wash-out:** If the estimated % wash-out is less than 20% (or 30% along the Gulf Coast), provide supporting documentation such as a caliper log to show how the estimated % wash-out was obtained.
- Multi-stage cement:** An operator must report the multi-stage cement shoe in II. Casing Cement Data section by selecting the type of casing and Multi-stage cement shoe. The operator must report the multi-stage cement tool in III. Casing Cementing Data section by selecting the type of casing and Multi-Stage cement/DV tool.
- Multiple parallel strings:** An operator should file the Form W-15 as an attachment to the Form W-4, Application for Multiple Completion. An operator may be required to submit multiple form W-15s to show all data for multiple parallel strings.
- Slurry Data:** If cement job exceeds three slurries, continue the list of slurries in the Slurry table in the subsequent Casing Cementing Data box.

01.12.2



RAILROAD COMMISSION OF TEXAS

1701 N. Congress
P.O. Box 12967
Austin, Texas 78701-2967

CEMENTING REPORT

Form W-15

Rev. 08/2014

Cementer: Fill in shaded areas.
Operator: Fill in other items.

OPERATOR INFORMATION	
Operator Name:	ANADARKO E+P ONshore LLC
Cementer Name: Allied Oil And Gas Services, LLC	Operator P-5 No.: 020528
	Cementer P-5 No.: 014447

WELL INFORMATION	
District No.: 08	County: Reeves
Well No.: #1H	API No.: 4238934956
Lease Name: Robertson State Unit 2-5	Drilling Permit No.: 808781
Field Name: Phantom (Wolfcamp)	Lease No.:
	Field No.:

I. CASING CEMENTING DATA					
Type of casing:	☐ Conductor	☐ Surface	☐ Intermediate	☒ Liner	☐ Production
Drilled hole size (in.): 6 1/8	Depth of drilled hole (ft.): 20202		Est. % wash-out or hole enlargement:		
Size of casing in O.D. (in.): 4 1/2	Casing weight (lbs/ft) and grade: 13.5# P110		No. of centralizers used:		
Was cement circulated to ground surface (or bottom of cellar) outside casing? ☐ YES ☒ NO			Setting depth shoe (ft.):		
Hrs. waiting on cement before drill-out:			Top of liner (ft.): 10,047		
Calculated top of cement 10115			Setting depth liner (ft.): 20199		
Cementing date: 10/28/2015					
SLURRY					
Slurry No.	No. of Sacks	Class	Additives	Volume (cu.ft.)	Height (ft.)
1	830	CLASS H	PREMIUM	963	10875
2					
3					
Total	830			963	10875

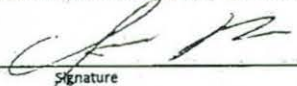
II. CASING CEMENTING DATA					
Type of casing:	☐ Surface	☐ Intermediate	☐ Production	☐ Tapered production	☐ Multi-stage cement shoe
Drilled hole size (in.):	Depth of drilled hole (ft.):		Est. % wash-out or hole enlargement:		
Size of casing in O.D. (in.):	Casing weight (lbs/ft) and grade:		No. of centralizers used:		
Tapered string drilled hole size (in.):	Tapered string drilled hole size (in.):				
Tapered string size of casing in O.D. (in.):	Tapered string casing weight (lbs/ft) and grade:		Tapered string no. of centralizers used:		
Was cement circulated to ground surface (or bottom of cellar) outside casing? ☐ YES ☐ NO			Setting depth shoe (ft.):		
Hrs. waiting on cement before drill-out:			Calculated top of cement (ft.):		
Cementing date: 10/28/2015					
SLURRY					
Slurry No.	No. of Sacks	Class	Additives	Volume (cu.ft.)	Height (ft.)
1					
2					
3					
Total					

III. CASING CEMENTING DATA					
Type of casing:	☐ Surface	☐ Intermediate	☐ Production	☐ Tapered production	☐ Multi-stage cement/DV tool
Drilled hole size (in.):	Depth of drilled hole (ft.):		Est. % wash-out or hole enlargement:		
Size of casing in O.D. (in.):	Casing weight (lbs/ft) and grade:		No. of centralizers used:		
Tapered string drilled hole size (in.):	Tapered string depth of drilled hole (ft.):				
Upper:	Lower:	Upper:	Lower:		
Tapered string size of casing in O.D. (in.):	Tapered string casing weight (lbs/ft) and grade:		Tapered string no. of centralizers used:		
Upper:	Lower:	Upper:	Lower:		
Was cement circulated to ground surface (or bottom of cellar) outside casing? ☐ YES ☐ NO			Setting depth tool (ft.):		
Hrs. waiting on cement before drill-out:			Calculated top of cement (ft.):		
Cementing date: 10/28/2015					
SLURRY					
Slurry No.	No. of Sacks	Class	Additives	Volume (cu.ft.)	Height (ft.)
1					
2					
3					
Total					

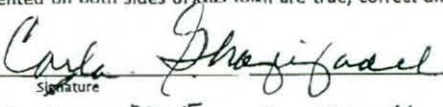
01.10.0

CEMENTING TO SQUEEZE, PLUG BACK OR PLUG AND ABANDON							
	PLUG #1	PLUG #2	PLUG #3	PLUG #4	PLUG #5	PLUG #6	PLUG #7
Cementing Date							
Size of hole or pipe (in.)							
Depth to bottom of tubing or drill pipe (ft.)							
Cement retainer setting depth (ft.)							
CIBP setting depth (ft.)							
Amount of cement on top of CIBP (ft.)							
Sacks of cement used							
Slurry volume pumped (cu. ft.)							
Calculated top of plug (ft.)							
Measured top of plug, if tagged (ft.)							
Slurry weight (lbs/gal)							
Class/type of cement							
Perforate and squeeze (YES/NO)							
REMARKS							

CEMENTER'S CERTIFICATE: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that the cementing of casing and/or the placing of cement plugs in this well as shown in the report was performed by me or under my supervision, and that the cementing data and facts presented on both sides of this form are true, correct, and complete, to the best of my knowledge. This certification covers cementing data only.

OMAR A. RAMOS	Allied Oil & Gas Services, LLC	
Name and title of cementer's representative	Cementing Company	Signature
8711 W. CR 127	Midland Texas 79706	(432) 563-4440
Address	City, State, Zip Code	Tel: Area Code Number
		Date: mo. Day yr. 10/28/2015

OPERATOR'S CERTIFICATE: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have knowledge of the well data and information presented in this report, and that data and facts presented on both sides of this form are true, correct and complete to the best of my knowledge. This certification covers all well data.

Carla Ghazi Zadeh	Staff Reg. Analyst	
Typed or printed name of operator's representative	Title	Signature
P.O. Box 1330, Houston, TX 77251		832-636-3315
Address	City, State, Zip Code	Tel: Area Code Number
		Date: mo. Day yr. 2-22-16

Instructions for Form W-15, Cementing Report

NOTICE: The Form W-15 must be submitted as an attachment to a Form G-1 (Gas Well Back Pressure Test, Completion or Recompletion Report, and Log), Form W-2 (Oil Well Potential Test, Completion or Recompletion Report, and Log), Form W-3 (Plugging Record), or Form W-4 (Application for Multiple Completion), any time cement is pumped in a wellbore.

- What to file:** An operator should file an original and one copy of the completed Form W-15 for each cementing company used on a well. The cementing of different casing strings on a well by one cementing company may be reported on one form.
The Form W-15 should be filed with the Form W-3, Plugging Record, unless the Form W-3 is signed by the cementing company representatives. When reporting dry holes, operators must complete Form W-15, in addition to Form W-3, to show any casing cemented in the hole.
- How to file:** An oil and gas completion report and form W-15 may be filed online using the Commissioner's Online System (<https://webapps.rrc.state.tx.us/security/login.do>) or a paper copy of the form may be mailed to the Commission in Austin (P.O. Box 12967, Austin, Texas 78711-2697).
- Surface Casing:** An operator must set and cement sufficient surface casing to protect all usable-quality water strata, as defined by the Groundwater Advisory Unit in Austin. Sufficient cement shall be used to fill the annular space outside the casing from the shoe to the ground surface or to the bottom of the cellar. Before drilling a well, an operator must obtain a letter from the Groundwater Advisory Unit stating the protection depth. Surface casing should not be set deeper than 200 feet below the specified depth without prior approval from the commission.
To plug and abandon a well, operators must use only cements approved by the Commission's Director of Field Operations in accordance with SWR 14 ([http://info.sos.state.tx.us/pls/pub/readtac\\$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_pg=1&p_tac=&ti=16&pt=1&ch=3&rl=14](http://info.sos.state.tx.us/pls/pub/readtac$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_pg=1&p_tac=&ti=16&pt=1&ch=3&rl=14)). Cementing companies, service companies, or operators can qualify as approved cementers by demonstrating that they are able to mix and pump cement in compliance with Commission rules and regulations.
- Estimated % wash-out:** If the estimated % wash-out is less than 20% (or 30% along the Gulf Coast), provide supporting documentation such as a caliper log to show how the estimated % wash-out was obtained.
- Multi-stage cement:** An operator must report the multi-stage cement shoe in II. Casing Cement Data section by selecting the type of casing and Multi-stage cement shoe. The operator must report the multi-stage cement tool in III. Casing Cementing Data section by selecting the type of casing and Multi-Stage cement/DV tool.
- Multiple parallel strings:** An operator should file the Form W-15 as an attachment to the Form W-4, Application for Multiple Completion. An operator may be required to submit multiple form W-15s to show all data for multiple parallel strings.
- Slurry Data:** If cement job exceeds three slurries, continue the list of slurries in the Slurry table in the subsequent Casing Cementing Data box.

91-15-2

RAILROAD COMMISSION OF TEXAS Oil and Gas Division		ELECTRIC LOG STATUS REPORT		FORM L-1	
Tracking No.: 151268		<i>This facsimile L-1 was generated electronically from data submitted to the RRC.</i>			
Instructions					
When to File Form L-1: • with Forms G-1, W-2, and GT-1 for new and deepened gas, oil, and geothermal wells • with Form W-3 for plugged dry holes • when sending in a log which was held under a request for confidentiality and the period for confidentiality has not yet expired. When is Form L-1 NOT required: • with Forms W-2, G-1, and GT-1 filed for injection wells, disposal wells, water supply wells, service wells, re-test wells, re-classifications, and plugbacks of oil, gas or geothermal wells • with Form W-3 for plugging of other than a dry hole			Where to File Form L-1: • with the appropriate Commission district office Filling out Form L-1: • Section I and the signature section must be filled out for all wells • complete only the appropriate part of Section II Type of log required: • any wireline survey run for the purpose of obtaining lithology, porosity, or resistivity information • no more than one such log is required but it must be of the subject well • if such log is NOT run on the subject well, do NOT substitute any other type of log; just select Section II, Part A below		
SECTION I. IDENTIFICATION					
Operator Name: ANADARKO E&P ONSHORE LLC		District No. 08		Completion Date: 12/31/2015	
Field Name PHANTOM (WOLFCAMP)		Drilling Permit No. 808781			
Lease Name ROBERTSON STATE UNIT 2-5		Lease/ID No.		Well No. 1H	
County REEVES		API No. 42- 389-34956			
SECTION II. LOG STATUS (Complete either A or B)					
☐ A. BASIC ELECTRIC LOG NOT RUN					
☒ B. BASIC ELECTRIC LOG RUN. (Select one)					
☒ 1. Confidentiality is requested and a copy of the header for each log that has been run on the well is attached.					
☐ 2. Confidentiality already granted on basic electric log covering this interval (applicable to deepened wells only).					
☐ 3. Basic electric log covering this interval already on file with Commission (applicable to deepened wells only).					
☐ 4. Log attached to (select one):					
☐ (a) Form L-1 (this form). If the company/lease name on log is different from that shown in Section I, please enter name on log here: _____					
Check here if attached log is being submitted after being held confidential. ☐					
☐ (b) Form P-7, Application for Discovery Allowable and New Field Designation.					
☐ (c) Form W-4, Application for Multiple Completion:					
Lease or ID No(s). _____					
Well No(s). _____					
Carla Ghazizadeh _____ Signature			Staff Regulatory Analyst _____ Title		
_____ Name (print)			(832) 636-3315 Phone		
			02/25/2016 Date		
-FOR RAILROAD COMMISSION USE ONLY-					

91.12.2



MS Energy Services

Robertson State Unit 2-5 #1H

Scale 1"=100' - MD

10/27/2015 8:50 AM

Oper. Company: Anadarko

State: TX

Well: Robertson State Unit 2-5 #1H

County: Reeves

Field: Wolfcamp Beta

Country: USA

Rig: Precision 576

Location: Mentone

Well ID: 42389349560000

Start Date: 10/11/2015 17:50:08

Job Number: DDMO-150547

End Date: 10/26/2015 20:33:11

Latitude: 755744.84

Elev KB: 2715'

Longitude: 954352.41

Elev DF: 2715'

Elev GL: 2688'

Operator 1: Nik Means

Operator 2: Kirk Copeland

Tool Run Data	Run #1	Run #2	Run #3	Run #4	Run #5
Tool S/N	G248	G127	G248	G127	
Bit Size	8 3/4	8 3/4	6 1/8	6 1/8	
Cal Factor	4.0	2.4	2.3	2.3	
Survey Offset:	67.00	60.00	58.00	58.00	
Gamma Offset	57.00	50.00	48.00	48.00	
Resistivity Offset	0.00	0.00	0.00	0.00	
Start Depth	9500.00	10080.00	10875.00	19425.00	
StartDate	10/11/2015	10/12/2015	10/16/2015	10/26/2015	
StartTime	17:50	13:30	08:00	02:06	
EndDepth	10080.00	10875.00	19425.00	20202.00	
EndDate	10/12/2015	10/14/2015	10/24/2015	10/26/2015	
EndTime	12:00	05:00	22:00	20:33	
Mud Type	Brine Water	Brine Water	OBM	OBM	
Mud Weight	9.2	9.4	12.9	12.8	
Funnel Viscosity	28	28	70	73	
Plastic Viscosity	3	3	20	22	
Yield Point	1	1	11	11	
Gel Strength	1	1	7	7	
Solids Content	6	7	25	25	
Sand Content	0	0	0	0	
Mud Alkalinity	1	0.9	3.7	3.7	
Filtrate Alkalinity	0.5	0.4			
Chlorides	74000	74000	38000	38000	
Temperature	156.7	154.0	211.6	204.3	

Hole Data

Casing Data

Size	From	To	Size	From	To
17 1/2	0.00	1436.00	13 5/8	0.00	1436.00
12 1/4	1436.00	4054.00	9 5/8	0.00	4054.00
8 3/4	4054.00	10875.00	7	0.00	10875.00
6 1/8	10875.00	20202.00			

All interpretations are opinions based on inferences from electrical or other measurements and we cannot and do not guarantee the accuracy or correctness of any interpretation, and we shall not except in the case of gross or willful negligence on our part, be liable or responsible for any loss, cost damages or expenses incurred or sustained by anyone resulting from an interpretation made by any of our officers, agents, or employees.

97.12.2

STATEMENT OF PRODUCTIVITY OF ACREAGE
ASSIGNED TO PRORATION UNITS

Form P-15

Tracking No.: 151268

This facsimile P-15 was generated electronically
from data submitted to the RRC.

The undersigned states that he is authorized to make this statement; that he has knowledge of the facts concerning the ANADARKO E&P ONSHORE LLC ,
OPERATOR
ROBERTSON STATE UNIT 2-5 , No. 1H ; that such well is
LEASE WELL
completed in the PHANTOM (WOLFCAMP) Field, REEVES County,
Texas and that the acreage claimed, and assigned to such well for proration purposes as
authorized by special rule and as shown on the attached certified plat embraces _____
40.0 acres which can reasonably be considered to be productive of hydrocarbons.

- CERTIFICATE -

I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge,

Date 02/25/2016 Signature Carla Ghazizadeh

Telephone (832) 636-3315 Title Staff Regulatory Analyst
AREA CODE

97.12.5

Robertson State Unit 2-5 Proration List		
Total Acres	599.69	
<u>Wells</u>	<u>Acreage Assigned</u>	<u>RRC ID</u>
1H	40	
Remaining Acres	559.69	

97-12-2

CERTIFICATE OF COMPLIANCE
AND TRANSPORTATION AUTHORITY

P-4

This facsimile P-4 was generated electronically from data submitted to the RRC.
A certification of the automated data is available in the RRC's Austin office.

Tracking No.: 151268

1. Field name exactly as shown on proration schedule PHANTOM (WOLFCAMP)		2. Lease name as shown on proration schedule ROBERTSON STATE UNIT 2-5					
3. Current operator name exactly as shown on P-5 Organization Report ANADARKO E&P ONSHORE LLC		4. Operator P-5 no. 020528	5. Oil Lse/Gas ID no	6. County REEVES	7. RRC district 08		
8. Operator address including city, state, and zip code ATTN FRANK A. DAVIS PO BOX 1330 HOUSTON, TX 77251-1330		9. Well no(s) (see instruction E) 1H					
		10. Classification ☒ Oil ☐ Gas ☐ Other (see instruction A)			11. Effective Date 12/31/2015		
12. Purpose of Filing. (Complete section a or b below.) (See instructions B and G) a. Change of: ☐ operator ☐ oil or condensate gatherer ☐ gas gatherer ☐ gas purchaser ☐ gas purchaser system code ☐ field name from _____ ☐ lease name from _____ OR b. New RRC Number for: ☒ oil lease ☐ gas well Due to: ☒ new completion or recompletion ☐ reclass oil to gas ☐ reclass gas to oil ☐ other well (specify) _____ ☐ consolidation, unitization, or subdivision (oil lease only)							
13. Authorized GAS WELL GAS or CASINGHEAD GAS Gatherer(s) and/or Purchaser(s). (See instruction G).							
Gatherer	Purchaser	Name of GAS WELL GAS or CASINGHEAD GAS Gatherer(s) or Purchaser(s) As Indicated in Columns to the Left (Attach an additional sheet in same format if more space is needed)			Purchaser's RRC Assigned System Code	Percent of Take	Full-well stream
X		DELAWARE BASIN JV GATHERING LLC(211490)				100.0	
	X	ANADARKO ENERGY SERVICES COMPANY(020548)			0001	100.0	
14. Authorized OIL or CONDENSATE Gatherer(s). (See instruction G).							
Name of OIL or CONDENSATE Gatherer(s) - List Highest Volume Gatherer First (Attach an additional sheet in same format if more space is needed)						Percent of Take	
RIO ENERGY INTERNATIONAL, INC.(712543)						70.0	
EASTEX CRUDE COMPANY(239232)						15.0	
TRAFIGURA AG INC.(864322)						15.0	
15. PREVIOUS OPERATOR CERTIFICATION FOR CHANGE OF OPERATOR P-4 FILING. Being the PREVIOUS OPERATOR, I certify that operating responsibility for the well(s) designated in this filing, located on the subject lease has been transferred in its entirety to the above named Current Operator. I understand, as Previous Operator, that designation of the above named operator as Current Operator is not effective until this certificate is approved by the Commission.							
Name of Previous Operator Name (print) Title				Signature ☐ Authorized Employee of previous operator ☐ Authorized agent of previous operator (see instruction G) Date Phone with area code			
16. CURRENT OPERATOR CERTIFICATION. By signing this certificate as the Current Operator, I certify that all statements on this form are true and correct and I acknowledge responsibility for the regulatory compliance of the subject lease including plugging of well(s) pursuant to Rule 14. I further acknowledge that I assume responsibility for the physical operation, control, and proper plugging of each well designated in this filing. I also acknowledge that I will remain designated as the Current Operator until a new certificate designating a new Current Operator is approved by the Commission.							
Name (print) Staff Regulatory Analyst Title carla.ghazizadeh@anadarko.com E-mail Address (optional)				Signature ☒ Authorized Employee of current operator ☐ Authorized agent of current operator (see instruction G) 02/25/2016 Date (832) 636-3315 Phone with area code			

31.12.2015

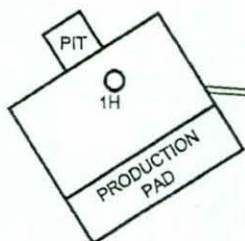


ANADARKO E&P ONSHORE LLC

SHEET NO. 1 OF 1

NATURE OF WORK AS-DRILLED WELL PLAT DATE 02-22-16 SRID NO. 6620
PROJECT- ROBERTSON STATE UNIT 2-5 1H JOB OR AFE NO. 2109667.CMP
SEC. 5 BLK OR RANGE 2 TWP SURVEY H. & G.N. RR. CO. CO. REEVES STATE TEXAS
REMARKS RE: ☒ AS-BUILT ☐ STAKING

ROBERTSON STATE UNIT 2-5

DETAIL
NOT TO SCALE

NOTE:

ROBERTSON STATE UNIT 2-5 1H
599.69 ACRES
LOCATION BEING
S 53°54' E, 15.15 MILES FROM THE
TOWN OF ORLA, REEVES COUNTY, TEXAS

BOTTOM TAKE POINT
NAD 1983 TX-CENTRAL ZONE 4203
X=1258814.74
Y=10603418.39
LAT.=31°42'57.478" N
LONG.=103°40'16.278" W
LAT.=31.71598618° N
LONG.=103.67118838° W
NAD 1927 TX-CENTRAL ZONE 4203
X=962351.50
Y=760841.81
LAT.=31°42'57.014" N
LONG.=103°40'14.817" W
LAT.=31.71583735° N
LONG.=103.67072886° W
SECTION TIES SUMMARY
9815' FSWL, 550' FSEL-SECTION 5
418' FROM PECOS RIVER LINE

TOP TAKE POINT
NAD 1983 TX-CENTRAL ZONE 4203
X=1251217.73
Y=10598841.46
LAT.=31°42'07.962" N
LONG.=103°41'42.519" W
LAT.=31.70221157° N
LONG.=103.69514422° W
NAD 1927 TX-CENTRAL ZONE 4203
X=954754.57
Y=756064.76
LAT.=31°42'07.497" N
LONG.=103°41'40.855" W
LAT.=31.70208261° N
LONG.=103.69488199° W
SECTION TIES SUMMARY
841' FSWL, 525' FSEL-SECTION 5

POINT OF PENETRATION
NAD 1983 TX-CENTRAL ZONE 4203
X=1250829.84
Y=10598331.11
LAT.=31°42'04.776" N
LONG.=103°41'48.899" W
LAT.=31.70132658° N
LONG.=103.69638072° W
NAD 1927 TX-CENTRAL ZONE 4203
X=954366.68
Y=755754.42
LAT.=31°42'04.311" N
LONG.=103°41'45.234" W
LAT.=31.70119761° N
LONG.=103.69589846° W
SECTION TIES SUMMARY
347' FSWL, 468' FSEL-SECTION 5

SURFACE HOLE LOCATION
ELEV.=2687.84'
NAD 1983 TX-CENTRAL ZONE 4203
X=1250814.74
Y=10598320.78
LAT.=31°42'04.669" N
LONG.=103°41'47.070" W
LAT.=31.70129697° N
LONG.=103.69640825° W
NAD 1927 TX-CENTRAL ZONE 4203
X=954351.58
Y=755744.10
LAT.=31°42'04.205" N
LONG.=103°41'45.406" W
LAT.=31.70118800° N
LONG.=103.69594598° W
SECTION TIES SUMMARY
329' FSWL, 467' FSEL-SECTION 5

**ROBERTSON STATE UNIT 2-5 1H
WELL BORE SUMMARY**
SHL TO PP=N 55°39'20" E, 18.29'
PP TO TTP=N 51°20'11" E, 496.77'
TTP TO BTP=N 57°50'19" E, 8974.05'
BTP TO BHL=N 60°01'30" E, 265.12'

BOTTOM HOLE LOCATION
NAD 1983 TX-CENTRAL ZONE 4203
X=1259044.40
Y=10603550.85
LAT.=31°42'58.857" N
LONG.=103°40'13.667" W
LAT.=31.71634908° N
LONG.=103.67048293° W
NAD 1927 TX-CENTRAL ZONE 4203
X=962581.16
Y=760974.07
LAT.=31°42'58.393" N
LONG.=103°40'12.005" W
LAT.=31.71622028° N
LONG.=103.67000143° W
SECTION TIES SUMMARY
10079' FSWL, 541' FSEL-SECTION 5
153' FROM PECOS RIVER LINE

ROBERTSON STATE UNIT 2-5
UNIT SUMMARY

TRACT	ACREAGE	MINERAL OWNERSHIP
1	CALLED 82.06	THE HOUSTON AND EMMA HILL TRUST ESTATE, et al
2	CALLED 18.00	AUGUST C. SIEVERS, JR., TRUSTEE, et al
3	CALLED 7.00	GEORGE B. ADDICKS
4	CALLED 20.00	MARY W. ADDICKS
5	CALLED 10.00	BETTIE ANDREWS SARRAFIAN, et al
6	CALLED 100.00	CHARLOTTE LYNN CARPENTER, et al
7	CALLED 153.40	AUGUST C. SIEVERS, JR., TRUSTEE, et al
8	CALLED 6.6	BNSF RAILWAY COMPANY
9	CALLED 40.00	BEVERLY McDONALD, et al
10	CALLED 80.00	MARY ELIZABETH ZABIK ROBERTSON
11	CALLED 40.00	MARGARET BETHANY WESTENBERG, et al
12	CALLED 40.00	BLAKE OIL & GAS CORPORATION
13	2.83	STATE OF TEXAS
TOTAL	599.69	

Plat notes

- 1) BEARINGS, DISTANCES, AREA AND COORDINATES SHOWN HEREON ARE GRID BASED ON "THE TEXAS COORDINATE SYSTEM OF 1983 (2011), CENTRAL ZONE" AS DETERMINED BY GPS OBSERVATIONS REFERENCED TO TRANSGLOBAL CONTROL POINT "MELVILLE 2" (N: 10593814.55, E: 1249151.35) WHERE THE CONVERGENCE ANGLE IS -1° 44' 04.9" AND THE COMBINED SCALE FACTOR IS 0.99982707. ELEVATIONS ARE NAVD83 (GEOID 12B). THE POSITIONAL TOLERANCE OF THIS SURVEY EXCEEDS THE REQUIREMENTS FOR A RURAL SURVEY.
- 2) THIS SURVEY WAS PERFORMED WITHOUT THE BENEFIT OF A TITLE REPORT AND THE REVIEW OF THE ABSTRACT OF TITLE. THERE MAY BE EASEMENTS AND/OR COVENANTS AFFECTING THIS PROPERTY NOT SHOWN HEREON. LOCATION OF IMPROVEMENTS WERE BEYOND COMMISSIONED SCOPE OF THIS PROJECT AND HAVE BEEN SPECIFICALLY OMITTED. VESTING DOCUMENTS NOT FURNISHED FOR THIS SURVEY.
- 3) SEE DOCUMENTS AND ELECTRONIC DATA FILED IN THE OFFICE OF TRANSGLOBAL SERVICES, LLC FOR COMPLETE RECONSTRUCTION OF THESE SECTIONS OR BLOCKS.

DATE: 02-22-16 DATE SURVEYED 09-22-15 DRAFT ST

JOB NO. 1602032 FIELD BOOK V. JG11, P. 16 REV. 0

FILE 1602032 ROBERTSON STATE UNIT 2-5 1H AS-DRILLED WELL PLAT

2000' 0' 2000' 4000'

TRANSGLOBAL
SERVICES LLC

TBPLS FIRM# 10193740

8205 Camp Bowie West, Suite 204

Fort Worth, Texas 76116

(817) 386-0362 ~ Fax (682) 224-3377

I, THE UNDERSIGNED DO HEREBY CERTIFY THAT THIS WELL PLAT HEREON REPRESENTS THE RESULTS OF A SURVEY MADE ON THE GROUND UNDER MY DIRECTION AND SUPERVISION AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. NO WARRANTY IS MADE OR INTENDED FOR THE LOCATION OF ANY OR ALL EASEMENTS THAT MAY EXIST WITHIN THE BOUNDS OF THIS SURVEY. THE INFORMATION PRESENTED HEREON IS FOR THE PRIVATE USE OF THE PARTY NAMED IN THE "REFERENCE PORTION" OF THE TITLE BLOCK AND DOES NOT CONSTITUTE A COMPLETE BOUNDARY SURVEY AS DEFINED BY THE PROFESSIONAL LAND SURVEYING PRACTICES ACT.

Robert P. Allen
ROBERT P. ALLEN TEXAS R.P.L.S. NO. 6495

2/23/2016
DATE



MAGNETIC NORTH IS CURRENT AS OF 09/22/2015.
MAGNETIC NORTH CHANGES WEST 0°10' PER YEAR.

File No. MF116703 15.

Rouses County

Completion Report for API 389-34956
Unit # 7558

Date Filed: 5/09/2016

George P. Bush, Commissioner

By Jm

11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100

STATE OF TEXAS
OFFICE
1700 N CONGRESS AVENUE
STEPHEN F AUSTIN BLDG
AUSTIN, TX 78701-1436

See reverse for list of
Properties and Interests.

Effective Date: Date of First Sales

The undersigned certifies the ownership of their decimal interest in production as described above payable by Anadarko E&P Onshore LLC (Payor).

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, or Sept. 30 whichever occurs first, 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.

Note: NADOA Model Form Division Order (Adopted 9/95)

Special Clause(s): Payee agrees that by execution of this DO and returning the signature page to Payor that the signature page will be attached to Payor's duplicate original of this instrument and treated as an original for all purposes.

RV45678204
STATE OF TEXAS
OFFICE
XXX-XX-0108

Your copy

Signature of Witness

Owner Signature/Corporate Title

Owner Address (if different from above)

Signature of Witness

Owner Signature/Corporate Title

City, State Zip Code

Owner Daytime Phone

Email Address

*Failure to furnish your Social Security/Tax ID number will result in withholding tax in accordance with federal law and any tax withheld will not be refundable by payor.

** All individual parties must complete and return the enclosed W9 to ensure proper payment. Additional forms may be obtained at www.irs.gov

Property	Property Name	Product	State/County	Int Type	Int Seq	Interest
117398	ROBERTSON STATE UNIT 2-7 1H	All Products	TX/REEVES	RI	1	0.00207850

Legal Description: API 389-34955

SECTION 7, BLOCK 2, H&GN RR CO SURVEY, A-365, AND 5.30 ACRES, MORE OR LESS, OF THE PECOS RIVERBED ON THE NORTHEASTERN PART OF SAID SECTION AND BLOCK

*Failure to furnish your Social Security/Tax ID number will result in withholding tax in accordance with federal law and any tax withheld will not be refundable by payor.
** All individual parties must complete and return the enclosed W9 to ensure proper payment. Additional forms may be obtained at www.irs.gov

Please return to:
Anadarko E&P Onshore LLC
P.O. BOX 1330
HOUSTON, TX 77251-9874
1-800-359-1692

Date Prepared: April 07, 2016
Prepared By: APRIL LUEDECKE
Suspense Flag: N

Division Order

STATE OF TEXAS
OFFICE
1700 N CONGRESS AVENUE
STEPHEN F AUSTIN BLDG
AUSTIN, TX 78701-1436

See reverse for list of
Properties and Interests.

Effective Date: Date of First Sales

The undersigned certifies the ownership of their decimal interest in production as described above payable by Anadarko E&P Onshore LLC (Payor).

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, or Sept. 30 whichever occurs first, 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.

Note: NADOA Model Form Division Order (Adopted 9/95)

Special Clause(s): Payee agrees that by execution of this DO and returning the signature page to Payor that the signature page will be attached to Payor's duplicate original of this instrument and treated as an original for all purposes.

RV45678204
STATE OF TEXAS
OFFICE
XXX-XX-0108

Your copy

Signature of Witness

Owner Signature/Corporate Title

Owner Address (if different from above)

Signature of Witness

Owner Signature/Corporate Title

City, State Zip Code

Owner Daytime Phone

Email Address

*Failure to furnish your Social Security/Tax ID number will result in withholding tax in accordance with federal law and any tax withheld will not be refundable by payor.

** All individual parties must complete and return the enclosed W9 to ensure proper payment. Additional forms may be obtained at www.irs.gov

Please return to:
Anadarko E&P Onshore LLC
P.O. BOX 1330
HOUSTON, TX 77251-9874
1-800-359-1692

Date Prepared: April 07, 2016
Prepared By: APRIL LUEDECKE
Suspense Flag: N

Property	Property Name	Product	State/County	Int Type	Int Seq	Interest
117396	ROBERTSON STATE UNIT 2-5 1H	All Products	TX/REEVES	RI	1	0.00109640

Legal Description: API 389-34956
SECTION 5, BLOCK 2, H&GN RR CO SURVEY, A-364

*Failure to furnish your Social Security/Tax ID number will result in withholding tax in accordance with federal law and any tax withheld will not be refundable by payor.
** All individual parties must complete and return the enclosed W9 to ensure proper payment. Additional forms may be obtained at www.irs.gov.

Please return to:
Anadarko E&P Onshore LLC
P.O. BOX 1330
HOUSTON, TX 77251-9874
1-800-359-1692

Date Prepared: April 07, 2016
Prepared By: APRIL LUEDECKE
Suspense Flag: N



TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

June 2, 2016

Halley McCarty
Division Order Analyst
Anadarko E&P Onshore LLC
P.O. Box 1330
Houston, TX 77251-9874

Re: State Lease Nos. MF115836 and MF115837 Sundance State Unit 56-3-13 1H;
MF116705 Powers State Unit 2-37 1H
✓MF116703 Robertson State Unit 2-7 1H (Unit 7556) and
✓MF116703 Robertson State Unit 2-5 1H (Unit 7558).

Dear Ms. McCarty:

The Texas General Land Office (GLO) has received your Division Orders for the referenced units. These Division Orders have been filed in the appropriate mineral files.

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

16.
File No. mf 116703

Division Order

Date Filed: 6-2-16

George P. Bush, Commissioner

By UH

M7 116703

**RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION**

PERMIT TO DRILL, DEEPEN, PLUG BACK, OR RE-ENTER ON A REGULAR OR ADMINISTRATIVE EXCEPTION LOCATION

PERMIT NUMBER 807579	DATE PERMIT ISSUED OR AMENDED Jun 22, 2015	DISTRICT * 08	
API NUMBER 42-389-34910	FORM W-1 RECEIVED Jun 17, 2015	COUNTY REEVES	
TYPE OF OPERATION NEW DRILL	WELLBORE PROFILE(S) Horizontal	ACRES 662.47	
OPERATOR ANADARKO E&P ONSHORE LLC ATTN FRANK A. DAVIS PO BOX 1330 HOUSTON, TX 77251-1330		020528 NOTICE This permit and any allowable assigned may be revoked if payment for fee(s) submitted to the Commission is not honored. District Office Telephone No: (432) 684-5581	
LEASE NAME MELVILLE STATE UNIT 2-6		WELL NUMBER 1H	
LOCATION 15.53 miles SE direction from ORLA		TOTAL DEPTH 13000	
Section, Block and/or Survey SECTION ◀ 6 BLOCK ◀ 2 ABSTRACT ◀ 1671 SURVEY ◀ H&GN RR CO / GOSSETT, W J			
DISTANCE TO SURVEY LINES 330 ft. SW 900 ft. SE		DISTANCE TO NEAREST LEASE LINE 453 ft.	
DISTANCE TO LEASE LINES 330 ft. SW 900 ft. SE		DISTANCE TO NEAREST WELL ON LEASE See FIELD(s) Below	
FIELD(s) and LIMITATIONS: * SEE FIELD DISTRICT FOR REPORTING PURPOSES *			
FIELD NAME LEASE NAME	ACRES NEAREST LEASE	DEPTH NEAREST LEASE	WELL # NEAREST WE
PHANTOM (WOLFCAMP) MELVILLE STATE UNIT 2-6	662.47 453	13,000	1H 0

WELLBORE PROFILE(s) FOR FIELD: Horizontal			

RESTRICTIONS: Lateral: TH1 Penetration Point Location Lease Lines: 330.0 F SW L 900.0 F SE L Terminus Location Lease Lines: 467.0 F SE L 316.0 F SE L Survey Lines: 467.0 F SE L 10840.0 F SW L			
THE FOLLOWING RESTRICTIONS APPLY TO ALL FIELDS			
This well shall be completed and produced in compliance with applicable special field or statewide spacing and density rules. If this well is to be used for brine mining, underground storage of liquid hydrocarbons in salt formations, or underground storage of gas in salt formations, a permit for that specific purpose must be obtained from Environmental Services prior to construction, including drilling, of the well in accordance with Statewide Rules 81, 95, and 97.			
This well must comply to the new SWR 3.13 requirements concerning the isolation of any potential flow zones and zones with corrosive formation fluids. See approved permit for those formations that have been identified for the county in which you are drilling the well in.			

RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION
SWR #13 Formation Data

REEVES (389) County

Formation	Shallow Top	Deep Top	Remarks	Geological Order	Effective Date
FORD-DELAWARE	2,500	2,500		1	12/17/2013
CASTILLE	2,800	2,800		2	12/17/2013
BELL CANYON	4,800	5,000		3	12/17/2013
DELAWARE	2,500	5,700		4	12/17/2013
DELAWARE CONSOLIDATED GAS	6,500	6,500		5	12/17/2013
CHERRY CANYON	3,800	7,800		6	12/17/2013
BONE SPRINGS	7,500	9,800		7	12/17/2013
PERMIAN	11,300	11,300		8	12/17/2013
WOLFCAMP	10,000	12,300		9	12/17/2013
PENNSYLVANIAN	11,000	14,900		10	12/17/2013
MISSISSIPPIAN	10,000	16,000		11	12/17/2013
DEVONIAN	13,600	17,800		12	12/17/2013
FUSSELMAN	14,000	17,800		13	12/17/2013
ELLENBURGER	15,000	20,800		14	12/17/2013

The above list may not be all inclusive, and may also include formations that do not intersect all wellbores. Formation "TOP" information listed reflects an estimated range based on geologic variances across the county. To clarify, the "Deep Top" is not the bottom of the formation; it is the deepest depth at which the "TOP" of the formation has been or might be encountered. This is a dynamic list subject to updates and revisions. It is the operator's responsibility to make sure that at the time of spudding the well the most current list is being referenced. Refer to the RRC website at the following address for the most recent information.
<http://www.rrc.state.tx.us/oil-gas/compliance-enforcement/rule-13-geologic-formation-info>

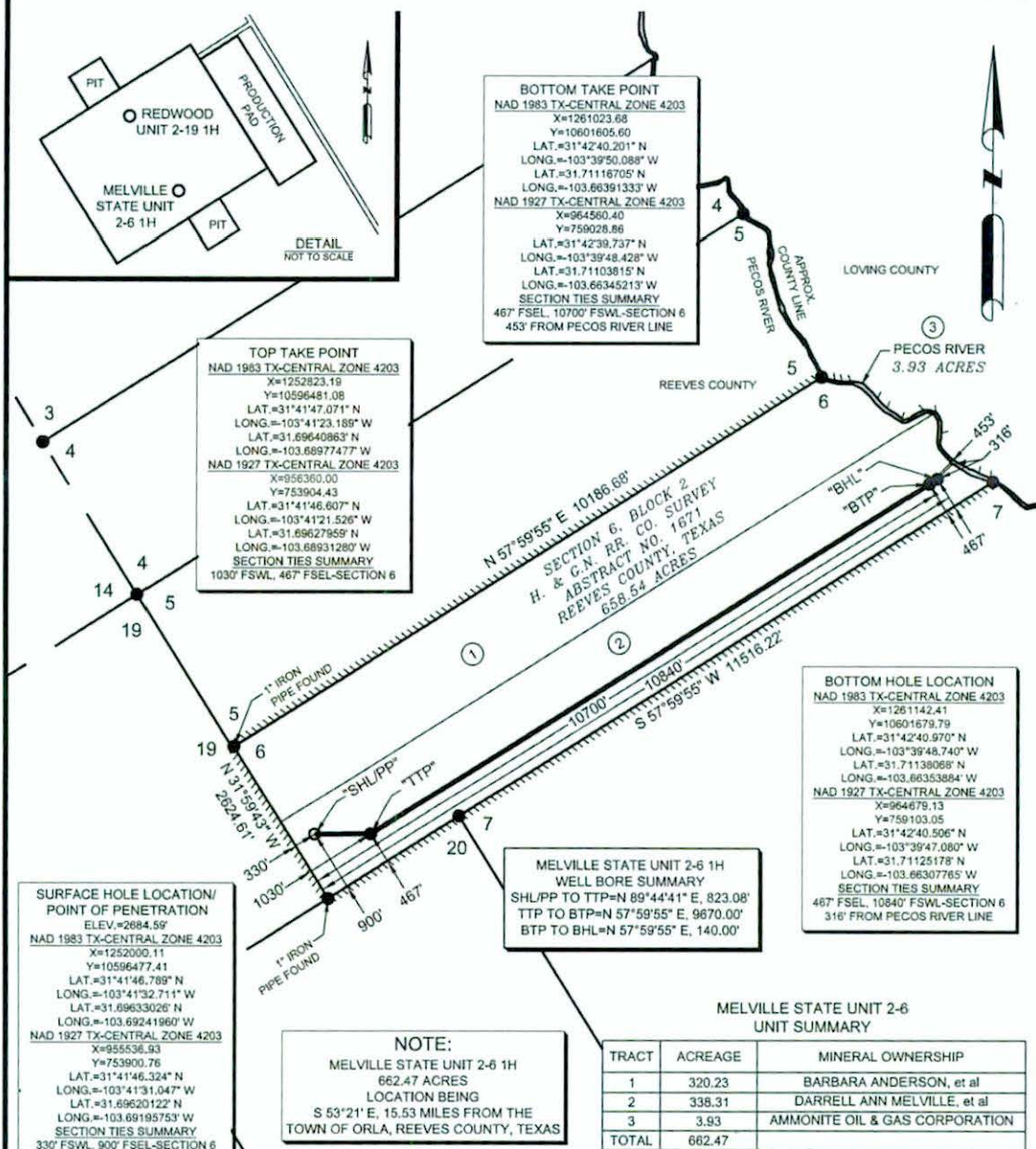




ANADARKO E&P ONSHORE LLC

SHEET NO. 1 OF 1

NATURE OF WORK WELL LOCATION STAKING DATE 06-02-15 SRID NO. 4357
PROJECT- MELVILLE STATE UNIT 2-6 1H JOB OR AFE NO. 2109668.PDE
SEC. 6 BLK OR RANGE 2 TWP SURVEY H. & G.N. RR. CO. CO. REEVES STATE TEXAS
REMARKS RE: ☐ AS-BUILT ☒ STAKING



- Flat notes
- 1) BEARINGS, DISTANCES, AREA AND COORDINATES SHOWN HEREON ARE GRID BASED ON "THE TEXAS COORDINATE SYSTEM OF 1983, CENTRAL ZONE" AS DETERMINED BY GPS OBSERVATIONS REFERENCED TO NGS MONUMENT "CHAPMAN ET" WHERE THE CONVERGENCE ANGLE IS +1° 49' 05.8" AND THE COMBINED SCALE FACTOR IS 0.99983864. THE POSITIONAL TOLERANCE OF THIS SURVEY EXCEEDS THE REQUIREMENTS FOR A RURAL SURVEY.
 - 2) THIS SURVEY WAS PERFORMED WITHOUT THE BENEFIT OF A TITLE REPORT AND THE REVIEW OF THE ABSTRACT OF TITLE. THERE MAY BE EASEMENTS AND/OR COVENANTS AFFECTING THIS PROPERTY NOT SHOWN HEREON. LOCATION OF IMPROVEMENTS WERE BEYOND COMMISSIONED SCOPE OF THIS PROJECT AND HAVE BEEN SPECIFICALLY OMITTED. VESTING DOCUMENTS NOT FURNISHED FOR THIS SURVEY.
 - 3) SEE DOCUMENTS AND ELECTRONIC DATA FILED IN THE OFFICE OF TRANSGLOBAL SERVICES, LLC FOR COMPLETE RECONSTRUCTION OF THESE SECTIONS OR BLOCKS.

DATE: 06-09-15 DATE SURVEYED 05-27-15 DRAFT ST
JOB NO. 1503068 FIELD BOOK V. JG09, P. 54 REV. 2
FILE 1503068 MELVILLE STATE UNIT 2-6 1H RRC PERMIT PLAT

2000' 0' 2000' 4000'

TRANSGLOBAL
SERVICES LLC

TBPLS FIRM# 10193740
8205 Camp Bowie West, Suite 204
Fort Worth, Texas 76116
(817) 386-0362 ~ Fax (882) 224-3377

I, THE UNDERSIGNED, DO HEREBY CERTIFY THAT THE WELL PLAT SHOWN HEREON REPRESENTS THE RESULTS OF A SURVEY MADE ON THE GROUND UNDER MY DIRECTION AND SUPERVISION AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. NO WARRANTY IS MADE OR INTENDED FOR THE LOCATION OF ANY OR ALL EASEMENTS THAT MAY EXIST WITHIN THE BOUNDS OF THIS SURVEY. THE INFORMATION PRESENTED HEREON IS FOR THE PRIVATE USE OF THE PARTY NAMED IN THE "REFERENCE PORTION" OF THE TITLE BLOCK AND DOES NOT CONSTITUTE A COMPLETE BOUNDARY SURVEY AS DEFINED BY THE PROFESSIONAL LAND SURVEYING PRACTICES ACT.

Digitally signed by Robert P. Allen
Date: 2015.06.16 14:43:11 -05'00'

ROBERT P. ALLEN TEXAS R.P.L.S. NO. 6495

DATE



File No. MF116703

Roxes County

Drilling Permit for Unit #7562

Date Filed: 6/1/16

George P. Bush, Commissioner

By Jm



RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION

PERMIT TO DRILL, DEEPEN, PLUG BACK, OR RE-ENTER ON A REGULAR OR ADMINISTRATIVE EXCEPTION LOCATION

PERMIT NUMBER 808772	DATE PERMIT ISSUED OR AMENDED Oct 29, 2015	DISTRICT * 08		
API NUMBER 42-389-34955	FORM W-1 RECEIVED Jul 23, 2015	COUNTY REEVES		
TYPE OF OPERATION NEW DRILL	WELLBORE PROFILE(S) Horizontal	ACRES 637.48		
OPERATOR ANADARKO E&P ONSHORE LLC ATTN FRANK A. DAVIS PO BOX 1330 HOUSTON, TX 77251-1330		NOTICE This permit and any allowable assigned may be revoked if payment for fee(s) submitted to the Commission is not honored. District Office Telephone No: (432) 684-5581		
LEASE NAME ROBERTSON STATE UNIT 2-7		WELL NUMBER 1H		
LOCATION 16.25 miles SE direction from ORLA		TOTAL DEPTH 13000		
Section, Block and/or Survey SECTION 7 BLOCK 2 ABSTRACT 365 SURVEY H&GN RR CO				
DISTANCE TO SURVEY LINES 664 ft. SW 467 ft. SE		DISTANCE TO NEAREST LEASE LINE 1 ft.		
DISTANCE TO LEASE LINES 664 ft. SW 467 ft. SE		DISTANCE TO NEAREST WELL ON LEASE See FIELD(s) Below		
FIELD(s) and LIMITATIONS: * SEE FIELD DISTRICT FOR REPORTING PURPOSES * ** THIS PERMIT IS GRANTED PURSUANT TO STATEWIDE RULE 37(h)(2)(A) ** CASE NO. 0297578				
FIELD NAME LEASE NAME	ACRES NEAREST LEASE	DEPTH NEAREST WE	WELL # NEAREST WE	DIST
** PHANTOM (WOLFCAMP)	637.48	13,000	1H	08
ROBERTSON STATE UNIT 2-7	1	0		
WELLBORE PROFILE(s) FOR FIELD: Horizontal				
RESTRICTIONS: Lateral: TH1 Penetration Point Location Lease Lines: 467.0 F SE L 664.0 F SW L Terminus Location Lease Lines: 467.0 F SE L 10500.0 F SW L Survey Lines: 467.0 F SE L 10500.0 F SW L				
*** PRECEDING FIELD NAME INDICATES RULE (R37)				
THE FOLLOWING RESTRICTIONS APPLY TO ALL FIELDS This well shall be completed and produced in compliance with applicable special field or statewide spacing and density rules. If this well is to be used for brine mining, underground storage of liquid hydrocarbons in salt formations, or underground storage of gas in salt formations, a permit for that specific purpose must be obtained from Environmental Services prior to construction, including drilling, of the well in accordance with Statewide Rules 81, 95, and 97. This well must comply to the new SWR 3.13 requirements concerning the isolation of any potential flow zones and zones with corrosive formation fluids. See approved permit for those formations that have been identified for the county in which you are drilling the well in.				

**RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION
SWR #13 Formation Data**

REEVES (389) County

Formation	Shallow Top	Deep Top	Remarks	Geological Order	Effective Date
FORD-DELAWARE	2,500	2,500		1	12/17/2013
CASTILLE	2,800	2,800		2	12/17/2013
BELL CANYON	4,800	5,000		3	12/17/2013
DELAWARE	2,500	5,700		4	12/17/2013
DELAWARE CONSOLIDATED GAS	6,500	6,500		5	12/17/2013
CHERRY CANYON	3,800	7,800		6	12/17/2013
BONE SPRINGS	7,500	9,800		7	12/17/2013
PERMIAN	11,300	11,300		8	12/17/2013
WOLFCAMP	10,000	12,300		9	12/17/2013
PENNSYLVANIAN	11,000	14,900		10	12/17/2013
MISSISSIPPIAN	10,000	16,000		11	12/17/2013
DEVONIAN	13,600	17,800		12	12/17/2013
FUSSELMAN	14,000	17,800		13	12/17/2013
ELLENBURGER	15,000	20,800		14	12/17/2013

The above list may not be all inclusive, and may also include formations that do not intersect all wellbores. Formation "TOP" information listed reflects an estimated range based on geologic variances across the county. To clarify, the "Deep Top" is not the bottom of the formation; it is the deepest depth at which the "TOP" of the formation has been or might be encountered. This is a dynamic list subject to updates and revisions. It is the operator's responsibility to make sure that at the time of spudding the well the most current list is being referenced. Refer to the RRC website at the following address for the most recent information.
<http://www.rrc.state.tx.us/oil-gas/compliance-enforcement/rule-13-geologic-formation-info>

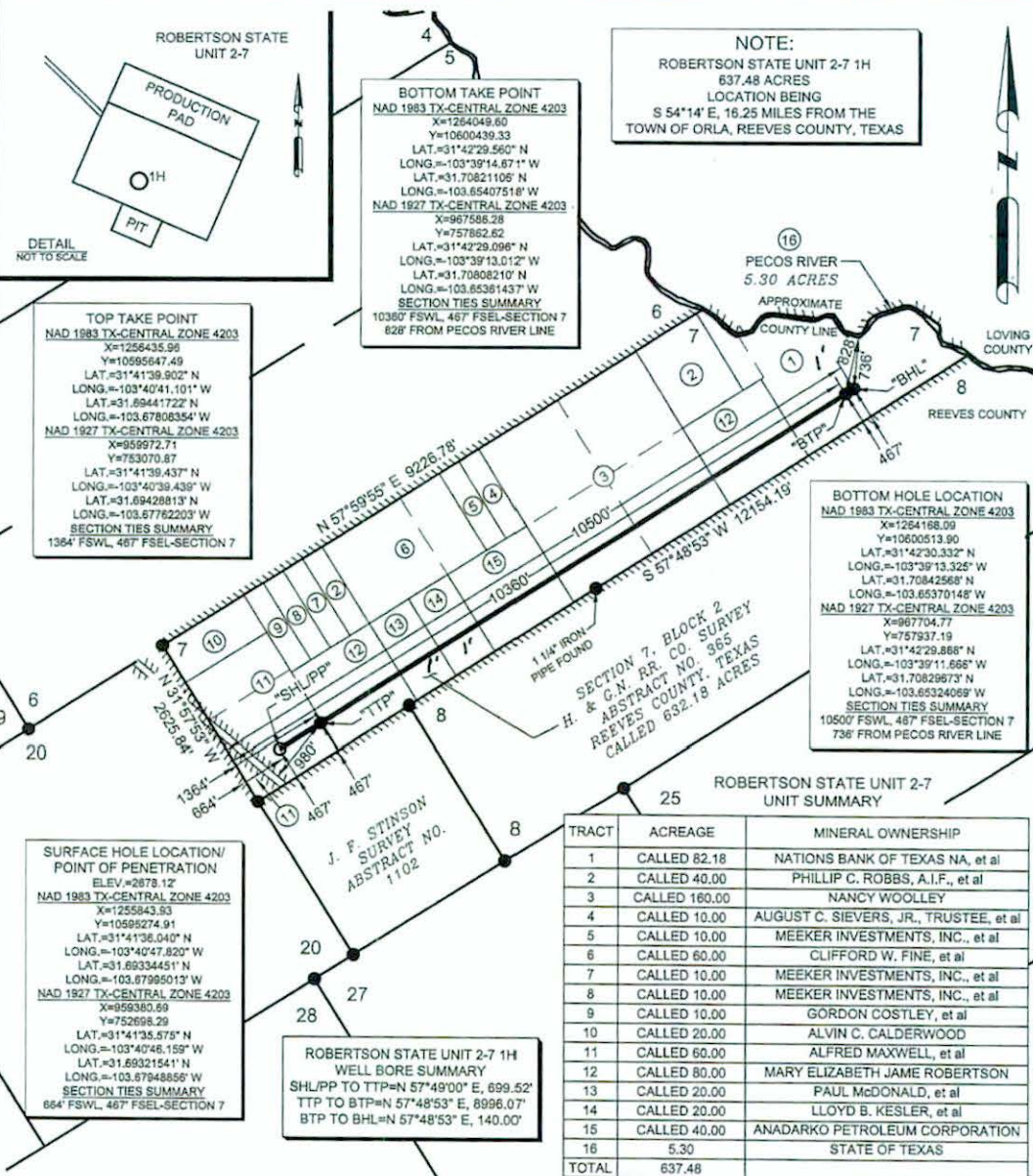




ANADARKO E&P ONSHORE LLC

SHEET NO. 1 OF 1

NATURE OF WORK WELL LOCATION STAKING DATE 06-17-15 SRID NO. 5063
PROJECT- ROBERTSON STATE UNIT 2-7 1H JOB OR AFE NO. 2109669.PDE
SEC. 7 BLK OR RANGE 2 TWP SURVEY H. & G.N. RR. CO. CO. REEVES STATE TEXAS
REMARKS RE: ☐ AS-BUILT ☒ STAKING



1) BEARINGS, DISTANCES, AREA AND COORDINATES SHOWN HEREON ARE BASED ON "THE TEXAS COORDINATE SYSTEM OF 1983, CENTRAL ZONE" AS DETERMINED BY GPS OBSERVATIONS REFERENCED TO NGS MONUMENT "CHAPMAN ET" WHERE THE CONVERGENCE ANGLE IS -1° 49' 05.8" AND THE COMBINED SCALE FACTOR IS 0.99983864. THE POSITIONAL TOLERANCE OF THIS SURVEY EXCEEDS THE REQUIREMENTS FOR A RURAL SURVEY.

2) THIS SURVEY WAS PERFORMED WITHOUT THE BENEFIT OF A TITLE REPORT AND THE REVIEW OF THE ABSTRACT OF TITLE. THERE MAY BE EASEMENTS AND/OR COVENANTS AFFECTING THIS PROPERTY NOT SHOWN HEREON. LOCATION OF IMPROVEMENTS WERE BEYOND COMMISSIONED SCOPE OF THIS PROJECT AND HAVE BEEN SPECIFICALLY OMITTED. VESTING DOCUMENTS NOT FURNISHED FOR THIS SURVEY.

3) SEE DOCUMENTS AND ELECTRONIC DATA FILED IN THE OFFICE OF TRANSGLOBAL SERVICES, LLC FOR COMPLETE RECONSTRUCTION OF THESE SECTIONS OR BLOCKS.

DATE: 06-17-05 DATE SURVEYED 06-12-15 DRAFT ST

JOB NO. 1506010 FIELD BOOK V. JG09, P. 68 REV. 2

FILE 1506010 ROBERTSON STATE UNIT 2-7 1H RRC PERMIT PLAT



TRANSGLOBAL
SERVICES LLC

TBPLS FIRM# 10193740
8205 Camp Bowie West, Suite 204
Fort Worth, Texas 76116
(817) 386-0362 - Fax (817) 224-3377

I, THE UNDERSIGNED DO HEREBY CERTIFY THAT THIS WELL PLAT HEREON REPRESENTS THE RESULTS OF A SURVEY MADE ON THE GROUND UNDER MY DIRECTION AND SUPERVISION AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. NO WARRANTY IS MADE OR INTENDED FOR THE LOCATION OF ANY OR ALL EASEMENTS THAT MAY EXIST WITHIN THE BOUNDS OF THIS SURVEY. THE INFORMATION PRESENTED HEREON IS FOR THE PRIVATE USE OF THE PARTY NAMED IN THE "REFERENCE PORTION" OF THE TITLE BLOCK AND DOES NOT CONSTITUTE A COMPLETE BOUNDARY SURVEY AS DEFINED BY THE PROFESSIONAL LAND SURVEYING PRACTICES ACT.

Robert P. Allen
ROBERT P. ALLEN TEXAS R.P.L.S. NO. 6495

ROBERT ALLEN
2015.07.23 16:03:01 -05'00'

DATE

File No. ME116703

Rooves County

Drilling Permit Unit # 7556

Date Filed: _____

George P. Bush, Commissioner

By gm

03
11
11
03

MF 116703
Unit 7562

Anadarko E&P Onshore LLC

Supplemental Division Order

STATE OF TEXAS
OFFICE
1700 N CONGRESS AVENUE
STEPHEN F AUSTIN BLDG
AUSTIN, TX 78701-1436

See reverse for list of
Properties and Interests.

Effective Date: Date of First Sales

The undersigned certifies the ownership of their decimal interest in production as described above payable by Anadarko E&P Onshore LLC (Payor).

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, or Sept. 30 whichever occurs first, 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.

Note: NADOA Model Form Division Order (Adopted 9/95)

Special Clause(s): Payee agrees that by execution of this DO and returning the signature page to Payor that the signature page will be attached to Payor's duplicate original of this instrument and treated as an original for all purposes.

THIS D.O. REFLECTS YOUR INTEREST IN THE MELVILLE STATE UNIT 2-6 1H WELL, LOCATED IN REEVES CO., TX., VENTURE #117397, WELL #J3622-01.

RV45678204
STATE OF TEXAS
OFFICE

Signature of Witness

Owner Signature/Corporate Title

Owner Address (if different from above)

Signature of Witness

Owner Signature/Corporate Title

City, State Zip Code

Owner Daytime Phone

Email Address

YOUR COPY

*Failure to furnish your Social Security/Tax ID number will result in withholding tax in accordance with federal law and any tax withheld will not be refundable by payor.

** All individual parties must complete and return the enclosed W9 to ensure proper payment. Additional forms may be obtained at www.irs.gov

Please return to:
Anadarko E&P Onshore LLC
P.O. BOX 1330
HOUSTON, TX 77251-9874
1-800-359-1692

Date Prepared: June 17, 2016
Prepared By: BRENDA COPELAND
Suspense Flag: N

<u>Property</u>	<u>Property Name</u>	<u>Product</u>	<u>State/County</u>	<u>Int Type</u>	<u>Int Seq</u>	<u>Interest</u>
117397	MELVILLE STATE UNIT 2-6 1H	All Products	TX/REEVES	RI	1	0.00148309

API 389-34910

Legal Description:

DECLARATION OF POOLED UNIT FOR MELVILLE STATE UNIT 2-6 FILED OF RECORD IN VOL. 1196, PG. 159 OF THE OPR OF REEVES CO., TX., SAID UNIT CONTAINING 662.47 ACRES, MOL., CONSISTING OF 9 LEASES, 3 TRACTS OF LAND IN SECTION 6, BLOK 2 OF THE H&GN RR CO SURVEY, REEVES CO., TX.



*Failure to furnish your Social Security/Tax ID number will result in withholding tax in accordance with federal law and any tax withheld will not be refundable by payor.

** All individual parties must complete and return the enclosed W9 to ensure proper payment. Additional forms may be obtained at www.irs.gov

Please return to:
Anadarko E&P Onshore LLC
P.O. BOX 1330
HOUSTON, TX 77251-9874
1-800-359-1692

Date Prepared: June 17, 2016
Prepared By: BRENDA COPELAND
Suspense Flag: N



TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

August 25, 2016

Brenda Copeland
Division Order Analyst
Anadarko E&P Onshore LLC
P.O. Box 1330
Houston, TX 77251-9874

Re: State Lease No. MF116703 Melville State Unit 2-6 1H (Unit 7562)

Dear Mrs. Copeland:

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 116703

County

Division Order

Date Filed: 8/25/16

George P. Bush, Commissioner

By 