

PSA# 00776

MF056074

Lease Type	Control	Basefile	County
RAL	07-109158	130842	REEVES
	Survey	T & P Ry Co	
	Block	56	
	Block Name		
	Township	3-S	
	Section/Tract	6	
	Land Part		
	Acres	Net: 120.000000	Gross: 120.000000
	Depth Below	Depth Above	Depth Other
			Allow All Depths
	Name	RICKER, R PAUL	
	Lease Date	11/13/1963	
	Primary Term	5 years	
	Bonus	\$0.00	
	Lease Royalty	0.06250000	
	Paid Up	NA	

Leasing: _____

Maps: _____

GIS: _____

Scanlab: _____



CAUTION

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

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

Thank you for your assistance.

Archives and Records Staff

F271288

RICKER, R PAUL

07-10915-8

UNDIVIDED INTEREST

RELINQUISHMENT ACT LEASE

COUNTY: REEVES
TRACT : Section 6, Block 56, T&P RY CO. 7-3
PART : E/2 of the NE/4 and the NE/4 SE/4
ACRES : 120
LESSEE : R. Paul Ricker
DATE : November 13, 1963
TERM : 5 years
BONUS : \$600.00
RENTAL: 50¢ per acre ~~60.00~~
FILE : 130842

5
195
12.00

CONTENTS OF FILE NO. M-56074

1. Lease	2-11-64 hb	34. ltr. to Big State Tooling Co. 3-24-71
2. Lease	2-11-64 hb	35. Letter to Big State Tooling Co. 5-25-71 jar
3. Ltr. from R. Paul Ricker	12-22-63 hb	36. ltr. to Big State Tool Co. 6-7-71 cjr
4. Ltr. from "	1-13-64 hb	37. ltr. from Big State Tool Co. 6-2-71 cjr
5. Ltr. from "	2-10-64 hb	38. ltr. to Big State Tool Co. 6-8-71 cjr
6. Ltr. to "	2-12-64 hb	39. ltr. to Big State Tool Co. 6-8-71 cjr
7. Assignment	2-11-64 hb	40. Letter to Big State Tool Co. 7-14-71 jar
8. Assignment	2-11-64 hb	41. Letter from Big State Tool Co. 6-18-71 jar
9. Ltr. to R. Paul Ricker	2-12-64 hb	42. Letter to Big State Tool Co. 11-23-71 glr
10. Ltr. from "	2-17-64 hb	43. RENTAL PAYMENT 12-3-71 R
11. Ltr. to "	2-27-64 hb	44. DIVISION ORDER 7-21-72 glr
12. Assignment	7-3-64 hb	45. Ltr. to Big State Tool Co. 3-12-73 gr
13. Assignment	7-3-64 hb	46. RENTAL PAYMENT (for 1972) 3-17-73 R
14. Ltr. from R. Paul Ricker	7-2-64 hb	47. Ltr. to Big State Tool Co. 8-14-73 gr
15. Ltr. to "	7-6-64 hb	48. " fr. " " " " 8-29-73 gr
16. RENTAL PAYMENT	OCT 14 1964	49. " to " " " " 11-28-73 gr
17. Ltr to O K Oil Co.	5-26-65 gs	50. RENTAL PAYMENT 12-6-73 S
18. Ltr fr O K Oil Co.	9-9-65 gs	51. Ltr to Big State Tool 12-18-74 gr
19. RENTAL PAYMENT	OCT 6 1965	52. Rental Payment 1-3-75
20. RENTAL PAYMENT	OCT 13 1966	53. Ltr. to Big State Tool 8-11-75 gr
21. ✓ ✓ 10-14-67		54. Rental Payment 11-28-75
22. Ltr to John Castleman 10-22-68 gs		55. Ltr to Big State Tool 8-6-75 R
23. Application to drill well #1 2-26-67		56. LTR FRM BIG STATE TOOL 9-2-76
24. Assignment 4-23-69		57. Ltr. to Big State Tool 12-15-76 gr
25. Ltr to Lynch, Chappell 4-18-69		58. Rental Payment 12-18-76
26. Ltr to Lynch, Chappell 4-23-69		59. APPLICATION TO DRILL WELL # 4 3-2-77 MHW
27. DIVISION ORDER 6-5-69 dp		60. Ltr. to Big State Tool 12-12-77 gr
28. Application to drill well #2 8-25-69		61. Rental Payment 12-16-77
29. application to drill well #3 2-10-70		62. Ltr. to Big State Tool 12-5-78 gr
30. Ltr to Big State Tool 11-23-70 Kag		63. Rental Payment 12-9-78
31. RENTAL PAYMENT 11-28-70		64. Ltr. to Big State Tool 11-29-79 gr
32. Ltr to Big State Tool 12-4-70 Kag		65. Rental Payment 12-5-79
33. RENTAL PAYMENT 12-12-70		66. Ltr. to Big State Tool 12-16-80 gr
		67. Rental Payment 12-20-80

Certificate of Facts

9-26-72

John L. May
Ft. Stockton, Texas

11

68. Assignment 10-20-81 ES	96. Division Order 4-21-16
69. Ltr. fr.: Stuhlman MC-Rees, et al 10-20-81 "	Scanned PJ 5-28-16
70. Ltr. To " " et al. " 10-22-81	See MFO56068 #101 Division Order
71. Ltr. to Big State Tool Co. 9-20-82	Scanned sm 9/06/2019
72. LTR. to Big State Tool Co. 9-25-82	See MFO56068 #102 Surface Damage Pmt
73. Ltr. to Big State Tool 12-15-82	Scanned PJ 13 July 2021
74. Rental Payment 12-23-82	97. Recon Billing 8/24/2021
75. Ltr. to Big State Tool 12-13-83	Scanned LW 9-7-2021
76. Rental Payment 12-17-83	98. Recon Billing 2/9/2023
77. Ltr. to Big State Tool 11-20-84 du	Scanned WM 2-13-2023
78. Rental Payment 11-28-84	(See MFO56068 #107 for)
79. Transp. request ltr 11-27-85	PSA#00776
80. ASSIGNMENT NOV 15 1995	Scanned WM 10-28-2025
81. ASSIGNMENT NOV 15 1995	
Scanned LW 3-6-2014	
89. Assignment #9003, Mary Louie Summers	
to BHP Billiton 2-4-14	
90. Assignment #9004, Sharon Louise Scott	
to BHP Billiton 2-4-14	
Scanned PJ 8-4-14	
91. Division of Interest 8-26-15	
92. Misc Assn of ORT 8-26-15	
(See #77 in M-56068 for the	
State Wildlife Unit # 7506	
(See MFO56068 item #79, #80,	
#83, #84, #85, #86, 1-12-16	
93 Assign Big State to	
Chapel Resources 1-12-16	
94 Assign Velma Lyon to	
Chapel Resources 1-12-16	
95 Assign Chapel Resources	
to Joe Sledge & Mark Sledge	
dba Sledge Bros 1-12-16	

RECORDED
FEB 11 1964

General Land Office

OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 13th day of November, 1963,
by and between K. L. Denton and wife, Leta Denton

of Newberg, Oregon

(Give Permanent Address)

individually and as agent for the State of Texas, party of the first part, herein referred to as the owner of the soil (whether
one or more) and R. Paul Ricker

of Midland, Texas

(Give Permanent Address)

party of the second part, hereinafter called Lessee.

WITNESSETH: That the owner of the soil in the capacities aforesaid, for and in consideration of \$ 300.00

THREE HUNDRED AND NO/100 -----

Dollars, cash in hand paid, as his individual property and estate, receipt of which is hereby acknowledged, (SEE NOTE
BELOW) and a like amount paid to the STATE OF TEXAS, and of the covenants and agreements hereinafter contained on

the part of the Lessee to be paid, kept and performed have this day granted, demised, leased and

let, and by these presents do grant, demise, lease and let unto

the said Lessee, for the sole and only purpose of prospecting and drilling for and producing oil and gas, laying pipe lines,
building tanks, storing oil and building power stations, telephone lines and other structures thereon, to produce, save, take

care, treat and transport said products of the lease, the following lands situated in Reeves County,
State of Texas, to-wit:

All of the East Half (E/2) of the Northeast Quarter (NE/4)
and the Northeast Quarter of the Southeast Quarter (NE/4) SE/4)
of Section 6, Block 56, Township Three, T & P Ry. Co. Survey,
Abstract Number 4161

(This lease is in lieu of and to correct an oil and gas lease
dated same date and recorded in Volume 236, Pages 98-100 of
Deed Records of Reeves County, Texas.)

containing 120 acres, more or less.

Subject to the other provisions herein contained, this lease shall remain in force for a term of five years from this date,
(herein called primary term) and as long thereafter as oil and gas, or either of them, is produced in paying quantities from
the land hereby leased.

In consideration of the premises the said Lessee covenants and agrees:

1. To pay to the Commissioner of the General Land Office of the State of Texas, at Austin, Texas, the value of
One Sixteenth (1/16th) ----- of the gross production of oil and gas produced from said
leased premises free of cost to the State, as required by Article 5368 of the Revised Civil Statutes of Texas, 1925.

2. To deliver to the credit of the owner of the soil, free of cost, in the tanks or pipe lines to which wells may be con-
nected an additional equal 1/16th part of all oil and gas produced and saved from said leased premises or
at the option of owner of the soil 1/16th of the value of all oil and gas produced and saved
from said leased premises.

3. If no well be commenced on said land, hereby leased, on or before the 13th day of November, 1964,
this lease shall terminate as to both parties, unless the Lessee on or before that date shall pay or tender to the owner of the
soil or to his credit in the First National Bank of Oregon, Newberg Bank, at Newberg, Oregon
Branch

or its successors, which shall continue as the depository regardless of changes in the ownership of said land, the sum of
Fifty Cents per acre and in addition shall pay to the COMMISSIONER OF THE GENERAL LAND OFFICE
OF THE STATE OF TEXAS, AT AUSTIN, TEXAS, A LIKE SUM on or before said date; which shall operate as a 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.

4. All payments or tenders of rental to the owner of the soil may be made by check or draft of Lessee, or any assignee hereof and delivered on or before the rental paying date. If said bank (or any successor bank) should cease to exist, suspend business, liquidate, fail or be succeeded by another bank, or for any reason fail or refuse to accept rental, Lessee shall not be held in default for failure to make such payment or tender of rental until thirty (30) days after the owner of the soil shall deliver to Lessee a proper recordable instrument naming another bank as agent to receive such payments or tenders.
5. If at the expiration of the primary term of this lease neither oil nor gas is being produced on the leased premises, but lessee is then engaged in operation for drilling for oil or gas, then this lease shall continue in force so long as operations for drilling are being continuously prosecuted in good faith on the leased premises; and operations for drilling shall be considered to be continuously prosecuted in good faith if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If oil and/or gas shall be discovered and produced from any such well or wells drilled at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil and/or gas shall be produced in paying quantities from the leased premises.
6. The Lessee shall adequately protect the oil and gas under the above described land from drainage from the adjacent lands or leases. Neither the bonus, delay rentals, nor royalties paid or to be paid hereunder shall relieve Lessee from the obligations herein expressed, and for such purpose Lessee shall be required to drill as many wells as the facts may justify and to the depth or depths necessary for effective protection against undue drainage by other wells on adjacent lands or leases.
7. Should the first well or subsequent successive wells drilled on the above described land be a dry hole or dry holes, this lease shall terminate as to both parties, unless, on or before the rental paying date next ensuing after sixty days from the date of completion of such dry hole, the Lessee commences the drilling of another well or resumes payment of annual delay rental in the same manner as provided in paragraph numbered three of this lease; and it is further provided that a sworn log of any such dry hole drilled to completion shall be filed in the General Land Office forthwith after such completion and no later than the rental paying date next ensuing after the date of such completion.
8. However, it is understood and agreed that notwithstanding the fact that development may be in progress or production secured and royalty being paid hereunder the owner or operator of the leased premises shall continue to make annual rental payments to the State which, under such conditions and in the absence of any rentals being paid to the land owner, shall be the minimum of ten cents (10¢) per acre as provided by said Article 5368.
9. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling operations thereon, or from producing oil or gas therefrom, after effort made in good faith, by reason of war, rebellion, riots, strikes, acts of God, or any valid order, rule or regulation of government authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended and Lessee shall not be liable for damages for failure to comply therewith; and this lease shall be extended while and so long as Lessee is prevented, by any such cause, from drilling, reworking operations or producing oil or gas from the leased premises; provided, however, that nothing herein shall be construed to suspend the payment of delay rentals in order to maintain this lease in effect during the primary or extended term in the absence of such drilling or reworking operations or production of oil or gas.
10. If the owner of the soil owns a less interest in the above described land than the entire and undivided surface estate therein, then the royalties and rentals herein provided to be paid to owner of the soil shall be paid to him only in the proportion which his interest bears to the whole and undivided surface estate.
11. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for all operations thereon, except water from wells or tanks of the owner of the soil and with the exception that the State must be paid its above specified royalty on production of oil and/or gas regardless of how used or disposed of.
12. When requested by the owner of the soil, Lessee shall bury his pipe lines below plow depth.
13. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without the written consent of the owner of the soil.
14. Lessee shall have the exclusive right to build, operate and maintain pits, reservoirs, pickup stations and plants for the purpose of picking up and conserving waste oil that flows down the creeks, ravines and across the land embraced in the lease, whether said oil is produced from said land covered by this lease or other lands, provided the royalties herein specified are paid on said oil at the same rate under the same conditions as provided for oil regularly produced.
15. Lessee shall pay damages caused by his operations to growing crops on said land.
16. The Lessee shall have the right to remove all machinery and fixtures placed on said premises, including the right to draw and remove the casing, provided however that the casing shall not be drawn and removed until after thirty (30) days written notice to the Commissioner of the General Land Office and to the owner of the soil.
17. If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignments of rentals or royalties shall be binding on the Lessee until after the Lessee has been furnished with a written transfer or assignment or true copy thereof; and it is hereby agreed in the event this lease shall be assigned as to a part or as to parts of the described lands and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rentals due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers the part or parts of said lands upon which the said Lessee or any assignee thereof shall make due payment of said rentals, unless the assignor or assignee shall fail to file a certified copy of such assignment in the General Land Office prior to the next rental paying date, in which event the entire lease shall terminate for failure to pay the entire rental due as provided in paragraph Numbered Three hereof.
18. Lessee may, at any time, and from time to time, execute and deliver to the owner of the soil or place of record, a release or releases covering any portion or portions of the above described premises, and thereby surrender this lease as to such portion or portions, and be relieved of all subsequent obligations as to acreage surrendered. In the event any part of this lease is surrendered, as above provided, the delay rental then payable hereunder shall thereupon be reduced in the proportion that the acreage surrendered bears to the acreage which was covered by this lease immediately prior to such surrender, provided such release shall not thereby relieve the Lessee of any liabilities which may have accrued in connection with the lease prior to the surrender of such acreage.
19. Provided further that in the event all or any part of this lease is assigned or released such assignment or release shall be recorded in the county where the land is situated and a copy of such recorded instrument certified by the county clerk, shall be filed in the GENERAL LAND OFFICE accompanied by filing fee of one dollar (\$1.00) thereon.
20. It is further recognized that before this lease is effective a certified copy thereof shall be filed in the General Land Office in accordance with House Bill No. 9, Act approved June 19, 1939, which is construed as meaning certified copy made by the County Clerk from his records.
21. It is further agreed that the bonus due the State hereunder shall accompany such certified copy to the General Land Office.
22. The owner of the soil hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for the owner of the soil by payments, any mortgage, taxes or other liens on the above described lands, in the event of default of payment by the owner of the soil, and be subrogated to the rights of the holder thereof, to the extent that Lessee may apply any rental or royalty due the owner of the soil from Lessee until any obligation thus incurred by the owner of the soil is discharged.

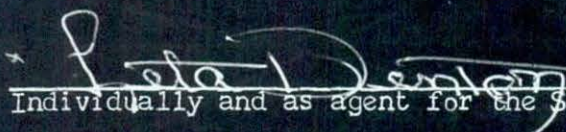
23. This lease is issued under provisions of Subdivision 8, Chapter 4, Title 86, of the Revised Statutes of the State of Texas, 1925, and amendments thereto, commonly known as the Relinquishment Act, and should there be any provisions herein not in conformity with said Act, the law is recognized and understood to prevail notwithstanding anything in this lease to the contrary.

24.

23. If, at the expiration of the primary term or at any time thereafter, there is located on the leased premises a well or wells capable of producing gas in paying quantities and such gas is not otherwise produced for lack of a suitable market and this lease is not otherwise being maintained in force and effect, the lessee may pay as royalty a sum of money equal to double the annual rental provided for in this lease but in no event to be less than \$1,200.00 per annum for each well capable of producing gas in paying quantities; such payment shall be made one-half to the Commissioner of the General Land Office and one-half to the owner of the soil, and shall be made prior to the expiration of the primary term of this lease or if the primary term has expired within sixty (60) days after the lessee shuts in such well or ceases to produce gas therefrom or within sixty (60) days after this lease ceases to be otherwise maintained in force and effect; and if such payment is made, this lease shall be considered to be a producing lease and such shut-in gas well royalty payment shall extend the term of this lease for a period of one (1) year from the end of the primary term or, if after the primary term, from the first day of the month next succeeding the month in which such well was shut in or production ceased or this lease ceased to be otherwise maintained in force and effect; and thereafter, if no suitable market for such gas exists, the lessee may extend this lease for four (4) additional and successive periods of one (1) year each by the payment of a like sum of money each year as above provided, on or before the expiration of the extended term. Provided, however, that if, while this lease is being maintained in force and effect by payment of such shut-in gas well royalty, gas should be sold and delivered in paying quantities from a well situated within 1,000 feet of the leased premises and completed in the same producing reservoir, or in any case where drainage is occurring, the right to further extend this lease by such shut in gas well royalty payments shall cease but this lease shall remain in force and effect for the remainder of the current one-year period for which the shut in gas well royalty has been paid and for an additional period not to exceed five (5) years from the expiration of the primary term by payment by the lessee of compensatory royalty at the royalty rate provided for herein, of the value at the well of production from the well completed in the same producing reservoir from which gas is being sold and delivered and which is situated within 1,000 feet of or draining the leased premises on which such shut in gas well is situated, such compensatory royalty to be paid monthly one-half to the Commissioner of the General Land Office and one-half to the owner of the soil, beginning on or before the 20th day of the month next succeeding the month in which such gas is sold and delivered from the well situated within 1,000 feet of or draining the leased premises and completed in the same producing reservoir; provided further that in the event such compensatory royalties paid in any twelve-month period are in an amount less than the annual shut in gas well royalties provided for herein, lessee shall pay an additional sum of money equal to the difference between such compensatory royalties paid and such shut in gas well royalties within thirty (30) days from the end of such twelve-month period; provided further that nothing herein shall relieve the lessee of the obligation of reasonable development, nor of the obligation to drill off-set wells as required by Article 5369, Revised Civil Statutes, 1925.

* 

Individually and as agent for the State of Texas

* 

Individually and as agent for the State of Texas

Individually and as agent for the State of Texas

Individually and as agent for the State of Texas

NOTE: Section 4a, House Bill No. 9, Act of June 19, 1939, provides that leases shall not be effective until a certified copy thereof (which is construed as meaning certified copy by the County Clerk) is filed in the Land Office, and that leases shall not be binding upon the State unless they recite the actual and true consideration paid or promised therefor.

NOTE: If this lease be executed by the owner of an undivided interest in the entire surface estate, and should production be secured while an undivided interest only in the above described land is covered by lease, the royalty to be paid to the State under this lease shall be at the royalty rate specified in Paragraph numbered 1 hereof of the interest covered by this lease plus the value of the whole production allocable to all of the undivided interest not covered by lease, less the proportionate development and production costs allocable to such undivided interest, but in no event shall the State receive as royalty on the gross production allocable to the undivided interest not leased an amount less than the value of 1/16 of such gross production.

DOUBLE ACKNOWLEDGMENT

STATE OF OREGON
COUNTY OF YAMHILL

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

K. L. Denton

and

Leta Denton

his wife,

both 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, and in the capacity therein stated, and the aforesaid wife, having been examined by me privily and apart from her husband, and having the same fully explained to her, acknowledged said instrument to be her act and deed, and declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.

Given under my hand and the seal of office, this the _____ day of _____, A. D. 19 _____

23rd day of

January

A. D. 19 64

Maxwell K. Smith

Notary Public in and for

My Commission Expires Jan. 29, 1967

Yamhill

County, Oregon

SINGLE ACKNOWLEDGMENT

STATE OF
COUNTY OF

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

_____, known to me to be the person whose name _____ subscribed to the foregoing instrument, and acknowledged to me that _____ executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

Given under my hand and seal of office, this the _____ day of _____, A. D. 19 _____

Notary Public in and for

County, _____

SINGLE ACKNOWLEDGMENT

STATE OF
COUNTY OF

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

_____, known to me to be the person whose name _____ subscribed to the foregoing instrument, and acknowledged to me that _____ executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

Given under my hand and seal of office, this the _____ day of _____, A. D. 19 _____

Notary Public in and for

County, _____

Filed for record on the 28th day of January, A.D. 1964 at 8:30 o'clock A.M. Duly Recorded this the 29th day of January, A.D. 1964 at 10:00 o'clock A.M.

By Billie Jo Freeman, Deputy.

ESTELLE CLINTON, County Clerk
Reeves County, Texas.

THE STATE OF TEXAS Ø

COUNTY OF REEVES Ø

I, ESTELLE CLINTON, Clerk of the County Court of Reeves County, Texas, do hereby certify that the foregoing is a true and correct copy of the OIL AND GAS LEASE FROM K. L. DENTON, ET UX TO R. PAUL RICKER, as the same appears of record in my office in Vol. 236, Pages 507-509, Deed Records, Reeves County, Texas.

Given Under My Hand and Seal of said Court at my office in Pecos, Texas, this 29th day of January, A.D. 1964.

ESTELLE CLINTON, County Clerk
Reeves County, Texas.

By: Billie Jo Freeman, DEPUTY.

GENERAL LAND OFFICE

Reg. No. 40230
DATE 12-26-63

RECEIVED AS STATED \$5.00

GENERAL LAND OFFICE

Reg. No. 40229
DATE 12-26-63

RECEIVED AS STATED \$300.00

JERRY SADLER, COMMISSIONER

Filed Dated 1-11-64

56074

**Relinquishment Land
Lease Consideration Comparison**

Leasing Part of

County Reeves

Area Sec. 6, BLR, 56,

T-3, T&P, A-4161

M. F.	Acres	Lease Date	Term	Total Bonus	B/Ac	Rental	Comparison
NEW	120.	11-13-63	5 yrs.	\$1200. ⁰⁰	\$10. ⁰⁰	\$1. ⁰⁰	
54066	160.	1-26-62	10 yrs.	\$1600. ⁰⁰	\$10. ⁰⁰	\$1. ⁰⁰	O.K.
51882	320.	7-28-60	5 yrs.	\$4800. ⁰⁰	\$15. ⁰⁰	\$1. ⁰⁰	O.K.
51881	320.	7-28-60	5 yrs.	\$4800. ⁰⁰	\$15. ⁰⁰	\$1. ⁰⁰	O.K.
54128	320.	2-3-62	5 yrs.	\$2560. ⁰⁰	\$8. ⁰⁰	\$1. ⁰⁰	O.K.

Remarks

R6

Consideration

Approved ☒

Disapproved ☐

OIL AND GAS LEASE

DEC 26 1963

General Land Office

THIS AGREEMENT, made and entered into this 13th day of November, 19 63,

by and between Mrs. Clella Denton Klapproth and husband, Chas. L. Klapproth

of Midland, Texas

(Give Permanent Address)

individually and as agent for the State of Texas, party of the first part, herein referred to as the owner of the soil (whether one or more) and R. Paul Ricker

of Midland, Texas

(Give Permanent Address)

party of the second part, hereinafter called Lessee.

WITNESSETH: That the owner of the soil in the capacities aforesaid, for and in consideration of \$300.00

THREE HUNDRED AND NO/100-----

Dollars, cash in hand paid, as his individual property and estate, receipt of which is hereby acknowledged, (SEE NOTE BELOW) and a like amount paid to the STATE OF TEXAS, and of the covenants and agreements hereinafter contained on

the part of the Lessee to be paid, kept and performed have this day granted, demised, leased and

let, and by these presents do grant, demise, lease and let unto the said Lessee, for the sole and only purpose of prospecting and drilling for and producing oil and gas, laying pipe lines, building tanks, storing oil and building power stations, telephone lines and other structures thereon, to produce, save, take

care, treat and transport said products of the lease, the following lands situated in Reeves County, State of Texas, to-wit:

All of the East Half (E/2) of the Northeast Quarter (NE/4)
and the Northeast Quarter of the Southeast Quarter (NE/4 SE/4)
of Section 6, Block, 56, Township Three, T & P Ry Company
Survey, Abstract Number 4161

containing 120 acres, more or less.

Subject to the other provisions herein contained, this lease shall remain in force for a term of five years from this date, (herein called primary term) and as long thereafter as oil and gas, or either of them, is produced in paying quantities from the land hereby leased.

In consideration of the premises the said Lessee covenants and agrees:

1. To pay to the Commissioner of the General Land Office of the State of Texas, at Austin, Texas, the value of One Sixteenth (1/16th)----- of the gross production of oil and gas produced from said leased premises free of cost to the State, as required by Article 5368 of the Revised Civil Statutes of Texas, 1925.

2. To deliver to the credit of the owner of the soil, free of cost, in the tanks or pipe lines to which wells may be connected an additional equal 1/16th part of all oil and gas produced and saved from said leased premises or at the option of owner of the soil 1/16th of the value of all oil and gas produced and saved from said leased premises.

3. If no well be commenced on said land, hereby leased, on or before the 13th day of November, 19 64, this lease shall terminate as to both parties, unless the Lessee on or before that date shall pay or tender to the owner of the soil or to his credit in the First National Bank, at Midland, Texas

or its successors, which shall continue as the depository regardless of changes in the ownership of said land, the sum of fifty cents per acre and in addition shall pay to the COMMISSIONER OF THE GENERAL LAND OFFICE OF THE STATE OF TEXAS, AT AUSTIN, TEXAS, A LIKE SUM on or before said date; which shall operate as a 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.

4. All payments or tenders of rental to the owner of the soil may be made by check or draft of Lessee, or any assignee hereof and delivered on or before the rental paying date. If said bank (or any successor bank) should cease to exist, suspend business, liquidate, fail or be succeeded by another bank, or for any reason fail or refuse to accept rental, Lessee shall not be held in default for failure to make such payment or tender of rental until thirty (30) days after the owner of the soil shall deliver to Lessee a proper recordable instrument naming another bank as agent to receive such payments or tenders.

5. If at the expiration of the primary term of this lease neither oil nor gas is being produced on the leased premises, but lessee is then engaged in operation for drilling for oil or gas, then this lease shall continue in force so long as operations for drilling are being continuously prosecuted in good faith on the leased premises; and operations for drilling shall be considered to be continuously prosecuted in good faith if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If oil and/or gas shall be discovered and produced from any such well or wells drilled at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil and/or gas shall be produced in paying quantities from the leased premises.

6. The Lessee shall adequately protect the oil and gas under the above described land from drainage from the adjacent lands or leases. Neither the bonus, delay rentals, nor royalties paid or to be paid hereunder shall relieve Lessee from the obligations herein expressed, and for such purpose Lessee shall be required to drill as many wells as the facts may justify and to the depth or depths necessary for effective protection against undue drainage by other wells on adjacent lands or leases.

7. Should the first well or subsequent successive wells drilled on the above described land be a dry hole or dry holes, this lease shall terminate as to both parties, unless, on or before the rental paying date next ensuing after sixty days from the date of completion of such dry hole, the Lessee commences the drilling of another well or resumes payment of annual delay rental in the same manner as provided in paragraph numbered three of this lease; and it is further provided that a sworn log of any such dry hole drilled to completion shall be filed in the General Land Office forthwith after such completion and no later than the rental paying date next ensuing after the date of such completion.

8. However, it is understood and agreed that notwithstanding the fact that development may be in progress or production secured and royalty being paid hereunder the owner or operator of the leased premises shall continue to make annual rental payments to the State which, under such conditions and in the absence of any rentals being paid to the land owner, shall be the minimum of ten cents (10¢) per acre as provided by said Article 5368.

9. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling operations thereon, or from producing oil or gas therefrom, after effort made in good faith, by reason of war, rebellion, riots, strikes, acts of God, or any valid order, rule or regulation of government authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended and Lessee shall not be liable for damages for failure to comply therewith; and this lease shall be extended while and so long as Lessee is prevented, by any such cause, from drilling, reworking operations or producing oil or gas from the leased premises; provided, however, that nothing herein shall be construed to suspend the payment of delay rentals in order to maintain this lease in effect during the primary or extended term in the absence of such drilling or reworking operations or production of oil or gas.

10. If the owner of the soil owns a less interest in the above described land than the entire and undivided surface estate therein, then the royalties and rentals herein provided to be paid to owner of the soil shall be paid to him only in the proportion which his interest bears to the whole and undivided surface estate.

11. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for all operations thereon, except water from wells or tanks of the owner of the soil and with the exception that the State must be paid its above specified royalty on production of oil and/or gas regardless of how used or disposed of.

12. When requested by the owner of the soil, Lessee shall bury his pipe lines below plow depth.

13. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without the written consent of the owner of the soil.

14. Lessee shall have the exclusive right to build, operate and maintain pits, reservoirs, pickup stations and plants for the purpose of picking up and conserving waste oil that flows down the creeks, ravines and across the land embraced in the lease, whether said oil is produced from said land covered by this lease or other lands, provided the royalties herein specified are paid on said oil at the same rate under the same conditions as provided for oil regularly produced.

15. Lessee shall pay damages caused by his operations to growing crops on said land.

16. The Lessee shall have the right to remove all machinery and fixtures placed on said premises, including the right to draw and remove the casing, provided however that the casing shall not be drawn and removed until after thirty (30) days written notice to the Commissioner of the General Land Office and to the owner of the soil.

17. If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignments of rentals or royalties shall be binding on the Lessee until after the Lessee has been furnished with a written transfer or assignment or true copy thereof; and it is hereby agreed in the event this lease shall be assigned as to a part or as to parts of the described lands and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rentals due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers the part or parts of said lands upon which the said Lessee or any assignee thereof shall make due payment of said rentals, unless the assignor or assignee shall fail to file a certified copy of such assignment in the General Land Office prior to the next rental paying date, in which event the entire lease shall terminate for failure to pay the entire rental due as provided in paragraph Numbered Three hereof.

18. Lessee may, at any time, and from time to time, execute and deliver to the owner of the soil or place of record, a release or releases covering any portion or portions of the above described premises, and thereby surrender this lease as to such portion or portions, and be relieved of all subsequent obligations as to acreage surrendered. In the event any part of this lease is surrendered, as above provided, the delay rental then payable hereunder shall thereupon be reduced in the proportion that the acreage surrendered bears to the acreage which was covered by this lease immediately prior to such surrender, provided such release shall not thereby relieve the Lessee of any liabilities which may have accrued in connection with the lease prior to the surrender of such acreage.

19. Provided further that in the event all or any part of this lease is assigned or released such assignment or release shall be recorded in the county where the land is situated and a copy of such recorded instrument certified by the county clerk, shall be filed in the GENERAL LAND OFFICE accompanied by filing fee of one dollar (\$1.00) thereon.

20. It is further recognized that before this lease is effective a certified copy thereof shall be filed in the General Land Office in accordance with House Bill No. 9, Act approved June 19, 1939, which is construed as meaning certified copy made by the County Clerk from his records.

21. It is further agreed that the bonus due the State hereunder shall accompany such certified copy to the General Land Office.

22. The owner of the soil hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for the owner of the soil by payments, any mortgage, taxes or other liens on the above described lands, in the event of default of payment by the owner of the soil, and be subrogated to the rights of the holder thereof, to the extent that Lessee may apply any rental or royalty due the owner of the soil from Lessee until any obligation thus incurred by the owner of the soil is discharged.

23. This lease is issued under provisions of Subdivision 5, Chapter 4, Title 86, of the Revised Statutes of the State of Texas, 1925, and amendments thereto, commonly known as the Relinquishment Act, and should there be any provisions herein not in conformity with said Act, the law is recognized and understood to prevail notwithstanding anything in this lease to the contrary.

24. If, at the expiration of the primary term or at any time thereafter, there is located on the leased premises a well or wells capable of producing gas in paying quantities and such gas is not otherwise produced for lack of a suitable market and this lease is not otherwise being maintained in force and effect, the lessee may pay as royalty a sum of money equal to double the annual rental provided for in this lease but in no event to be less than \$1,200.00 per annum for each well capable of producing gas in paying quantities; such payment shall be made one-half to the Commissioner of the General Land Office and one-half to the owner of the soil, and shall be made prior to the expiration of the primary term of this lease or if the primary term has expired within sixty (60) days after the lessee shuts in such well or ceases to produce gas therefrom or within sixty (60) days after this lease ceases to be otherwise maintained in force and effect; and if such payment is made, this lease shall be considered to be a producing lease and such shut-in gas well royalty payment shall extend the term of this lease for a period of one (1) year from the end of the primary term or, if after the primary term, from the first day of the month next succeeding the month in which such well was shut in or production ceased or this lease ceased to be otherwise maintained in force and effect; and thereafter, if no suitable market for such gas exists, the lessee may extend this lease for four (4) additional and successive periods of one (1) year each by the payment of a like sum of money each year as above provided, on or before the expiration of the extended term. Provided, however, that if, while this lease is being maintained in force and effect by payment of such shut-in gas well royalty, gas should be sold and delivered in paying quantities from a well situated

within 1,000 feet of the leased premises and completed in the same producing reservoir, or in any case where drainage is occurring, the right to further extend this lease by such shut in gas well royalty payments shall cease but this lease shall remain in force and effect for the remainder of the current one-year period for which the shut in gas well royalty has been paid and for an additional period not to exceed five (5) years from the expiration of the primary term by payment by the lessee of compensatory royalty at the royalty rate provided for herein, of the value at the well of production from the well completed in the same producing reservoir from which gas is being sold and delivered and which is situated within 1,000 feet of or draining the leased premises on which such shut in gas well is situated, such compensatory royalty to be paid monthly one-half to the Commissioner of the General Land Office and one-half to the owner of the soil, beginning on or before the 20th day of the month next succeeding the month in which such gas is sold and delivered from the well situated within 1,000 feet of or draining the leased premises and completed in the same producing reservoir; provided further that in the event such compensatory royalties paid in any twelve-month period are in an amount less than the annual shut in gas well royalties provided for herein, lessee shall pay an additional sum of money equal to the difference between such compensatory royalties paid and such shut in gas well royalties within thirty (30) days from the end of such twelve-month period; provided further that nothing herein shall relieve the lessee of the obligation of reasonable development, nor of the obligation to drill off-set wells as required by Article 5369, Revised Civil Statutes, 1925.

Mrs. Clella Denton Klapproth
Individually and as agent for the State of Texas



Chas. L. Klapproth
Individually and as agent for the State of Texas

NOTE: Section 4a, House Bill No. 9, Act of June 19, 1939, provides that leases shall not be effective until a certified copy thereof (which is construed as meaning certified copy by the County Clerk) is filed in the Land Office, and that leases shall not be binding upon the State unless they recite the actual and true consideration paid or promised therefor.

NOTE: If this lease be executed by the owner of an undivided interest in the entire surface estate, and should production be secured while an undivided interest only in the above described land is covered by lease, the royalty to be paid to the State under this lease shall be at the royalty rate specified in Paragraph numbered 1 hereof of the interest covered by this lease plus the value of the whole production allocable to all of the undivided interest not covered by lease, less the proportionate development and production costs allocable to such undivided interest, but in no event shall the State receive as royalty on the gross production allocable to the undivided interest not leased an amount less than the value of 1/16 of such gross production.

DOUBLE ACKNOWLEDGMENT

STATE OF TEXAS
COUNTY OF MIDLAND

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

Chas. L. Klapproth and Mrs. Clella Denton Klapproth his wife, both 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, and in the capacity therein stated, and the aforesaid wife, having been examined by me privily and apart from her husband, and having the same fully explained to her, acknowledged said instrument to be her act and deed, and declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.

Given under my hand and the seal of office, this the 14th day of November, A. D. 1963

JANET THOMPSON
Notary Public, Midland County, Midland
Texas My Commission Expires 6-1-65

Janet Thompson
Notary Public in and for
MIDLAND County, TEXAS

Filed for Record on the 6th day of December, A.D. 1963 at 1:00 o'clock P.M. Duly Recorded this the 11th day of December, A.D. 1963 at 3:00 o'clock P.M.

By Billie Jo Freeman, Deputy.

ESTELLE CLINTON, County Clerk
Reeves County, Texas.

②
②
M- 56074
Lease
File Dated 12-26-63
JERRY SADLER, COMMISSIONER

RECEIVED AS STATED

\$ 300.00

DATE 12-26-63

Reg. No. 40229

GENERAL LAND OFFICE

THE STATE OF TEXAS
COUNTY OF REEVES I, ESTELLE CLINTON, Clerk of the County Court of
Reeves County, Texas, do hereby certify that the above and foregoing is a true
and correct copy of Oil and Gas Lease from Mrs. Clella Denton Klapproth,
to R. Paul Ricker Et Vir, as the same appears of record in the _____
DEED Records of Reeves County, Vol. 236 Pages 94-96

TO CERTIFY WHICH WITNESS my hand and seal of office, at office in
Pecos, Texas, this the 12th day of December, A.D. 1963.

ESTELLE CLINTON, Clerk of the County
Court, Reeves County, Texas.

By Billy Jo Freeman Deputy

RECEIVED AS STATED

\$ 5.00

DATE 12-26-63

Reg. No. 40230

GENERAL LAND OFFICE

TD

PLEASE ADDRESS
ALL MAIL:
P. O. BOX 244

R. PAUL RICKER
MIDLAND, TEXAS

OFFICE:
601 MIDLAND NATIONAL BANK BUILDING
TELEPHONE: MUTUAL 2-8314

December 22, 1963

Mr. Jerry Sadler
Commissioner; General Land Office
Austin 14, Texas

Dear Mr. Sadler:

Please find attached the following listed items for approval by your office:

1. O&GL from Clella Denton Klapproth et vir to myself.
2. Assignment of this lease to Donald M. Oliver.
3. O&GL from K. L. Denton to myself.
4. Assignment of this lease to Donald M. Oliver.

These instruments are certified copies from the County Clerk of Reeves County, and are for your files.

5. Midland National Bank money order #B119363 in the amount of \$600.00, representing the State's share of the bonus on the two leases mentioned above.

6. My check in the amount of \$12.00, being \$5.00 filing fee for each lease, and \$1.00 filing fee for each assignment in your office.

At your convenience, please forward your letter of acceptance and receipts, to my post office box.

Yours very truly,

R. Paul Ricker

R. Paul Ricker.

4
encl's (6)

BO 600.00 40229

ck 12.00 40230

F 130842

RECEIVED
DEC 26 1963
General Land Office

3

3

M. F. 56074

CORRESPONDENCE FILE

To R. Paul Ricks

From

Dated 12-22-63



DEC 22 1963
FBI - NEW YORK

To:

Mr. Healey

From: Machine Section (Mail)

Re: The attached letter is to be handled
as indicated below by a check mark.

☒ Referred to you by Mr. Sadler.

☐ Talk to Mr. Sadler regarding the attached.

☐ Reply for Mr. Sadler's signature. Give re-
ply letter to his secretary for signature.

☐ Reply for Mr. Sadler's signature. Talk to
him before writing the letter. Give letter
to his secretary for signature.

☐ _____

PLEASE ADDRESS
ALL MAIL:
P. O. BOX 244

R. PAUL RICKER ✓
MIDLAND, TEXAS ✓

January 13, 1964

Healey
OFFICE:
601 MIDLAND NATIONAL BANK BUILDING
TELEPHONE: MUTUAL 2-8314

(2)

Mr. Jerry Sadler
Commissioner
General Land Office
Austin 14, Texas

RECEIVED
JAN 14 1964
General Land Office

Dear Mr. Sadler:

On December 22 of last year I forwarded to you certified copies of separate leases from Klapproth and Denton along with assignments of the leases to Donald M. Oliver. These are mineral classified leases in Reeves County, Texas, and I enclosed also filing fees and the State's part of the lease bonus.

I expect that you all are behind on your work with it being the first of a new year, but I will appreciate very much your sending me the receipts and approval on these leases since we are trying to close out this file. Thank you very much for your help.

Yours very truly,

R. Paul Ricker
R. Paul Ricker

RPR:sh

4

4

M. F. 56074

CORRESPONDENCE FILE

to R. Paul Ricker

From

Dated 1-13-64

[Signature]

PLEASE ADDRESS
ALL MAIL:
P. O. BOX 244

R. PAUL RICKER
MIDLAND, TEXAS

February 10, 1964

OFFICE:
601 MIDLAND NATIONAL BANK BUILDING
TELEPHONE: MUTUAL 2-8314

Mr. Jerry Sadler
Commissioner
General Land Office
Austin 14, Texas

Attention: Mr. Richard Keahey

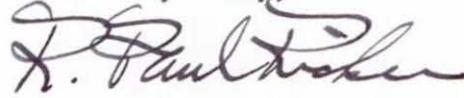
Dear Mr. Keahey:

Please find attached certified copies of correction lease from K. L. Denton, et ux, to myself, and Assignment of this lease to Donald M. Oliver. You will recall that you caught an error on the rental clause of the original lease, and discussed this with me over the phone, and you will note in the body of the instruments that these are correction instruments.

In this same file you are holding a certified copy of a lease from Klapproth to Ricker and a certified copy of the Assignment of that lease to Donald M. Oliver; there are no mistakes on either of them. You also have the bank money order for the State's portion of the bonus along with my checks for filing these instruments.

I will appreciate it very much if you can get these processed, approved, and the receipts returned to me as soon as possible, since I have been trying to get this file closed since last December. Sorry I made the mistake.

Yours very truly,



R. Paul Ricker

RPR:sh

Attachments (2)

P.S. Also, could you please check and see if my Pierce (Reeves County) lease and assignment (mailed January 20) are being processed.

RECEIVED

FEB 11 1964

General Land Office

5

5

M. F. 56074

CORRESPONDENCE FILE

R. Paul Riker

(See file)

Dated 2-10-64

[Signature]

February 12, 1964

Mr. R. Paul Ricker
P. O. Box 244
Midland, Texas

RE: State Lease M-56074
covering all of the E/2 of the
NE/4 of the NE/4 SE/4 of
Section 6, Block 56, T&P RY CO.,
Reeves County, Texas

Dear Sir:

The certified copies of two Oil & Gas Leases affecting the above captioned tract, enclosed with your letter of February 10, 1964, have been filed in our records under M-56074, to which mineral file number you should refer in any future correspondence concerning these Leases.

Your \$600.00 remittance has been applied as the State's portion of the cash bonus due on the Leases, and your total remittance of \$10.00 has been applied as the \$5.00 filing fee due on each of the two Leases. A receipt for the total amount of \$610.00 is enclosed herewith.

The Assignments which you submitted in connection with the above Leases and the balance of your remittance, \$2.00, will be held in our Suspense File until we are in receipt of an additional \$4.00 filing fees due to cover the required statutory \$3.00 filing fee on each Assignment. We are herewith returning the incorrect copies of the Oil & Gas Lease and Assignment which you submitted December 22, 1963.

Sincerely yours,

JERRY SADLER, COMMISSIONER

JS/rhk
Enclosures

19

6

M. F. 56074

CORRESPONDENCE FILE

To
From

Paul Ricker

Dated 2-12-64

14

Assignment of Oil and Gas Lease

WHEREAS, on the 13th day of November 1963, a certain oil and gas mining lease was made and entered into by and between K. L. Denton and wife, Leta Denton; individually and as agent for the State of Texas

, Lessor

, Lessee

and R. Paul Ricker

covering the following described land in the County of Reeves and State of Texas, to-wit:

All of the East Half (E/2) of the Northeast Quarter (NE/4) and the Northeast Quarter of the Southeast Quarter (NE/4 SE/4) of Section 6, Block 56, Township Three, T&P Ry. Co. Survey, Abstract Number 4161,

(This assignment is in lieu of and to correct an assignment of an oil and gas lease dated same date and recorded in Volume 236, Page 101 of the Deed Records of Reeves County, Texas.)

containing 120 acres, more or less.

Said lease being recorded in the office of the County Clerk in and for said County in book page , and

Whereas, The said lease and all rights thereunder or incident thereto are now owned by R. Paul Ricker, whose marital status has not changed since acquiring this interest.

Now, Therefore, for and in consideration of One Dollar (and other good and valuable considerations), the receipt of which is hereby acknowledged, the undersigned, the present owner of the said lease and all rights thereunder or incident thereto, does hereby bargain, sell, transfer, assign and convey all rights, title and interest of the original lessee and present owner in and to said lease and rights thereunder in so far as it covers the

together with all personal property used or obtained in connection therewith to Donald M. Oliver and his heirs, successors and assigns.

And for the same consideration, the undersigned for himself and his heirs, successors and representatives, does covenant with the said assignee his heirs, successors, or assigns, that R. Paul Ricker

the lawful owner of the said lease and rights and interest thereunder and of the personal property thereon or used in connection therewith; that the undersigned has good right and authority to sell and convey the same, and that said rights, interest and property are free and clear from all liens and incumbrances, and that all rentals and royalties due and payable thereunder have been duly paid and that the undersigned will warrant and defend the same against the lawful claims and demands of all persons whomsoever.

In Witness Whereof, The undersigned owner and assignor has signed this instrument this 27th day of January, 1964

R. Paul Ricker

SINGLE ACKNOWLEDGMENT

THE STATE OF TEXAS, }
COUNTY OF MIDLAND

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared
R. PAUL RICKER
known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to
me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 27th day of January A. D. 1964.

(L. S.)

Notary Public in and for

Midland

County, Texas

Filed for record on the 28th day of January, A.D. 1964 at 8:30
o'clock A.M. Duly Recorded this the 29th day of January, A.D. 1964
at 10:00 o'clock A.M.

By Billie Jo Freeman, Deputy.

ESTELLE CLINTON, County Clerk
Reeves County, Texas.

THE STATE OF TEXAS Ø

COUNTY OF REEVES Ø

I, ESTELLE CLINTON, Clerk of the County Court of Reeves County,
Texas, do hereby certify that the foregoing is a true and correct copy
of the ASSIGNMENT OF OIL AND GAS LEASE FROM R. PAUL RICKER TO DONALD
M. OLIVER, as the same appears of record in my office in Vol. 236,
Page 510, Deed Records, Reeves County, Texas.

Given Under My Hand and Seal of said Court at my office in Pecos,
Texas, this 29th day of January, A.D. 1964.

ESTELLE CLINTON, County Clerk
Reeves County, Texas.

By: Billie Jo Freeman, DEPUTY.

85

No.

Assignment
Oil and Gas

TO

The Odce Company, Publish

⑨
M

56074

Assignment

File Dated 2-11-64

JERRY SADLER, COMMISSIONER

RECEIVED AS STATED

\$3.00

DATE 2-19-64

Reg. No. 48727

GENERAL LAND OFFICE

[Signature]

DEC 26 1963

Surveyed Land Office

Assignment of Oil and Gas Lease

WHEREAS, on the 13th day of November 1963, a certain oil and gas mining lease was made and entered into by and between Mrs. Clella Denton Klapproth and husband, Chas. L. Klapproth, individually and as agent for the State of Texas,

and R. Paul Ricker, Lessor, Lessee

covering the following described land in the County of Reeves and State of Texas, to-wit:

All of the East Half (E/2) of the Northeast Quarter (NE/4) and the Northeast Quarter of the Southeast Quarter (NE/4 SE/4) of Section 6, Block 56, Township Three, T&P Ry. Company Survey, Abstract Number 4161

containing 120 acres, more or less.

Said lease being recorded in the office of the County Clerk in and for said County in book page , and

Whereas, The said lease and all rights thereunder or incident thereto are now owned by

R. Paul Ricker, whose marital status has not changed since acquiring this interest.

Now, Therefore, for and in consideration of One Dollar (and other good and valuable considerations), the receipt of which is hereby acknowledged, the undersigned, the present owner of the said lease and all rights thereunder or incident thereto, does hereby bargain, sell, transfer, assign and convey all rights, title and interest of the original lessee and present owner in and to said lease and rights thereunder ~~in so far as it covers the~~

together with all personal property used or obtained in connection therewith to Donald M. Oliver and his heirs, successors and assigns.

And for the same consideration, the undersigned for himself and his heirs, successors and representatives, does covenant with the said assignee his heirs, successors, or assigns, that

R. Paul Ricker

the lawful owner of the said lease and rights and interest thereunder and of the personal property thereon or used in connection therewith; that the undersigned has good right and authority to sell and convey the same, and that said rights, interest and property are free and clear from all liens and incumbrances, and that all rentals and royalties due and payable thereunder have been duly paid and that the undersigned will warrant and defend the same against the lawful claims and demands of all persons whomsoever.

In Witness Whereof, The undersigned owner and assignor has signed this instrument this 29th day of November, 19 63.

R. Paul Ricker

SINGLE ACKNOWLEDGMENT

THE STATE OF TEXAS,
COUNTY OF MIDLAND

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared R. PAUL RICKER known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 29th day of November A. D. 1963.

(L. S.)

Notary Public in and for

Midland

County, Texas

Filed for Record on the 6th day of December, A.D. 1963 at 1:00 o'clock P.M. Duly Recorded this the 11th day of December, A.D. 1963 at 3:00 o'clock P.M.

By Billie Jo Freeman, Deputy.

ESTELLE CLINTON, County Clerk
Reeves County, Texas.

THE STATE OF TEXAS

COUNTY OF REEVES

I, ESTELLE CLINTON, Clerk of the County Court of Reeves County, Texas, do hereby certify that the above and foregoing is a true and correct copy of Assign. of Oil & Gas Lease from R. Paul Ricker Donald M. Oliver, as the same appears of record in the DEED Records of Reeves County, Vol. 236 Page 97

TO CERTIFY WHICH WITNESS my hand and seal of office, at office in Reeves, Texas, this the 12th day of December, A.D. 1963.

ESTELLE CLINTON, Clerk of the County Court, Reeves County, Texas.

By Billie Jo Freeman Deputy

⑧
M-

56074

Assignment

File Dated

2-11-64

JERRY SADLER, COMMISSIONER

RECEIVED AS STATED

\$ 1.00

DATE

2-19-64

Reg. No.

48727

GENERAL LAND OFFICE

RECEIVED AS STATED

\$2.00

DATE

12-26-63

Reg. No.

40230

GENERAL LAND OFFICE

[Signature]


February 12, 1964

Mr. R. Paul Ricker
P. O. Box 244
Midland, Texas

RE: State Lease M-56074
covering all of the E/2 of the
NE/4 of the NE/4 SE/4 of
Section 6, Block 56, T&P RY CO.,
Reeves County, Texas

Dear Sir:

The certified copies of two Oil & Gas Leases affecting the above captioned tract, enclosed with your letter of February 10, 1964, have been filed in our records under M-56074, to which mineral file number you should refer in any future correspondence concerning these Leases.

Your \$600.00 remittance has been applied as the State's portion of the cash bonus due on the Leases, and your total remittance of \$10.00 has been applied as the \$5.00 filing fee due on each of the two Leases. A receipt for the total amount of \$610.00 is enclosed herewith.

The Assignments which you submitted in connection with the above Leases and the balance of your remittance, \$2.00, will be held in our Suspense File until we are in receipt of an additional \$4.00 filing fees due to cover the required statutory \$3.00 filing fee on each Assignment. We are herewith returning the incorrect copies of the Oil & Gas Lease and Assignment which you submitted December 22, 1963.

Sincerely yours,

JERRY SADLER, COMMISSIONER

JS/rhk
Enclosures

9

9

M. F. 56074

CORRESPONDENCE FILE

To R. Paul Ricker
From

Dated 2-12-64

[Signature]

PLEASE ADDRESS
ALL MAIL:
P. O. BOX 244

R. PAUL RICKER
MIDLAND, TEXAS

OFFICE:
601 MIDLAND NATIONAL BANK BUILDING
TELEPHONE: MUTUAL 2-8314

February 17, 1964

Mr. Jerry Sadler
Commissioner
General Land Office
Austin, Texas

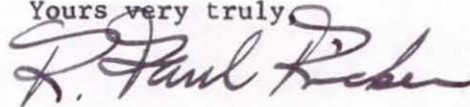
Attention: Mr. Richard H. Keahey

Re: State Lease No. M-56074 -
Klapproth & Denton,
Reeves County, Texas

Dear Mr. Keahey:

Complying with Mr. Sadler's instructions, please find attached my check in the amount of \$4.00 to cover the balance due for filing each assignment. Mr. Sadler has already forwarded the State's receipt for the bonus due to the State on these two leases, and I will only need the receipt for this \$4.00 after the assignments are filed.

Yours very truly



R. Paul Ricker

RPR:sh

Attachment

OK 4.00

48727

RECEIVED
FEB 19 1964
General Land Office

10

10

M. F. 56074

CORRESPONDENCE FILE

to R. Paul Ricker
From

Dated 2-17-64

R

February 27, 1964

Mr. R. Paul Ricker
P. O. Box 244
Midland, Texas

RE: State Lease M-56074
Reeves County, Texas

Dear Sir:

The certified copies of the Oil & Gas Lease Assignments affecting the above captioned Lease, enclosed with your letter of February 10, 1964 have been filed in our records.

Your \$6. 00 remittance has been applied as the \$3. 00 filing fee due on each of the two Assignments.

In all future correspondence relating to this Oil & Gas Lease, please refer to the State Mineral File number above.

Sincerely yours,

JERRY SADLER, COMMISSIONER

JS/rhk

(11)

11

M. F. 56074

CORRESPONDENCE FILE

To R. Paul Pickens

~~From~~

Dated 2-27-64

76

Assignment of Oil and Gas Lease

WHEREAS, on the 13th day of November 1963, a certain oil and gas mining lease was made and entered into by and between Mrs. Clella Denton Klapproth and husband, Chas. L. Klapproth, individually and as agent for the State of Texas, , Lessor
and R. Paul Ricker , Lessee
covering the following described land in the County of Reeves and State of Texas, to-wit:

All of the East Half (E/2) of the Northeast Quarter (NE/4) and the Northeast Quarter of the Southeast Quarter (NE/4 SE/4) of Section 6, Block 56, Township Three, T&P Ry. Company Survey, Abstract Number 4161

Containing 120 acres, more or less.

Said lease being recorded in the office of the County Clerk in and for said County in book 236 page 97 , and

Whereas, The said lease and all rights thereunder or incident thereto are now owned by Donald M. Oliver, whose marital status has not changed since acquiring this interest

Now, Therefore, for and in consideration of One Dollar (and other good and valuable considerations), the receipt of which is hereby acknowledged, the undersigned, the present owner of the said lease and all rights thereunder or incident thereto, does hereby bargain, sell, transfer, assign and convey ~~all rights, title and interest of the original lessor and present owner xxxxxxxx in and to said lease and rights thereunder in so far as it covers the~~ an undivided three-fourth (3/4) interest to OK Oil Company, a corporation and an undivided one-fourth (1/4) interest in and to said lease and rights thereunder

RECEIVED

JUL 3 1964

General Land Office

~~together with all personal property used or obtained in connection therewith~~ to Patoil Corporation and their heirs, successors and assigns.

And for the same consideration, the undersigned for himself and his heirs, successors and representatives, does covenant with the said assignee s their heirs, successors, or assigns, that Donald M. Oliver

the lawful owner of the said lease and rights and interests thereunder and of the personal property thereon or used in connection therewith; that the undersigned has good right and authority to sell and convey the same, and that said rights, interest and property are free and clear from all liens and incumbrances, and that all rentals and royalties due and payable thereunder have been duly paid and that the undersigned will warrant and defend the same against the lawful claims and demands of all persons whomsoever., by, through, and under me, but not otherwise.

In Witness Whereof, The undersigned owner and assignor has signed this instrument this 15th day of May , 19 64.

Donald M. Oliver
Donald M. Oliver

SINGLE ACKNOWLEDGMENT

THE STATE OF TEXAS, }
COUNTY OF MIDLAND

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared
Donald M. Oliver
known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to
me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 15th day of May A. D. 19 64.

(L. S.)

Velma Flannery (Velma Flannery)
Notary Public in and for Midland County, Texas

WIFE'S SEPARATE ACKNOWLEDGMENT

THE STATE OF TEXAS, }
COUNTY OF

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared
, wife of , known
to me to be the person whose name is subscribed to the foregoing instrument, and having been examined by me privily and
apart from her husband, and having the same fully explained to her, she, the said
acknowledged such instrument to be her act and deed, and she declared that she had willingly signed the same for the
purposes and consideration therein expressed, and that she did not wish to retract it.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the day of A. D. 19

(L. S.)

Notary Public in and for County, Texas

CORPORATION ACKNOWLEDGMENT

THE STATE OF TEXAS, }
COUNTY OF

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared
, known to me to be the person and officer
whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said
a corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein
expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the day of A. D. 19

(L. S.)

Notary Public in and for County, Texas

85

No.

2890

Assignment of
Oil and Gas Lease

TO

(10)
Filed for Record on the 20th day of May, A.D. 1964 at 1:00 o'clock P.M.
Duly Recorded this the 22nd day of May, A.D. 1964 at 1:30 o'clock P.M.

By Billie Jo Freeman, Deputy.

ESTELLE CLINTON, County Clerk
Reeves County, Texas.

THE STATE OF TEXAS §

COUNTY OF REEVES §

I, ESTELLE CLINTON, Clerk of the County Court of Reeves County, Texas, do hereby certify that the foregoing is a true and correct copy of the original Assignment of Oil and Gas Lease From Donald M. Oliver To Patoil Corporation, as the same appears of record in my office in Vol. 238, Pages 488-489, Deed Records, Reeves County, Texas.

Given under my Hand and Seal of said Court at my office in Pecos, Texas, this 3rd day of June, A.D. 1964.

By: Billie Jo Freeman, DEPUTY.

ESTELLE CLINTON, County Clerk
Reeves County, Texas.

(12)
M- 56074
Assignment
File Dated 7-3-64
JERRY SADLER, COMMISSIONER

RECEIVED AS STATED

7-3-64

DATE 7-3-64

Reg. No. 90886

GENERAL LAND OFFICE

[Signature]

RECEIVED

JUL 3 1964

Assignment of Oil and Gas Lease

General Land Office

WHEREAS, on the 13th day of November 1963, a certain oil and gas mining lease was made and entered into by and between K. L. Denton and wife, Leta Denton;

individually and as agent for the State of Texas

, Lessor

and R. Paul Ricker

, Lessee

covering the following described land in the County of Reeves and State of Texas, to-wit:

All of the East Half (E/2) of the Northeast Quarter (NE/4) and the Northeast Quarter of the Southeast Quarter (NE/4 SE/4) of Section 6, Block 56, Township Three, T&P Ry. Co. Survey, Abstract Number 4161, ~~which is assigned to OK Oil Company and covered by assignment of an oil and gas lease dated same date and recorded in Volume 236, page 510 of the Deed Records of Reeves County, Texas~~

Containing 120 acres, more or less.

Said lease being recorded in the office of the County Clerk in and for said County in book 236 page 510, and

Whereas, The said lease and all rights thereunder or incident thereto are now owned by Donald M. Oliver, whose marital status has not changed since acquiring this interest.

Now, Therefore, for and in consideration of One Dollar (and other good and valuable considerations), the receipt of which is hereby acknowledged, the undersigned, the present owner of the said lease and all rights thereunder or incident thereto, do hereby bargain, sell, transfer, assign and convey ~~all rights, title and interest of the original lessee and present owner xxxxxxxx in and to said lease and rights thereunder in so far as it covers the~~ an undivided three-fourth (3/4) interest to OK Oil Company, a corporation, and an undivided one-fourth (1/4) interest in and to said lease and rights thereunder

~~together with all personal property used or obtained in connection therewith~~ to Patoil Corporation and their ~~heirs~~ successors and assigns.

And for the same consideration, the undersigned for himself and his heirs, successors and representatives, do es covenant with the said assignee s their ~~heirs~~ successors, or assigns, that Donald M. Oliver

the lawful owner of the said lease and rights and interests thereunder and of the personal property thereon or used in connection therewith; that the undersigned has good right and authority to sell and convey the same, and that said rights, interest and property are free and clear from all liens and incumbrances, and that all rentals and royalties due and payable thereunder have been duly paid and that the undersigned will warrant and defend the same against the lawful claims and demands of all persons whomsoever, by, through, and under me, but not otherwise.

In Witness Whereof, The undersigned owner and assignor has signed this instrument this 15th day of May, 1964.

Donald M. Oliver
Donald M. Oliver

SINGLE ACKNOWLEDGMENT

THE STATE OF TEXAS, }
COUNTY OF MIDLAND

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared
Donald M. Oliver
known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to
me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 15th day of May A. D. 19 64.

(L. S.)

Velma Flannery (Velma Flannery)
Notary Public in and for Midland County, Texas

WIFE'S SEPARATE ACKNOWLEDGMENT

THE STATE OF TEXAS, }
COUNTY OF

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared
, wife of , known
to me to be the person whose name is subscribed to the foregoing instrument, and having been examined by me privily and
apart from her husband, and having the same fully explained to her, she, the said
acknowledged such instrument to be her act and deed, and she declared that she had willingly signed the same for the
purposes and consideration therein expressed, and that she did not wish to retract it.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the day of A. D. 19

(L. S.)

Notary Public in and for County, Texas

CORPORATION ACKNOWLEDGMENT

THE STATE OF TEXAS, }
COUNTY OF

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared
, known to me to be the person and officer
whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said
a corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein
expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the day of A. D. 19

(L. S.)

Notary Public in and for County, Texas

85

No. *2871*

Assignment of
Oil and Gas Lease

TO

13
Filed for Record on the 20th day of May, A.D. 1964 at 1:00 o'clock P.M.
Duly Recorded this the 22nd day of May, A.D. 1964 at 1:30 o'clock P.M.

By: Billie Jo Freeman, Deputy.

ESTELLE CLINTON, County Clerk
Reeves County, Texas.

THE STATE OF TEXAS §

COUNTY OF REEVES §

I, ESTELLE CLINTON, Clerk of the County Court of Reeves County, Texas, do hereby certify that the foregoing is a true and correct copy of the original Assignment of Oil and Gas Lease from Donald M. Oliver To Patoil Corporation, as the same appears of record in my office in Vol. 238, Pages 489-490, Deed Records, Reeves County, Texas.

Given under my Hand and Seal of said Court, at my office in Pecos, Texas, this 3rd day of June, A.D. 1964.

By: Billie Jo Freeman, DEPUTY.

ESTELLE CLINTON, County Clerk
Reeves County, Texas.

13

M- 56074
Assignment
File Dated 7-3-64
JERRY SADLER, COMMISSIONER

RECEIVED AS STATED

\$3.00

DATE 7-3-64

Reg. No. 90886

GENERAL LAND OFFICE

30

PLEASE ADDRESS
ALL MAIL:
P. O. BOX 244
79701

R. PAUL RICKER
MIDLAND, TEXAS

OFFICE:
601 MIDLAND NATIONAL BANK BUILDING
TELEPHONE: MUTUAL 2-8314
AREA CODE 915

July 2, 1964

Mr. Jerry Sadler
Land Commissioner
Austin, Texas

re: State lease #M-56074

Dear Mr. Sadler:

Pertaining to the above mentioned oil and gas lease, please find attached two assignments from Donald M. Oliver to OK Oil Company(3/4ths interest) and Patoil Corporation (1/4th interest).

Please have each of these filed in your office; I have attached my check in the amount of \$6.00 to cover the filing fee on both. Please send my receipt at your convenience.

Thank you very much.

X

Yours very truly,

R. Paul Ricker

R. Paul Ricker.

encl: 2 cert. copies
of O&GL assignments.

ck 6 ⁰⁰

90886

RECEIVED
JUL 3 1964
General Land Office

(14)

M. F. 56074

CORRESPONDENCE FILE

To R. Paul Rucker

From

Dated 7-2-64

R. Paul Rucker

(5)

(15)

M. F. 56074

CORRESPONDENCE FILE

TO R. Paul Licker

FROM

Dated 7-6-64

RH

INVOICE NO.

AMOUNT

INVOICE NO.

AMOUNT

INVOICE NO.

AMOUNT

State Lease No. M-56074

6225

Lease Rental from November 13, 1964, to November 13, 1965, covering
the E/2 of NE/4 and NE/4 of SE/4 of Section 6, Block 56, Township 3,
T&P Ry. Co. Survey, Abstract No. 4161, Reeves County, Texas

\$60.00

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OCT 14 1964

General Land Office

12

GROSS _____

DISCOUNT _____

NET _____

OK OIL COMPANY, MIDLAND, TEXAS

(16)

M.F. 56074

Rental Payment

Filed OCT 14 1964 19

JERRY SADLER, COMMISSIONER

[Signature]

Clerk

(17)

M. F. 56074
CORRESPONDENCE IN "B" FILE
Ltr to OK Oil Co.
FILED 5- 19 65
JERRY SADLER, COMMISSIONER
FILED BY ge

(41)



P. O. BOX 1755 MIDLAND, TEXAS 79701 MU 3-1022
304 MIDLAND NATIONAL BANK BUILDING

PRESIDENT
DONALD M. OLIVER

EXECUTIVE VICE PRESIDENT
FRED F. KOTYZA

June 7, 1965

Re: State Lease No. 56074
E/2 of NE/4 & NE/4 of
SE/4, Section 6, Block 56,
Reeves County, Texas

General Land Office
Austin, Texas

Attention: Mr. Jerry Sadler

Dear Sir:

In answer to your letter of May 25, 1965.

Just prior to your letter of May 25, 1965 we had the Core Laboratories, Inc., make a geological and valuation study of the Pierce and Denton Leases. The Denton Lease being the State Lease No. 56074.

Their report showed the OK Oil Company No. 1 Pierce to be a marginal producer. This can be substantiated by the production figures enclosed in this letter. Also enclosed is a field copy of the DST performed on the No. 1 Pierce, which show it to be a potential gas well. What production that was obtained was below the gas zone. The gas zone being in the regular Ken Regan Pool pay horizon.

At present the No. 1 Pierce pumps an average of 7.89 barrels oil plus 70 to 80% water, and production has been declining gradually.

The Denton tract with any well drilled along its' east lines will be a strike well and offer the same structural conditions as in the OK Oil Company - No. 1 Pierce and the Texaco No. 1 AK Reeves-Fee. The Texaco No. 1 AK Reeves-Fee located in the NE/4 of the NE/4 of Section 11 was completed and penalized for an excessive high GOR, at present it can be considered a gas well.

Therefore, as shown by Core Laboratory Inc., plates 1 and 3, any well drilled along the east lines of the Denton tract will be a strike well and encounter only gas in the regular Ken Regan pay zone.

RECEIVED
JUN 9 1965
General Land Office

June 7, 1965
General Land Office

Page 2

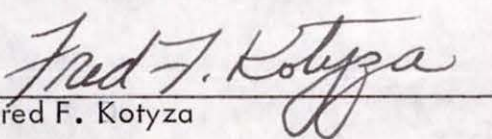
Every attempt has been made to interest a possible sale of this gas. To date Phillips Petroleum and Neuces have shown no interest after analyzing the gas. One report was that the gas had too low a gasoline and by-product residue content, the other being the distance of transportation was too costly.

Furthermore, discussions have been held with the Texaco Inc., geological staff. The Texaco No. 1 AS Reeves-Fee has not held up to their expectations. They advised me they jealously guard any drainage to their TXL Fee holdings but do not consider this area as economical to hastily develop. This can be evidenced by their not off-setting the OK Oil Company No. 3 DX Norcop, an east offset located 1980 feet from the north line and 660 feet from the west line of Section 10, Block 56, Township 3, T&P Survey.

At present we would like to hold and study present production curves. Namely production curves on the Texaco No. 1 AS Reeves-Fee, recently completed and located 1980 feet from the north line and 660 feet from the west line of Section 7. Texaco Inc., reports this recently completed well now produces only 18 barrels oil plus 40 to 60% water per day.

Hope this letter and enclosed data may answer your letter of May 25, 1965. If your geological or engineering departments desire any additional information we would be only too glad to furnish same.

Yours very truly,

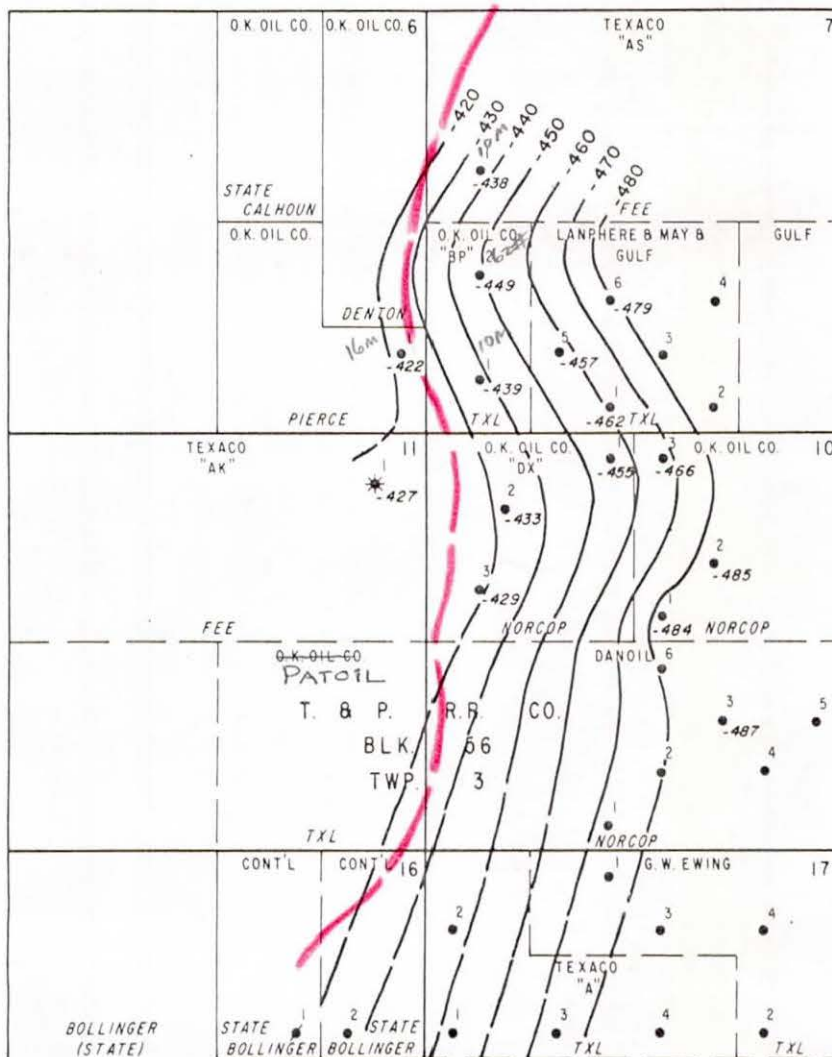
By 
Fred F. Kotyza

FFK-ns
encls.

cc: Patoil Corporation
Midland, Texas

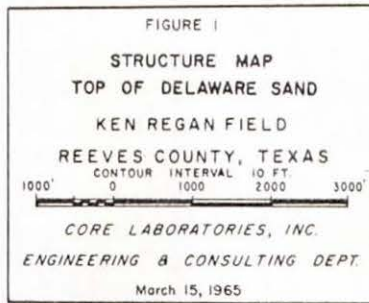
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JUN 9 1965
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gas contact



Based on 'B' Zone or
regular KEN REGAN POOL
Delaware sand pay zone.

3850'
base. 1954



RECEIVED

JUN 9 1965

General Land Office

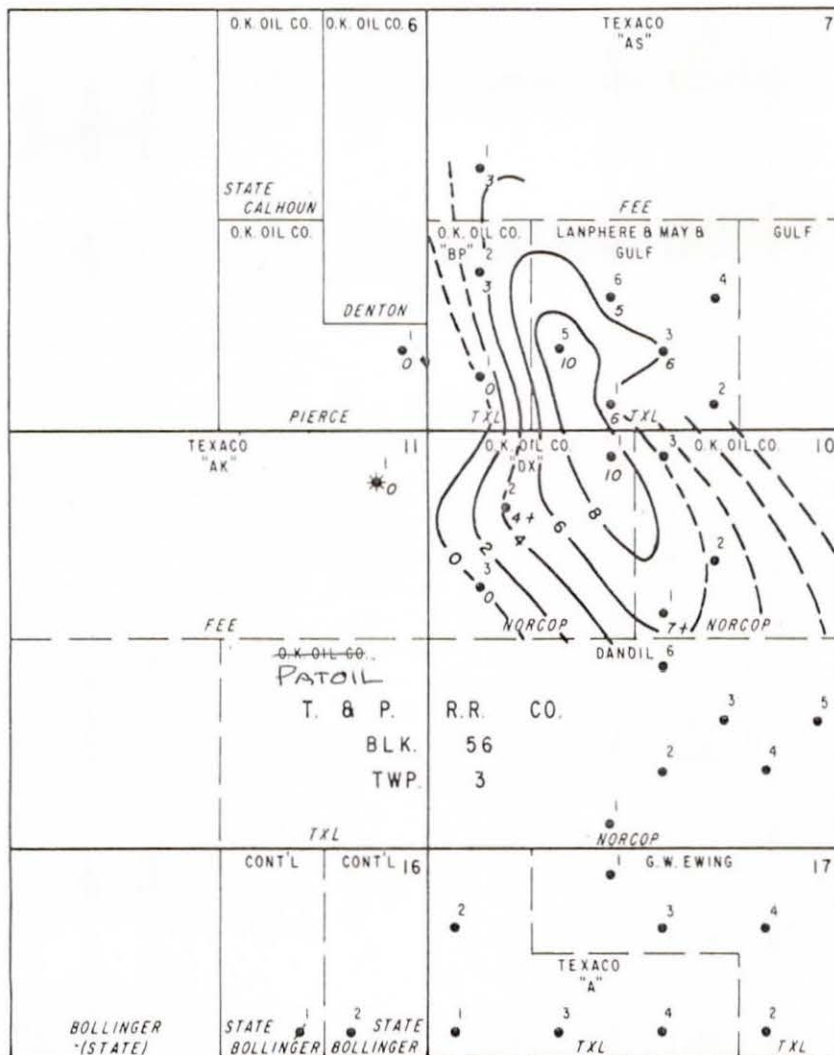


FIGURE 2
NET ISOPACH MAP
B ZONE DELAWARE SAND
KEN REGAN FIELD
REEVES COUNTY, TEXAS
CONTOUR INTERVAL 2 FT.
1000' 0 1000 2000 3000'
CORE LABORATORIES, INC.
ENGINEERING & CONSULTING DEPT.
March 15, 1965

RECEIVED

JUN 9 1965

General Land Office

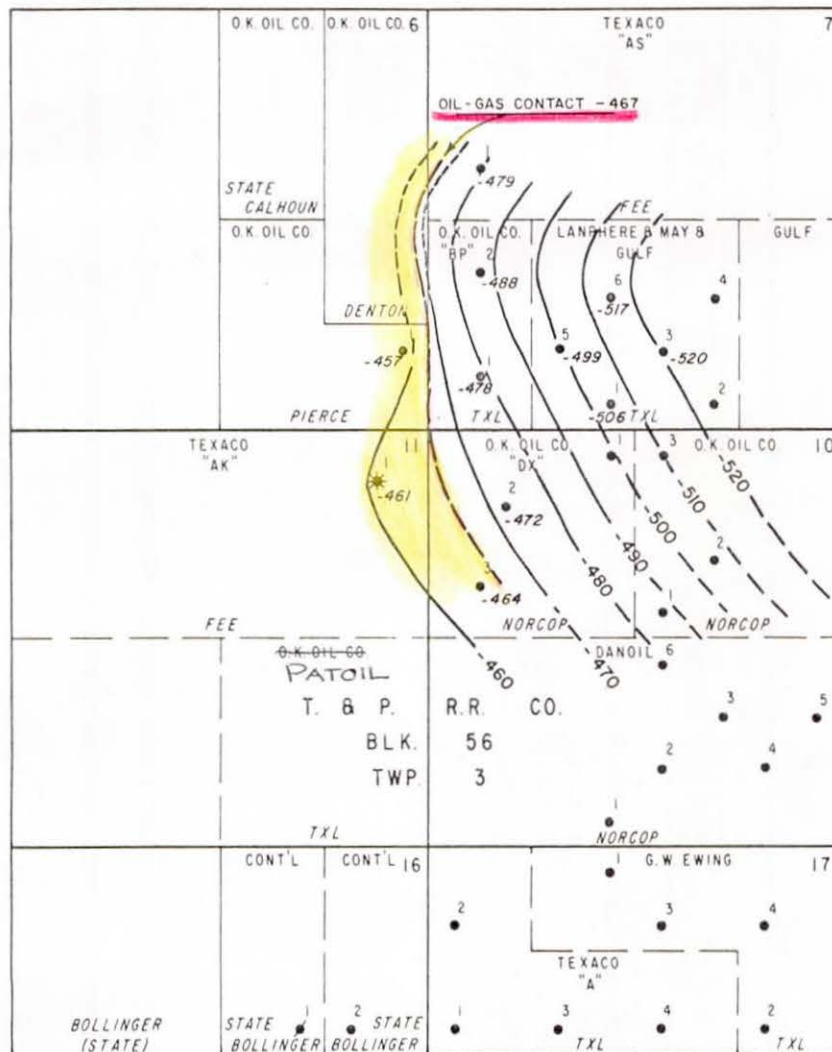


FIGURE 3
STRUCTURE MAP
TOP OF C ZONE
DELAWARE SAND
KEN REGAN FIELD
REEVES COUNTY, TEXAS
CONTOUR INTERVAL 10 FT.
1000' 0 1000 2000 3000'
CORE LABORATORIES, INC.
ENGINEERING & CONSULTING DEPT.
March 15, 1965

RECEIVED

JUN 9 1965
General Land Office

RECEIVED

JUN 9 1965

General Land Office



TEST TICKET

TESTERS, INC.

BOX 2583
ODESSA, TEXAS

FIELD COPY

TICKET No

783

 TEST TICKET NO. 783
 ORDER NO. NONE
 DATE 12-1-64

HOLE AND MUD DATA

 TOTAL DEPTH 3362 MAIN HOLE 6'4
 RAT HOLE - CASING SIZE -
 DEPTH OF CSG. - TYPE MUD saigel
 MUD WT. 10.2 VISCOSITY 34
 WATER LOSS 14 CAKE 2/32
 CH. ON DRLG. FLUIDS 260,000 P.R.M.

TOOL DATA

 NO. PACKERS 2 STRADDLE TEST -
 SIZE PACKERS 5'4x20" CSG. TEST -
 CONVENTIONAL TEST ✓
3 1/2 IF ALL

TYPE TOOL	DEPTH	LENGTH	ID.	O.D.
D.P.	2540	2570	2.70	5.50
D.C.	3290	750	2.00	5.00
CIRC. SUB	3291	1	2.00	5.00
D.C.	3293	92	2.00	5.00
S.E. TOOL	3298	5	.68	5.00
Hyd. TOOL	3303	5	.68	5.00
TARS	3308	5	2.00	5.00
Safety	3310	2	2.00	5.00
Packer	3315	5	1.00	5.25
Packer	3320	5	1.00	5.25
Perf	3326	6	2.00	5.00
D.C.	3335	29	2.00	5.00
Perf.	3357	2	2.00	5.00
B. Hanger	3362	5	0.00	5.00

TESTING TIME AND DATA

 TIME PACKER SET 10:56 P.M. TOOL OPEN BEFORE ISI 2 MINS. INITIAL SHUT IN - HRS. 30 MINS.
 FLOW PERIOD 2 HRS. 15 MINS. FINAL SHUT IN 5 HRS. - MINS. TOTAL TIME PACKER SET 7 HRS. 41 MINS.

TEST RECOVERY AND DESCRIPTION

 BOTTOM HOLE CHOKE 5/8" SURFACE 0"-1" ADI CUSHION NONE TEMP. 92
 REVERSED OUT NO WAS TEST O.K. Yes MISS RUN - CH. ON FLUID REC. - GR. ON OIL REC. 33 @ 56"
 SURFACE ACTION TOOL OPEN WITH STRONG BLOW PRIOR TO T.S.I.
TOOL OPEN AFTER T.S.I. WITH STRONG BLOW, G.T.S. IN 2 MIN.
@ RATE OF 219 MCF/D. ON 1" CHOKE & INCREASING.
 RECOVERY 150 Free oil + 30' oil & Gas cut mud

1,625,000 CFGPD 3320 - 3362 DST
Producing perfs. 3362 - 3363 (2 shots)

REMARKS

PRESSURES

FLOWING DATA

	RECORDER NO. <u>186</u>	RECORDER NO. <u>184</u>	CHOKE SIZE	P.S.I.	TIME	BBLS. PER DAY	MCF. PER DAY
A INITIAL HYDROSTATIC PRESS.	TYPE <u>H</u> CL. NO. <u>202</u>	TYPE <u>H</u> CL. NO. <u>249</u>					
B INITIAL SHUT-IN PRESS.	DEPTH <u>3359</u>	DEPTH <u>3361</u>					
C INITIAL FLOW PRESS.			1"	G.T.S.	11:32	P.M.	219
D FINAL FLOW PRESS.			1"	14	12:00	A.M.	750
E FINAL SHUT-IN PRESS.			1"	25	12:30	"	1000
F FINAL HYDROSTATIC PRESS.			1"	40	1:00	"	1400
			1"	48	1:30	"	1600
			1"	50	1:45	"	1625

closed Tool @ 1:45 A.M.

TESTER RAY MCCOLLUM

APPROVED BY

Fred F. Kolyz

C/o
Donald M. Oliver
Box 1755
Midland, Texas
79701
Phone Mutual 24384

JUN 9 1965

FORM 3

Potential Test Form
Date of Receipt in
District Office
1-1958

This Form must be filed
in District Office not later
than ten days after date of
completion of test or pen-
alty enforced. Do not take
test for period of time less
than specified by field rules.

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION
FURNISH ALL DATA IN FULL—DO NOT USE ESTIMATES
(See Instructions on Reverse Side)

General Land Office

FIELD NAME: Ken Ragan (Delaware) RRC DISTRICT NUMBER: 8
(Use Field Name by which this Field designated on current Proration Schedule.)

NAME OF OPERATOR: OK Oil Company
(Use Names you will use on your E.B. Report in reporting Production.)

NAME OF LEASE: Piense LEASE NUMBER: _____ WELL NO. 1

ADDRESS: Midland, Texas SECTION 6 BLOCK 56 T-3
(City and State)

P. O. BOX NO. 1755 SURVEY T&P ELEVATION 2873 DF

COUNTY IN WHICH WELL IS LOCATED Keeves Unit Designation _____ Ac. in Unit 40

8 Miles Southeast direction from Orla nearest postoffice or town.

Date potential test commenced 12/13, 19 64 Hour 8:00 A. M.

Date potential test completed 12/14, 19 64 Hour 8:00 A. M.

Has this lease changed operating names within the last 60 days? no If so, what was the previous operating name? _____

Has the Log of this well been filed with Deputy Supervisor? yes Date Log filed herewith

DATA ON POTENTIAL TEST

Data Necessary on Flowing Well

Flowing pressure on csg 320#

Flowing pressure on tbg 65#

Length of test 24 Hrs. 0 Mins.

Size choke 1 1/4/64 Make choke OCT posichoke

Was this well flowed for the entire duration of this test without the use of swab or other artificial flowing device? yes

Is this well being jetted? no

If being jetted, how many cubic feet of gas is being used to one barrel of oil recovered? _____

Oil producing during this test into Tank

Date this well was last shot or acidized 12/7/64

Barrels of oil produced from this well since shot or treatment to time this test was started _____
(Answer only if this Test was occasioned by shooting or treating this Well.)

Barrels of oil produced from this well from its completion date or reworked completion date to the beginning of this test 73.00
(Applies to new and reworked Wells only.)

Percent water produced during this test 1%

Is this a test of a new well for which no previous allowable has been assigned? yes

Is this a plain retest (not a workover job) of a well which has a current allowable assigned? new well

What is the 24-hour potential at which it is carried currently on proration schedule? new well

If this test is the result of a workover what was the nature of the job? new well

Hour well completed 7:00 P. M. Date well completed December 1, 19 64

Data Necessary on Pumping Well

Make of Pumping unit _____

Length of stroke used _____

No. strokes per minute _____

Size working barrel _____

Length of test _____ Hrs. _____ Mins.

Data Necessary for Bottom-Hole Centrifugal Pumping Wells

Motor Size _____ H.P. Pump Model _____

Pump Rating _____ B.P.D. Total Fluid at _____ Head

Setting Depth _____ Tubing Size _____

Length of test _____ Hrs. _____ Mins.

Was any oil produced from this well during this test lifted from the reservoir to the surface of the ground by the use of any device or means the use of which is not prescribed by the Railroad Commission in establishing potentials? _____

Name of P.L. Connection The Permian Corporation

If Shot _____ If Acidized 750 gal.

No. Quarts used _____ No. Gallons used none

Barrels of oil produced from this well from its completion date or reworked completion date to the beginning of this test 73.00

Percent water produced during this test 1% Total depth of this well 3412 Ft.

Is this a test of a new well for which no previous allowable has been assigned? yes

Is this a plain retest (not a workover job) of a well which has a current allowable assigned? new well

What is the 24-hour potential at which it is carried currently on proration schedule? new well

If this test is the result of a workover what was the nature of the job? new well

Hour well completed 7:00 P. M. Date well completed December 1, 19 64

TEST PRODUCTION DATA

(Furnish Tank Numbers, Size, Avg. Bbls. per Ft., and all Gauges in Ft. and In. and Bbls.)
(Indicate manner in which production arrived at by placing result in proper column.)

TANK No.	SIZE	BBLs. PER FOOT	GAUGE				PRODUCTION COMPUTED			PRODUCTION 99% Tank Tables	PRODUCTION 100% Tank Tables
			LOW		HIGH		Feet	In.	Bbls.		
			Feet	In.	Feet	In.					
Test	500	30.00	00	00	2	11	2	11	87.50		87.50

RESULT OF THIS POTENTIAL TEST (Bbls. of Crude oil per 24—hours) 87.50 BOPD (100% Tank. Tbl.)

GAS/OIL RATIO OF THIS WELL IS 311 to 1 Cubic ft. of gas per barrel of Crude Oil

Gravity of oil produced during this test (Corrected to A.P.I. 60 degrees) 37.8

(OVER)

DATA ON WELL COMPLETION

"Notice of Intention to Drill" this well was filed in the name of OK Oil Company
 Date "Drilling, Plug Back or Deepening Permit" was issued November 24, 1964
 Is Location "REGULAR," or was "SPECIAL PERMIT" required? Regular
 If special permit was secured what is permit number? _____
 Total number of acres in this lease 120 Acres
 Number of crude oil producing wells on this lease in this field, including the well on which this potential was taken One
 Location of well, relative to lease boundaries of lease on which this well is located: 990 feet from South
 line and 330 feet from East line of the Section 6 lease
 Size of surface casing 7" (circulated) Number feet of surface casing set 902
 Size of oil string 4 1/2" Number of feet of oil string run 3412
 Type of tubing head Larkin Type of Bradenhead Larkin
 Top of pay 3362 Ft. Total Depth 3412 Ft. Size tubing run 2 3/8"
 Perforated from 3362 to 3363 No. Shots two No. ft. tubing run 3332
 Kind of fuel used to drill this well Butane Amt. of fuel used Unknown
 Where fuel was secured Furnished by Tom Brown Drlg. Co.

INSTRUCTIONS: All potential test forms, WITH ALL INFORMATION REQUESTED THEREON FILLED IN, shall be filed in the District Office of the Railroad Commission not later than ten (10) days after the test is completed and, should the operator fail to file potential test in an acceptable form within the ten (10) days as specified then the effective date of the allowable resulting from such test shall not extend back more than ten (10) days prior to receipt and acceptance of the potential test form in the office of the Deputy Supervisor. This ten-day provision shall govern regardless of whether the potential test is taken during the month in which it is received in the office of the Deputy Supervisor or any prior month.

EACH WITNESS MUST SIGN IN HIS OWN HANDWRITING.

We, the undersigned, witnessed this test and the top and bottom gauges of each tank into which production was run during duration of this test.

Fred F. Kolyza
 Representative of Company making test
 _____ for Gulf Oil Corp. & OK Oil Co.
 Representative of Offset Operator
 _____ for _____
 Pipe Line Gauger
 _____ for Pipe Line Company
 Representative of the Railroad Commission _____

AFFIDAVIT:

I HEREBY CERTIFY that all conditions prescribed by the Railroad Commission of Texas for this potential test were complied with and carried out in full, and that all data and facts set forth on both sides of this form are true and correct.

_____ for OK Oil Company
 Representative of Company making test _____ Company making test

SWORN TO AND SUBSCRIBED before me this the 14th day of December, 19 64

(Notary Seal)

Sue Henderson
 Notary Public in and for Midland County, Texas

REMARKS: _____

PIERCE LEASE STATE NO. M-56068

1 PUMPING WELL

COMPLETED: December 1, 1964

<u>PRODUCTION:</u>	<u>BBLs. PRODUCED</u>	<u>BBLs. TRUCKED</u>
December 1964	480	155
January 1965	365	471
February 1965	447	454
March 1965	132	248
April 1965	293	283
May 1965	244	284

ACCUMULATIVE TO JUNE 1, 1965 (6 Months) - 1961 Barrels.

MAY 1965 DAILY, BARRELS PRODUCED

1st 8.35	11th 8.35	21st 6.68
2nd 10.02	12th 4.17	22nd 8.35
3rd 5.01	13th 8.35	23rd 9.21
4th 10.02	14th 8.35	24th 6.68
5th 9.18	15th 7.53	25th 8.35
6th 6.68	16th 9.21	26th 3.34
7th 5.88	17th 9.21	27th 8.35
8th 6.61	18th 7.51	28th 10.02
9th 8.35	19th 8.30	29th 9.21
10th 7.53	20th 9.21	30th 9.21
		31st 7.51

TOTAL

244.73

Average 7.89 barrels oil per day

RECEIVED

JUN 9 1965

General Land Office

(18)

M. F.

56074

CORRESPONDENCE IN "B" FILE

FILED

W. G. K. and Corp.
9-9- 1965

JERRY SADLER, COMMISSIONER

FILED BY

gr

(S/)

INVOICE NO.

AMOUNT

INVOICE NO.

AMOUNT

INVOICE NO.

AMOUNT

STATE LEASE NO. M 56074

Lease Rental covering the E/2 of NE/4 and NE/4 of SE/4
of Section 6, Block 56, Township 3, T&P Ry Co. Survey,
Abstract No. 4161, Reeves County, Texas, for the period
November 13, 1965 to November 13, 1966.

7592

RECEIVED**OCT 6 1965**

General Land Office

60.00

GROSS _____

DISCOUNT _____

NET _____

OK OIL COMPANY, MIDLAND, TEXAS

M.F.

56074

Rental Payment

Filed OCT 6 1965 19

JERRY SADLER, COMMISSIONER

[Signature]

Clerk

(61)

INVOICE DATE	INVOICE NUMBER	DESCRIPTION	AMOUNT	DEDUCTIONS	NET
10-12-66		State Lease No. M-56074, Lease Rental covering the E/2 of NE/4 and NE/4 of SE/4 of Section 6, Block 56, T3, T & P RY Co. Survey, Abst. No. 4161, Reeves County, Texas for period from Nov. 13, 1966 to Nov. 13, 1967		9330 ✓	\$60.00
				RECEIVED OCT 13 1966 General Land Office	

(20)

M.F.

5607d

Rental Payment

Filed

10-15

1966

JERRY SADLER, COMMISSIONER

Jms

Clear

INVOICE DATE	INVOICE NUMBER	DESCRIPTION	AMOUNT	DEDUCTIONS	NET
		Annual Delay Rentals-State Lease No. M-56074, covering the E/2 of NE/4 and NE/4 of SE/4 of Section 6, Block 56, Township 3, T & P RR Co. Survey, Abstract No. 4161 covering a period from November 13, 1967 to November 13, 1968.			\$60.00
		12		9949	
				RECEIVED	
				OCT 14 1967	
				General Land Office	

(21)

M.F.

56074

Filed

Rental Payment

10-14 1967

JERRY SADLER, COMMISSIONER

Sam A.

Clerk

(18)

72
m
10-22-68
by
October 22, 1968

Mr. John Castleman
2415 First National Bank Building
Dallas, Texas 75202

Re: State Lease M-56074
Portion of Section 6, Block 56
Reeves County

Dear Mr. Castleman:

Pursuant to your telephone request to this office on October 21, 1968, the following information on the captioned State lease has been reviewed. This State lease has an expiration of November 13, 1968, and delay rentals up to that date have been paid timely.

This State tract is offset by marginal production in the Ken Regan Field from the Delaware Formation.

If additional information is needed or if we can assist you in any way, please let us know.

Sincerely yours,

JERRY SADLER, COMMISSIONER

JS/jmh

(22)
56074
N. F.

CORRESPONDENCE IN "B" FILE

Ltr to John Castleman
FILED

10-22-1968
JERRY SADLER, COMMISSIONER

FILED BY *gs*

MEMORANDUM

RE: MF- 56074

OPERATOR _____

LEASE _____

FIELD _____

	<u>Date</u>	<u>Initial</u>
FROM: Accounting & Auditing	<u>12-12-68</u>	<u>BY</u>
TO: ✓ Exploration & Development	_____	_____
TO: Legal	_____	_____

NON PRODUCING

☐ Delay Rental Due on _____ Not Received

☒ Primary Term Expired 11-13-68

PRODUCING

	<u>Month</u>	<u>Year</u>
☐ No Production Reported	_____	_____
☐ Last Affidavit filed	_____	_____

REMARKS

THE IS A LOC ON THIS
TRACT- BY BIG STATE-
SPUDDED 11-2-68
WAS DRILLING 12-3-68

12-13-68 *SB*

File No. SC074 22A
Memo

Date Filed: 11.13.1968

Jerry E. Patterson, Commissioner

By _____

Weatherly

DIVISION

11-5-68
10-31-68
M-56074
LL, DEEPEN OR PLUG BACK Drill
DEPUTY SUPERVISOR OF DISTRICT IN WHICH WELL IS LOCATED
MENT HERETO MUST BE CLEARLY LEGIBLE,
IED WITHOUT COMMISSION ACTION.
er Ribbon Preferable)

ON R.A.L.

Date October 24, 19 68

Name of company or operator

Name Big State Tool Co.

Address Box 2024

City Odessa, Texas

Description of farm or lease:

Name of Lease Bethol-Denton No. 1

Number of Acres 200 Well No. 1

Number of wells on lease 0

Elevation 2863 Section No. 6 Block No. 56
(Ft. above sea level)

Survey TSP 3, TSP RR Co. Survey

Zone or Reservoir Delaware

To be Located in Ken Reagan Field

(If Wildcat state above, also state Distance and Direction from
nearest Survey Lines.) 660' ETL & 1980' ETL

Sec. 6, Reeves County

8 Miles South direction from

Orla, Texas nearest post office or town.

Rotary or Cable Tools Cable Tool

Date work will start drilling Immediately

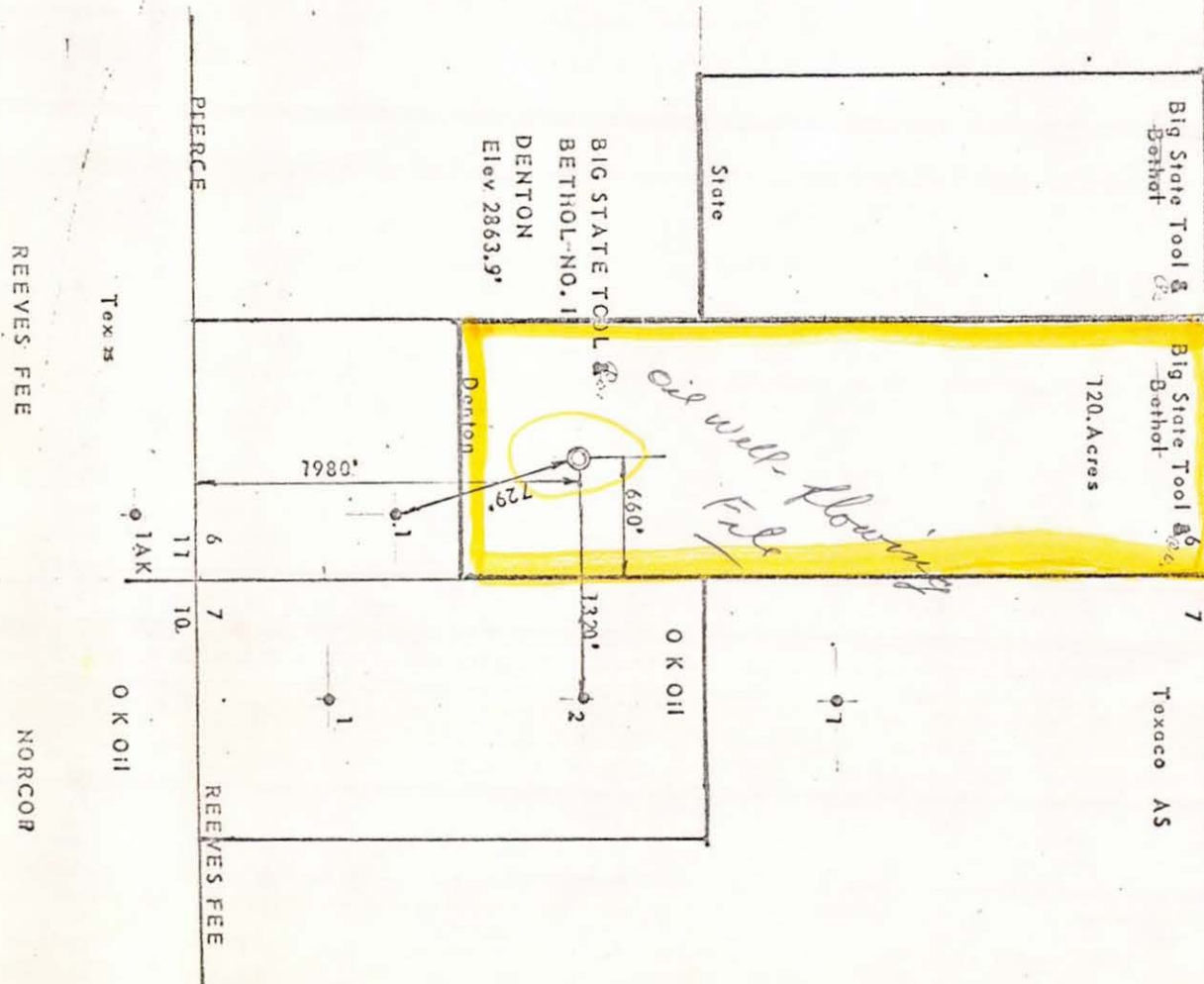
Depth to which you propose to drill 3450 feet.

Date work will start deepening

IF LEASE PURCHASED WITH ONE OR MORE WELLS DRILLED,
FROM WHOM PURCHASED?

Name

Address



INSPECTOR'S WELL STATUS REPORT

OPERATOR Big State Tool Co.

LEASE Bethel Denton

WELL NO. 1 FIELD Ken Regan Delaware

COUNTY Reeves

SPUD DATE 11-2-68 DRILLING DEPTH _____

CORE DEPTH _____ LOGS (DEPTH) _____

COMPLETION DATE _____ PERFS 3347--3356-feet

POTENTIAL _____ T. D. 3356 feet

IS THIS THE FIRST REPORT ON THIS WELL? 4th

REMARKS They have made flowing oil well out of this location
but I was unable to find out who the lease man was and what it
made on potential test or is making per day. They have installed
a new tank battery on this lease and am sure its made a good oil
well ?

JA/bs

3-21-60


INSPECTOR
DATE Feb 18, 1969

m-54074
Application to drill
Well # 1

2-26-67

23

(5)

1075

ASSIGNMENT OF OIL AND GAS LEASES

STATE OF TEXAS Y
 Y
COUNTY OF REEVES Y

KNOW ALL MEN BY THESE PRESENTS:

THAT, the undersigned, BETHOL CORPORATION, a corporation, 2415 First National Bank Building, Dallas, Texas 75202, and PATOIL CORPORATION, a corporation, Milam Building, San Antonio, Texas, hereinafter called ASSIGNOR, for and in consideration of One Dollar (\$1.00) the receipt whereof is hereby acknowledged, do hereby sell, assign, transfer and set over unto BIG STATE TOOL COMPANY, of Odessa, Texas, hereinafter called ASSIGNEE, all right, title and interest in and to the following described Oil and Gas Leases covering lands in the COUNTY OF REEVES, STATE OF TEXAS, to-wit:

Lessor: K. L. Denton and wife, Leta Denton
Lessee: R. Paul Ricker
Date: November 13, 1963
Recorded: Volume 236, Page 507
Description: East Half of the Northeast Quarter (E $\frac{1}{2}$ NE $\frac{1}{4}$)
 and the Northeast Quarter of the Southeast
 Quarter (NE $\frac{1}{4}$ SE $\frac{1}{4}$) of Section 6, Block 56,
 Township 3, T & P Ry. Co. Survey, Abstract
 Number 4161

Lessor: Mrs. Ciella Denton Klapproth and husband,
 Chas. L. Klapproth
Lessee: R. Paul Ricker
Date: November 13, 1963
Recorded: Volume 236, Page 94
Description: East Half of the Northeast Quarter (E $\frac{1}{2}$ NE $\frac{1}{4}$)
 and the Northeast Quarter of the Southeast
 Quarter (NE $\frac{1}{4}$ SE $\frac{1}{4}$) of Section 6, Block 56,
 Township 3, T & P Ry. Company Survey,
 Abstract Number 4161

As additional consideration for this assignment, ASSIGNOR reserves unto itself, its heirs and assigns, an overriding royalty interest, free and clear of all costs of drilling, development and operation (except ad valorem taxes and marketing costs) of an UNDIVIDED ONE-SIXTEENTH OF EIGHT-EIGHTHS ($1/16 \times 8/8$) of all the oil, gas, casinghead gas, and other hydrocarbon substances that may be produced, saved, and marketed from the lands described above and pursuant to the terms of the said Oil and Gas Leases.

RECEIVED

APR 19 1969

General Land Office

THIS ASSIGNMENT is made subject to all of the terms and conditions of that certain Farmout Agreement dated October 11, 1968, by and between Bethol Corporation, Patoil Corporation, and Big State Tool Company. In the event ASSIGNEE hereunder desires to surrender, release or abandon any portion of or interest in the above described leases and lands, ASSIGNEE will notify ASSIGNOR in writing at least sixty (60) days prior to the date upon which it proposes to surrender, release or abandon the same; and ASSIGNEE shall, if requested to do so by ASSIGNOR, reassign all its rights insofar and only insofar as they pertain to the interest being surrendered, released or abandoned.

THIS ASSIGNMENT is made subject to any overriding royalty interests, production payments, etc. with which these leases are this date encumbered.

THIS ASSIGNMENT is made without warranty, either express or implied.

THIS ASSIGNMENT IS executed this 13th day of FEBRUARY, 1969.

ATTEST:

Margaret Bass
Assistant Secretary

BETHOL CORPORATION

By John P. Castleman, Jr.
President

ATTEST:

Emma Mae Kearney
Secretary

PATOIL CORPORATION

By John P. Castleman, Jr.
Vice-President

STATE OF TEXAS }
 } SS
COUNTY OF DALLAS }

Before me, the undersigned, a Notary Public within and for said County and State, on this 13th day of FEBRUARY, 1969, personally appeared JOHN P. CASTLEMAN, JR. to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its President, and duly acknowledged to me that he executed the same as his free and voluntary act and deed, and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

Lois Chancy
Notary Public

RECEIVED

APR 19 1969

General Land Office

STATE OF TEXAS

COUNTY OF Midland

X
X
X

Before me, the undersigned, a Notary Public within and for said County and State, on this 17th day of FEBRUARY, 1969, personally appeared H. de Compiegne, Jr. to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its Vice-President, and duly acknowledged to me that he executed the same as his free and voluntary act and deed, and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

(SEAL)

Lene Brown

Notary Public in and for
Midland County, Texas

Filed for record on the 27th day of March, A.D. 1969 at 9:00 A.M. Duly recorded on the 3rd day of April, A.D. 1969 at 9:00 A.M.

By /s/ Billie Jo Freeman, Deputy. ESTELLE CLINTON, County Clerk,
Reeves County, Texas.

THE STATE OF TEXAS X

COUNTY OF REEVES X

I, ESTELLE CLINTON, Clerk of the County Court of Reeves County, Texas, do hereby certify that the foregoing instrument is a true and correct copy of the ASSIGNMENT OF OIL AND GAS LEASES FROM BETHOL CORPORATION, ET AL TO BIG STATE TOOL COMPANY, as the same appears of record in my Office in Vol. 283, Page 703 of the O&G Records of Reeves County, Texas.

WITNESS my Hand and Seal of the County Court of said County at my Office in Pecos, Texas, this the 9th day of April, A.D. 1969.

ESTELLE CLINTON, County Clerk,
Reeves County, Texas.

By Billie Jo Freeman DEP.

(Billie Jo Freeman)

RECEIVED

APR 19 1969

General Land Office

24
56074
Assignment
File Dated 4-23-69
JERRY SADLER, COMMISSIONER

RECEIVED AS STATED
GENERAL LAND OFFICE
DATE
Reg. No.

RECEIVED AS STATED
\$ 3.00
DATE 4-23-69
Reg. No. Inv. No. FF. 853

GENERAL LAND OFFICE

LAW OFFICES

LYNCH, CHAPPELL, ALLDAY & CULP

201 WALL TOWERS EAST

MIDLAND, TEXAS 79701

(915) 683-3351

RAYMOND A. LYNCH
CLOVIS G. CHAPPELL, JR.
MARTIN L. ALLDAY
VANN CULP
CHARLES C. ALDRIDGE
RANDALL LUNDY
GARY G. WISENER
JAMES M. ALSUP
J. D. OGLESBY
MIDLAND

April 18, 1969

HOUSTON OFFICE

LYNCH, CHAPPELL, ALLDAY & McDONALD

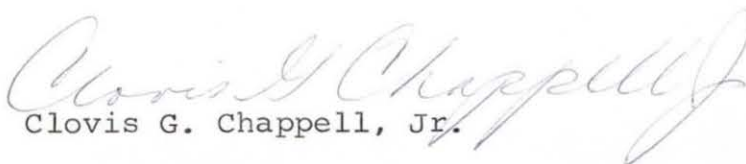
General Land Office
Austin, Texas

Re: State Lease M-56074 covering
E/2 NE/4 and NE/4 SE/4 of Sec-
tion 6, Block 56, T-3,
T&P Ry. Co. Survey, Reeves
County, Texas

Gentlemen:

Attached is a certified copy of an assignment from Bethol Corporation and Patoil Corporation to Big State Tool Company dated February 13, 1969, recorded in Volume 283, page 703, O&GL Records, covering the leasehold estate on the above land. If this instrument is in proper form we should appreciate your filing it, charging the filing fee against our Account 675 and furnishing us a letter showing acceptance.

Yours truly,


Clovis G. Chappell, Jr.

CGCJr/if
Attachment

cc: Bethol Corporation
Patoil Corporation

RECEIVED
APR 19 1969
General Land Office

F. 56674

CORRESPONDENCE FILE

Lynch, Chappell : etc

ted 4-18-69

RECEIVED
APR 18 1969

April 23, 1969

Lynch, Chappell, Allday & Culp
Attorneys at Law
201 Wall Towers East
Midland, Texas 79701

Attention: Mr. Clovis G. Chappell, Jr.

Re: M-56074 - Sec. 6, Blk. 56,
T&P Ry. Co. Survey,
Reeves County, Texas

Gentlemen:

The certified copy of Assignment of Oil and Gas Lease affecting the above captioned tract has been filed in our records.

We have charged your Account No. 675 with \$3.00 to cover the filing fee due on the Assignment and our Invoice No. FF 853, showing this charge, is enclosed herewith.

Sincerely yours,

JERRY SADLER, Commissioner

JS/hfr

Enclosure

26

M. F. 56074

CORRESPONDENCE FILE

To Lynch, Chappel

From

Dated 4-23-69

P. O. BOX 2024



BIG STATE TOOL CO.

1013 S. CRANE AVENUE
ODESSA, TEXAS - 79760

FEDERAL 7-3052

June 2, 1969

Re. Bethol-Denton #11570
Reeves Coutny, Texas

RECEIVED

M5674 JUN 4 1969

General Land Office

Commissioner of the General Land
Office of the State of Texas
Austin, Texas-78700

Gentlemen:

Enclosed please find division orders which were furnished us by
Admiral Crude Oil Corporation, A Division of Tulsa Crude Oil
Purchasing Company.

We were asked to circulate these instruments for execution by the
interested parties and ask that they then be returned to Tulsa
Crude Oil Purchasing Company, P. O. Box 1709, Tulsa, Oklahoma--
74101.

The respective interests will then be placed in line for payment.

Sincerely,

BIG STATE TOOL COMPANY

L. B. Lyons

LBL/l
Enclosures

"Quality Tools"

ADMIRAL CRUDE OIL CORPORATION, A DIVISION OF
TULSA CRUDE OIL PURCHASING COMPANY

#11370

DIVISION ORDER

Admiral Crude Oil Corporation, a Division of _____ May 28 _____, 1969

TO TULSA CRUDE OIL PURCHASING COMPANY, P. O. BOX 1709, TULSA 1, OKLAHOMA

The undersigned, and each of them guarantee and warrant that they are the legal owners in the proportion set out below of all the oil produced from the _____ lease, described as
Operator

E/2 of the NE/4 and the NE/4 of the SE/4 Section 6, Block 56, T-3, T&F Ry.
Co. Survey, Abstract 4161 containing 120 acres more or less

RECEIVED

JUN 4 1969

General Land Office

State of _____ Texas _____, in _____ Reeves _____ County,
and commencing as of 7 a.m. the 20th day of February _____, 1969

1969, and until further written notice either from you or us you are authorized to receive oil therefrom, purchase it and pay therefor as follows:

OWNERS'
SOCIAL SECURITY
OR TAX ACCOUNT NO.

CREDIT TO

DIVISION OF INTEREST

Commissioner of the General Land
Office of the State of Texas,
Austin, Texas

1/16 or .0625000 RI

Mrs. Chella Denton Klapproth
and Charles L. Klapproth

1/32 or .0312500 RI

E. L. Denton and Leta Denton

1/32 or .0312500 RI

L. B. Lyons, d/b/a Big State Tool Company

102/256 or .7109375 WI

Kenneth M. Jenkins

13/256 or .0507812 ORRI

Mary Lucile Lyons

13/256 or .0507813 ORRI

Bethel Corporation

12/256 or .0468750 ORRI

Petrol Corporation
Milan Building
San Antonio, Texas

4/256 or .0156250 ORRI

FIRST: The oil received and purchased hereunder shall become your property as soon as the same is received into your custody, or that of any pipe line company or carrier designated by you.

FIRST: The oil received and purchased hereunder shall become your property as soon as the same is received into your custody, or that of any pipe line company or carrier designated by you.

SECOND: The oil received and purchased hereunder shall be delivered F. O. B. to any pipeline or carrier designated by you which gathers and receives said oil, and you shall pay for such oil to the respective owners according to the division of interest above set forth at the same price per barrel received by the operator of the lease covered by this division order. The term "oil" as used in this division order shall include all liquid hydrocarbons.

THIRD: Quality and quantity shall be determined in accordance with the conditions specified in the purchase agreement with lease operator. You may refuse to receive any oil not considered merchantable by you.

FOURTH: Settlements and payments shall be made monthly by check mailed from your office to the respective parties at the addresses above given, for the amount of such purchase price due said parties, respectively, less any taxes required by law to be deducted and paid by you as purchaser. At your option, you may withhold, without interest, monthly payment due any payee of amounts less than Five Dollars (\$5.00), it being agreed, however, that regardless of the amount so accumulated, you will make payment of full amount so credited to each payee either annually or semi-annually.

FIFTH: Satisfactory abstracts or other evidence of title will be furnished to you at any time on demand. In the event of a failure so to furnish such evidence of title, or in the event of an adverse claim, question or dispute at any time concerning the title to such oil or any part thereof or to the land from which such oil is produced, you may hold the proceeds of all oil received and run, to the extent of the interest involved in such adverse claim, question or dispute, without interest, until indemnity satisfactory to you has been furnished or until said claim, question or dispute as to ownership has been finally settled or finally determined. In the event any action or suit is filed in any court affecting the title either to the real property above described or to the oil produced therefrom in which any of the undersigned are parties, written notice of the filing of said action shall be immediately furnished you by the undersigned stating the court in which the same is filed and the title of such action or suit. You and/or any carrier transporting oil for your account shall be held harmless by each party to this division order to the extent of each party's interest, as set forth in this division order, from any judgment rendered against you or it on account of receiving, purchasing, paying for or transporting the oil credited to such party's interest.

SIXTH: The undersigned severally shall notify you in writing of any change of ownership, and no transfer of interest shall be binding upon you until a transfer order and the recorded instrument evidencing such transfer, or a certified copy thereof, shall be furnished to you. You will not be responsible for any change of ownership in the absence of actual notice and satisfactory proof thereof. Transfer of interest shall be made effective at 7 o'clock A.M. on the first day of the calendar month following said written notice to you unless this requirement is waived by you. If any limited, reversionary or sliding scale interest is owned or retained by any party to this division order, such party hereby relieves you of any obligation to determine if and when payment for such interest shall commence, change or cease, and further agrees to notify you in writing as to the date on which such payment shall commence, change or cease, and to hold you harmless for any erroneous payment made prior to receipt of said written notice.

SEVENTH: Working interest owners or operators who sign this division order, and each of them, guarantee and warrant for your benefit and that of any pipe line or other carrier designated by you to run or transport said oil, that all oil tendered hereunder has been or will be produced in accordance with applicable Federal, State and Municipal laws and official rules and regulations, and in compliance with all the requirements of the Fair Labor Standards Act of 1938 and amendments thereto.

EIGHTH: This division order shall become valid and binding on each and every owner above named as soon as signed by him or her regardless of whether any of the other above named owners have so signed; and in consideration of the purchase of oil hereunder, consent is given hereby to you or any pipe line company which you may cause to connect with the wells or tanks on said land, to disconnect and remove such pipe lines, in case of termination by either you or us of purchases under this division order. You are not expected to receive oil in definite quantities or for fixed periods nor to provide storage on the credit balance plan or otherwise except as and when you shall now or hereafter agree in writing.

WITNESSES SIGN BELOW.

OWNERS SIGN BELOW

(PRINT OR TYPE YOUR COMPLETE ADDRESS)

IMPORTANT: TO AVOID DELAY IN PAYMENT — YOUR CORRECT ADDRESS AND YOUR SOCIAL SECURITY NUMBER OR TAX ACCOUNT NUMBER MUST BE SHOWN.

June 5, 1969

Admiral Crude Oil Corporation, A Division of
Tulsa Crude Oil Purchasing Company
P. O. Box 1709
Tulsa, Oklahoma 74101

Bethol-Denton Lease
E/2 of the NE/4 and the
NE/4 of the SE/4, Section 6,
Block 56, T-3, T & P RY. CO. Survey
Reeves County, Texas
D/O No. 11570 (Oil)

Gentlemen:

Our Lease No. 56074

This letter is issued in lieu of the ordinary form of
"Division Order" prepared by the oil companies primarily for
execution by the individual royalty owner.

Inasmuch as the statutes provide the royalties the State
shall receive, it is felt that it would not be in conformity
with the law on the subject for this Department to execute your
division order and thereby attempt to bind the State by the
provisions contained therein.

This Department, insofar as permitted under the law,
acquiesces in the sale of the oil and/or gas to you from this lease
which oil and/or gas shall become your property when the State has
been paid for same, as prescribed by law and under the terms and
conditions as set out in the lease covering the area in question.

Sincerely yours,

JERRY SADLER, COMMISSIONER

JS/js

Enclosure

(27)

DIVISION ORDER

M. F. 56074

CORRESPONDENCE FILE

To

Almida Crude Oil
From Corporation, A Division of
Tulsa Crude Oil Purchasing Co.

Dated 6-5-69

js

DRILL, DEEPEN OR PLUG BACK
 IF DEPUTY SUPERVISOR OF DISTRICT IN WHICH WELL IS LOCATED
 CHMENT HERETO MUST BE CLEARLY LEGIBLE.
 RND WITHOUT COMMISSION ACTION.
 riter Ribbon Preferable)

YES DIST. 8
 NO. 42 389 30022

Date March 24, 1969, 19

Name of company or operator
 Name Big State Tool Co.
 Address Box 2024
 City Odessa, Texas 79760

Description of farm or lease:
 Name of Lease Bethol-Denton
 Number of Acres 120 Well No. 2
 Number of wells on lease 1

Elevation 2860 Section No. 6 Block No. 56
 (Ft. above sea level)

Survey T & P RR. Co. Survey T-3

Zone or Reservoir Delaware

To be Located in Ken Reagan Field

(If Wildcat state above, also state Distance and Direction from
 nearest Survey Lines.) 660' NW 1/4 & 1980' NW 1/4

Reeves County

6 Miles South direction from

Odessa, Texas nearest post office or town.

Rotary or Cable Tools Cable Tools

Date work will start drilling Immediately

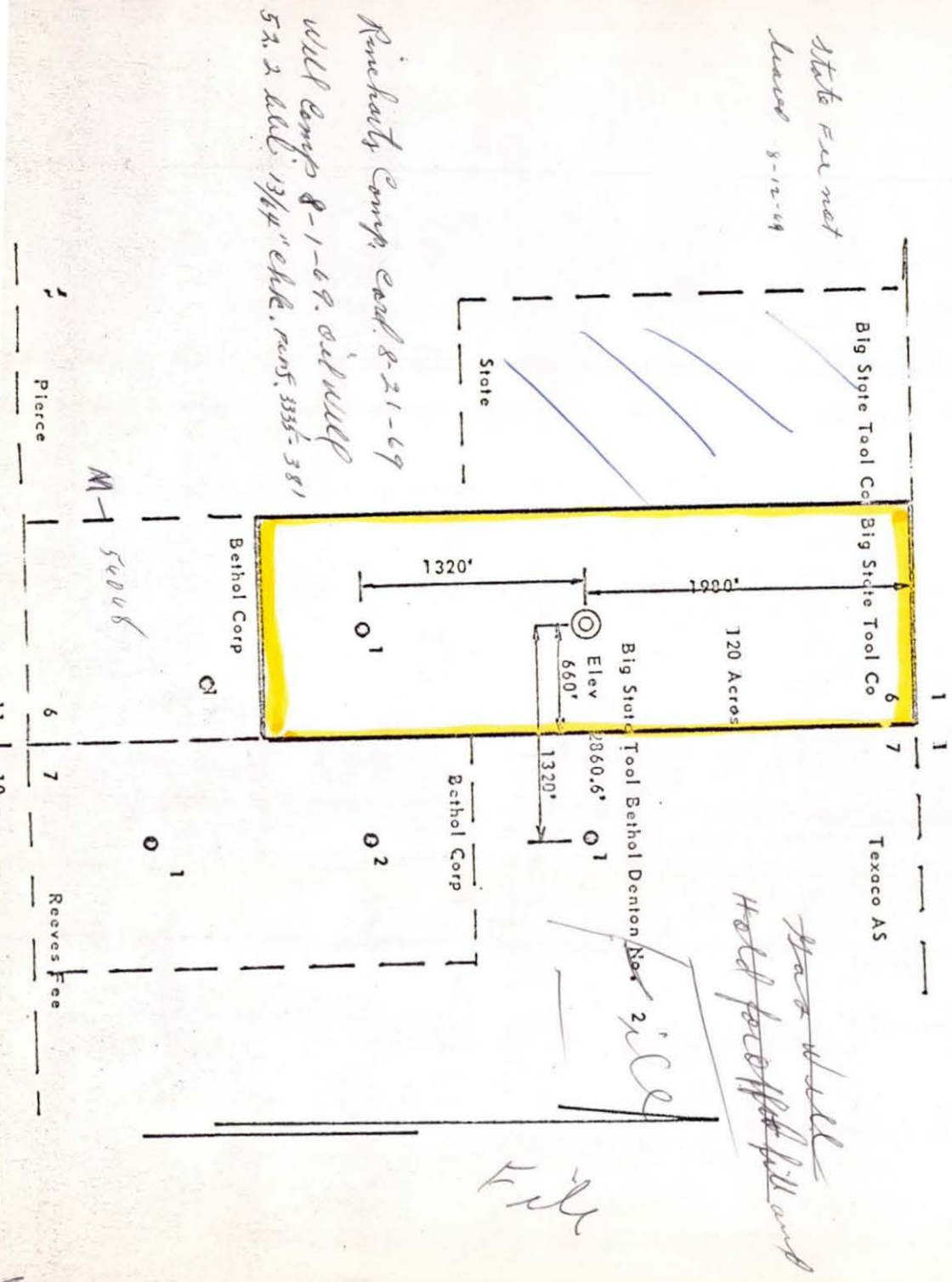
Depth to which you propose to drill 3100 feet.

Date work will start deepening

IF LEASE PURCHASED WITH ONE OR MORE WELLS DRILLED,
 FROM WHOM PURCHASED?

Name

Address



Statewide PLAT SERVICE

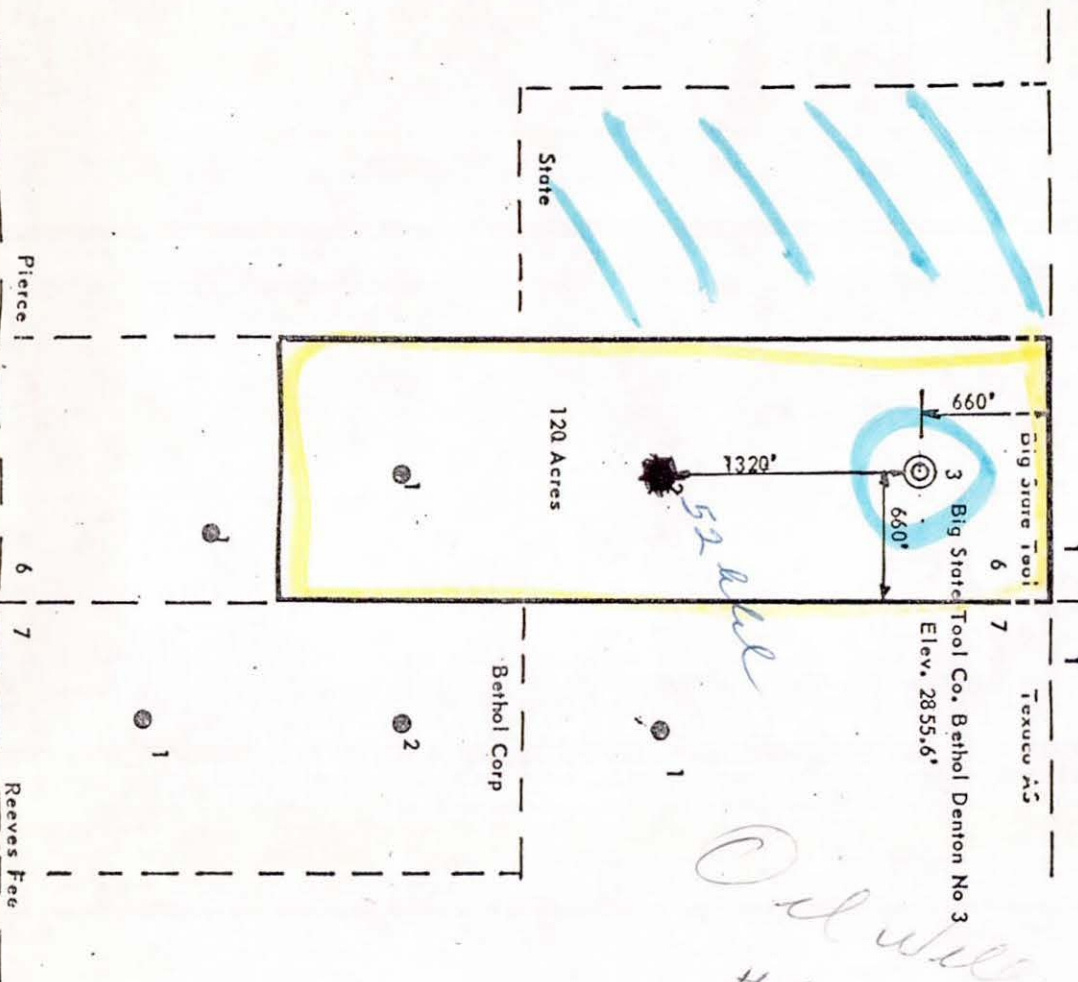
DRAWER M. CAPITOL STATION, AUSTIN, TEXAS 78711

3-27-69

m-56074
application to drill
Well #2. 8-25-49

(28)

weathering



Oil well
Held for offset

CHIMENT HERETO MUST BE CLEARLY LEGIBLE,
RNED WITHOUT COMMISSION ACT...

REEVES
API NO.

DIST. 8
42 389 30047

XX 20
M-56074 ON R.A.L.

Date October 3, 19 69

Name of company or operator

Name Big State Tool Co.

Address Box 2024

City Odessa, Texas 79760

660' FROM
STATE FEE
(ON 11-4-69
SALE)

Description of farm or lease:

Name of Lease Bothol-Denton

Number of Acres 120 Well No. 3

Number of wells on lease 2

Elevation 2855 Section No. 6 Block No. 56
(Ft. above sea level)

Survey T & P RR. Co Survey

Zone or Reservoir Delaware

To be Located in Ken Reagan Field

(If Wildcat state above, also state Distance and Direction from
nearest Survey Lines.) 660' FEL & 660' FNL

Reeves County

8 Miles South direction from

Orla, Texas nearest post office or town.

Rotary or Cable Tools Rotary & Cable Tools

Date work will start drilling AS SOON AS APPROVED

Depth to which you propose to drill 3500 feet.

Date work will start deepening

IF LEASE PURCHASED WITH ONE OR MORE WELLS DRILLED,
FROM WHOM PURCHASED?

Name

Address

PLAT SERVICE

INSPECTOR'S WELL STATUS REPORT

OPERATOR Big State Tool Co.

LEASE Bethol-Denton

WELL NO. 3 FIELD Ken Regan Delaware

COUNTY Reeves

SPUD DATE 11-2-69 DRILLING DEPTH _____

CORE DEPTH _____ LOGS (DEPTH) _____

COMPLETION DATE _____ PERFS Unkown

POTENTIAL _____ T. D. unkown for sure(3365 feet)

IS THIS THE FIRST REPORT ON THIS WELL? 5th

REMARKS They have this well pumping in to tank battery with other
two(2) wells and I am sure they have taken a Potential Test
but the lease man Mr.J.H.Edwards,Pecos,Texas.I have been unable
to catch him in Pecos Or Orla,Texas in order to find out what
this well is amking or made on Potential Test ? They are drilling
another well on this lease but I can never catch any one at the
rig ? I have pickup this #3 well on lease Inspectors Report ?

JA/bs

3-21-60

James Weatherly
INSPECTOR
DATE Feb 2, 1970

M- 56074
Application to drill
Well # 3

2-10-70

29

(60)

November 23, 1970

Big State Tool Company
Box 2024
Odessa, Texas 79760

RE: State Lease M-56074
E/2, NE/4, Sec. 6
Blk. 56, T&P Ry. Co. Survey
Reeves County, Texas

Gentlemen:

The records of this office reveal that the statutory 10¢ per acre rental in the amount of \$12.00 on the subject lease became due on November 13, ~~1970~~ 1968 + 1969.

This minimum rental is due the State although the lease is producing. Please forward your remittance in the above amount at your earliest convenience.

Sincerely yours,

JERRY SADLER, COMMISSIONER

by:

Melvin Eckhoff, Director
Finance, Audit and Investment

ME/em

(30)

M. F. 56074

CORRESPONDENCE FILE

To Big State Tool

From

Dated 11-23-70
Kag

Hon. Jerry Sadler
Commissioner
General Land Office

Date _____ 19 _____

Dear Sir:

Attached is \$ _____

Charge

Credit Acct. # _____

Cash Fees
Check To Cover Interest On The Following:
Draft Rental

Lease no. M-56074

ck-12.00

33519

11-13-68 / 11-13-69

RECEIVED

NOV 28 1970

General Land Office

Note: Our letter of 11-23-70 requested rental for 1970. Request should have been for 1968, 1969 and 1970. — This payment applied on 1968 rental. (gfw)

Receipt
Please Mail Copies to Mr. Biglitz Tool Co.
Statement

Street Box 2024
City Odessa, Texas 79760
Attention _____

(31)

N.F. 56074

Rental Payment
Filed 11-28-70

JAMES LOOSE, FORTSON-BROWN
dm
N.F.

(5)

December 4, 1970

Big State Tool Company
Box 2024
Odessa, Texas 79760

RE: State Lease M-56074
E/2, NE/4, Sec. 6
Blk. 56, T&P Ry. Co. Survey
Reeves County, Texas

Gentlemen:

The records of this office reveal that the statutory 10¢ per acre rental in the amount of \$12.00 was due on November 13, 1968 and again on November 13, 1969.

This minimum rental is due the State although the lease is producing. Please forward your remittance in the amount of \$24.00 at your earliest convenience.

Sincerely yours,

JERRY SADLER, COMMISSIONER

by:

Malvin Eckhoff, Director
Finance, Audit and Investment

ME/em

M. F. 56074

CORRESPONDENCE FILE

To Big State Tool Co.

~~From~~

Dated 12-4-70

Kag

Hon. Jerry Sadler
Commissioner
General Land Office

Date _____ 19 _____

Dear Sir:

Attached is \$ _____

Charge

Credit Acct. # _____

Cash Fees
Check To Cover Interest On The Following:
Draft Rental

(15)

Lease # M-56074

ck. \$24.00

37772

\$12.00

69/70

\$12.00

70/71

RECEIVED

DEC 12 1970

General Land Office

Receipt
Please Mail Copies to Mr. Big Stool State Tool Co.
Statement L. B. Lyons

Street _____
City Odessa, W. 79760
Attention _____

(33)

56074
M.F. _____
Rental Payment
Filed 12-17-70
JERRY SADLER, COMMISSIONER
Clerk

(33)

March 24, 1971

Big State Tool Company
P. O. Box 2024
Odessa, Texas 79760

RE: State Lease M-56074
Bethol - Denton Lease
Ken Reagan Field
Reeves County, Texas

Gentlemen:

Our records indicate you assumed operation of the subject lease during February, 1969.

As the State owns an interest in the above lease, various reports concerning the lease's production and sales should be filed with this office each month.

To aid you in filing these reports, we are enclosing a pamphlet entitled Reporting Oil and Gas Production, a supply of Oil or Gas Distillate Reports (Form MA-1), several Gas Reports (Form MA-2) and a blank for reorder when this supply is exhausted.

Reports which should be filed by the end of the month following the month of production are listed on Page 2 of the enclosed pamphlet.

Please file the necessary reports for first production to date and monthly thereafter.

Thank you for your cooperation.

Sincerely yours,

Bob Armstrong

BY: Melvin Eckhoff, Director
Finance, Audit and Investment

HF/jar
Enclosures

34

M. F. 56074

CORRESPONDENCE FILE

To BIG STATE TOOLING CO

From

Dated 3-24-71 for

May 25, 1971

Big State Tool Company
P. O. Box 2024
Odessa, Texas 79760

RE: State Lease M-56074
Bechol - Denton Lease
Ken Reagan Field
Reeves County, Texas

Gentlemen:

This is to advise that the statutes require certain records to be filed in the General Land Office each month pertaining to production for the preceding month when a lease is producing.

The files of this office do not show the following records to have been received:

Oil or Gas Distillate Reports (Form MA-1) for first production to date.
Oil purchase statements for first sale to date.

SECOND REQUEST

Please file these records at the earliest possible time. Thank you for your cooperation.

Sincerely yours,

Bob Armstrong

BY: Melvin Eckhoff, Director
Finance, Audit and Investment

HF/jar

M. F.

56074

(35)

CORRESPONDENCE FILE

To

Big State Tool Co

From

Dated

5-25-71

jar

June 7, 1971

Big State Tool Company
P. O. Box 2024
Odessa, Texas 79760

RE: State Lease M-56074
Bethol-Denton Lease
Regan Field
Reeves County, Texas

Gentlemen:

This will acknowledge receipt of your Gas Reports (Form MA-2) filed for the subject lease covering the period of January, 1969 through April, 1971.

Our records indicate a discrepancy in the preparation of the above reports as follows:

- (1) Flared gas is shown on the reports, but the State has not received royalty payments. "The State must be paid one-sixteenth (1/16) royalty on production of gas regardless of how used or disposed."
- (2) General Land Office Lease Number 56074 is not being shown in the space provided at the top of the MA-2 Report (see enclosed copy of MA-2).

Please be advised that one-sixteenth (1/16) royalty plus legal interest is due on flared gas totaling 19,171 M.C.F. for the mentioned period.

At an early date please send your payment for the royalty and interest due the State, and on all future reports please indicate the appropriate royalty due.

Sincerely yours,

Bob Armstrong

BY: Melvin Eckhoff, Director
Finance, Audit and Investment

CMW/cjr
Enclosure

M. F.

56074

36

CORRESPONDENCE FILE

To

Big St. Tool Co.

~~From~~

Dated

6-7-71
Cjr

P. O. BOX 2024



BIG STATE TOOL CO.

1013 S. CRANE AVENUE
ODESSA, TEXAS - 79760

FEDERAL 7-3052

15
RECEIVED
JUN 4 1971

General Land Office

June 2, 1971

Mr. Bob Armstrong, Commissioner
General Land Office
Austin, Texas 78701

Attention: Mr. Melvin Eckhoff, Director
Finance, Audit and Investment

13
Re: State Lease M-56074
Bethol-Denton Lease
Ken Reagan Field
Reeves County, Texas

Dear Mr. Eckhoff:

We are enclosing Forms MA-1 and MA-2 for each of the months from January 1969 through April 1971, on the subject lease. These forms were requested in your letter of March 24, 1971.

We thank you for calling to our attention the need of filing these reports and we will be sending them in to you monthly.

Very truly yours,

L. B. Lyons
L. B. Lyons

lbl:fmg
encs.

*Deduct truck
MF not shown*

"Quality Tools"

M. F. 56074 (39)

CORRESPONDENCE FILE



Big State Tool Co.

From

Dated 6-2-71

gr

June 8, 1971

Big State Tool Company
P. O. Box 2024
Odessa, Texas 79760

RE: State Lease M-56074
Bethol-Denton Lease
Ken Reagan Field
Reeves County, Texas

Gentlemen:

Oil or Gas Distillate Reports (Form MA-1) are being received for the subject lease without The General Land Office lease number indicated in the space provided at the top of the report.

Our records show the lease number to be M-56074. Please indicate this lease number on future reports to this office.

Thank you for your cooperation.

Sincerely yours,

Bob Armstrong

BY: Melvin Eckhoff, Director
Finance, Audit and Investment

HF/cjr

M. F. 56074 (38)

CORRESPONDENCE FILE

To

Big State Tool Co.

From

Dated 6-8-71

gr

June 8, 1971

Big State Tool Company
P. O. Box 2024
Odessa, Texas 79760

RE: State Lease M-56074
Bethol-Denton Lease
Ken Reagan Field
Reeves County, Texas

Gentlemen:

This is to request that on all future Oil Reports (Form MA-1) filed for the subject lease, the following reporting procedure be followed:

1. Under the sales column show the price per barrel before the deduction for trucking and the corresponding gross value.
2. Also under the sales column and the gross value, before the deduction for trucking, show the price per barrel trucking charge and the total trucking charge to be deducted.
3. Under the total column of the sales column show the gross value less trucking so that when the State's royalty is computed it will be based on a value less trucking.

Thank you for your cooperation.

Sincerely yours,

Bob Armstrong

BY: Melvin Eckhoff, Director
Finance, Audit and Investment

HF/cjr

M. F. 56074

(39)

CORRESPONDENCE FILE

To

Big state Tool Co.

From

Dated 6-8-71

cjr

RECEIVED

JUL 23 1971

General Land Office

June 18, 1971

DATE

BY

TO

CONFERENCE

W E

General Land Office
Austin, Texas 78701

Attention: Mr. Melvin Eckhoff, Director
Finance, Audit and Investment

Re: State Lease M-56074
Bethol-Denton Lease
Regan Field
Reeves County, Texas

Dear Mr. Eckhoff:

We are attaching a schedule of royalty and interest due the State on State Lease No. M-56074. This covers the period of January 1969 through April 1971.

Our check in the amount of \$153.55 is attached.

This payment covers the liability specified in your letter of June 7, 1971.

Very Truly Yours,

L. B. Lyons

lbl:fmg
encs. (2)

C
O
P
Y

M. F. _____
CORRESPONDENCE FILE
To _____
From _____
Dated _____

Chief Clerk's Office
JUL 3 1961

RECEIVED

since. (S)
TPT:lmh

Mr. E. J. Lyons

Legal Counsel

Dear Mr. Lyons:
The Department concurs in the proposed action to be taken by the
one check in the amount of \$100.00 as requested.

Very truly yours,
on this 10th day of July, 1961. The County Clerk of the State of
New York, in and to the County of Albany, New York.

Very truly yours,
John W. McLaughlin

County Clerk
Albany, New York
1000

Enclosure: 1000
Attention: Mr. McLaughlin, Director

1000
1000
1000



RECEIVED

JUL 23 1971

General Land Office

B-Field
M-56074

July 14, 1971

Big State Tool Company
P. O. Box 2024
Odessa, Texas 79760

RE: State Lease M-56074
Bethol-Denton Lease
Regan Field
Reeves County, Texas

Gentlemen:

This has reference to our letter of June 7, 1971 wherein we requested payment of royalty and interest for gas flared on the subject lease.

Our records do not indicate receipt of the requested payments.

Please review your records and advise when we may expect to receive these royalty payments or, if your check has been remitted, advise the date of mailing and the full amount of your check.

Thank you for your cooperation.

Sincerely yours,

Bob Armstrong

Harold Frank, Jr.
BY: Harold Frank, Jr., Assistant Director
Finance, Audit and Investment

CMW/jar

7/21/71
Copy of our letter 6/18/71, attached.
We used Ch. # 19686, dated 6/23/71.
The bank, First State Bank, Odessa
Texas, advised today that this
check cleared our account
7/8/71.
Thanks,
Bob
Wright

M. F. 56074

CORRESPONDENCE FILE

To

Big State Tool Co.

From

Dated 7-14-71
for

Big State Tool Company
P.O. Box 2024

Odessa, Texas 79760

PREPARED BY	DATE
APPROVED BY	

RECEIVED

JUN 30 1971

Non-Processed Gas
State Lease No. M-56074

Field Region
Lease Bethel-Denton

General Land Office

Date (Month)	Flared MCF	Price Per MCF	Value	Royalty 6.25%	Interest* (6%)	Total Royalty + Interest
Jan. 1969	30	12	\$ 360	\$ 23	\$ 03	\$ 26
Feb.	130	12	1560	98	14	112
Mar.	225	12	2700	169	23	192
Apr.	225	12	2700	169	22	191
May	30	12	360	23	03	26
June	25	12	300	19	02	21
July	870	12	10440	653	75	728
Aug.	1230	12	14760	923	102	1025
Sept.	916	12	10992	687	92	779
Oct.	846	12	10152	635	64	699
Nov.	852	12	10224	639	61	700
Dec.	909	12	10908	682	61	743
Jan. 1970	973	12	11676	730	62	792
Feb.	864	12	10368	648	52	700
Mar.	880	12	10560	660	50	710
Apr.	783	12	9396	587	41	628
May	682	12	8184	512	33	545
June	733	12	8796	550	33	583
July	817	12	9804	613	34	647
Aug.	785	12	9420	589	29	618
Sept.	742	12	8904	557	25	582
Oct.	879	12	10548	659	26	685
Nov.	819	12	9828	614	21	635
Dec.	917	12	11004	688	21	709
Jan. 1971	871	12	10452	653	16	669
Feb.	771	12	9252	578	12	590
Mar.	878	12	10536	659	10	669
Apr.	489	12	5868	367	04	371
1971	19171		\$ 230052	\$ 14384	\$ 971	\$ 15355

* Int. Computed
through June 30, 1971

M. F. -----

CORRESPONDENCE FILE

To

From

Dated -----

P. O. BOX 2024



BIG STATE TOOL CO.

1013 S. CRANE AVENUE
ODESSA, TEXAS - 79760

FEDERAL 7-3052

June 18, 1971

General Land Office
Austin, Texas 78701

Attention: Mr. Melvin Eckhoff, Director
Finance, Audit and Investment

Re: State Lease M-56074
Bethol-Denton Lease
Regan Field
Reeves County, Texas

B FILE

15

Dear Mr. Eckhoff:

We are attaching a schedule of royalty and interest due the State on State Lease No. M-56074. This covers the period of January 1969 through April 1971.

Our check in the amount of \$153.55 is attached.

This payment covers the liability specified in your letter of June 7, 1971.

Very Truly Yours,

L. B. Lyons
L. B. Lyons

lbl:fmg
encs. (2)

CA 153.55 92571

RECEIVED

JUN 30 1971

General Land Office

"Quality Tools"

41

M. F. 56074

CORRESPONDENCE FILE

To

Big State Tool Co.

From

Dated 6-18-71

jar

November 23, 1971

Big State Tool Company
1013 S. Crane Avenue
Odessa, Texas 79760

RE: State Lease M-56074
120 Acres Section 6, Block 56
T & P Ry. Co. Survey
Reeves County, Texas

Gentlemen:

Our records show the statutory 10¢ per acre rental in the amount of \$12.00 on the subject lease was due on November 13, 1971

This minimum rental is due the State although the lease is producing.

At an early date please forward your check for \$12.00 to pay the minimum rental due on the subject lease.

Sincerely yours,

Bob Armstrong

BY: Harold Frank, Jr., Assistant Director
Finance, Audit and Investment

HLK/glr

42

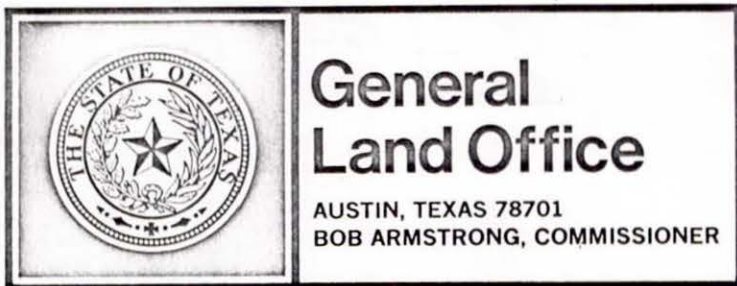
M. F. 56074

CORRESPONDENCE FILE

To Big State Tool Co.

From

Dated 11-23-71 g/k



November 23, 1971

Big State Tool Company ✓
1013 S. Crane Avenue
Odessa, Texas 79760 ✓

RE: State Lease M-56074
120 Acres Section 6, Block 56
T & P Ry. Co. Survey
Reeves County, Texas

ck \$12.00 38899

RECEIVED

DEC 3 1971

General Land Office

12

Gentlemen:

Our records show the statutory 10¢ per acre rental in the amount of \$12.00 on the subject lease was due on November 13, 1971.

This minimum rental is due the State although the lease is producing.

At an early date please forward your check for \$12.00 to pay the minimum rental due on the subject lease.

Sincerely yours,

Bob Armstrong

11-13-71 / 11-13-72


BY: Harold Frank, Jr., Assistant Director
Finance, Audit and Investment

HLK/glr

(43)

M.F. 56074

Rental Payment

Filed 12-3 1971
BOB ARMSTRONG, COMMISSIONER

Clerk

INSTRUCTIONS FOR EXECUTION OF DIVISION ORDERS

1. Division orders for corporations must be executed by an authorized officer, attested by the secretary and the corporate seal affixed thereto. A certified copy of authority of executing officer must be submitted if not previously furnished to our company.
2. Division orders for partnerships must be executed by all partners or by an authorized partner. If signed by an authorized partner, we must be furnished a certified copy of his authority if not previously furnished.
3. All married women must be joined by their husbands in executing a division order. Any other woman executing must indicate after her name whether she is a "feme sole" or a "widow".
4. All signatures other than those for corporations must be witnessed by at least one person not related to the party signing.
5. Please sign your name as shown on the division order.
6. Please be sure that your correct mailing address is shown in order that you will be assured of receiving checks addressed to you.

Thank you.

M 35709

P. O. BOX 2024



BIG STATE TOOL CO.

1013 S. CRANE AVENUE
ODESSA TEXAS - 79760

FEDERAL 7-3052

(15)

July 12, 1972

Re: Lease No. 202870
Big State Tool Company
Bethol - Denton Lease
Reeves County, Texas

Dear Royalty Owners:

Enclosed is the new division order for the above mentioned lease.

Please follow the enclosed directions and forward one executed copy to The Permian Corporation in Houston, Texas.

Thank you.

Yours truly,

BIG STATE TOOL COMPANY

Kenneth M. Hankins
Kenneth M. Hankins

KMH/s

Encl.

RECEIVED

JUL 14 1972

General Land Office

"Quality Tools"

THE PERMIAN CORPORATION

DIVISION ORDER

Lease No. 202870

July 5, 1972

TO THE PERMIAN CORPORATION, P. O. BOX 1183, HOUSTON, TEXAS 77001

The undersigned, and each of us, certify and guarantee that we are the legal owners of and hereby warrant the title to our respective interests as set out below in all oil produced from all wells on the _____

Big State Tool Company - Bethol-Denton

farm or lease, located in _____ Reeves _____ County, State of _____ Texas _____, more particularly described as follows:

E/2 of the NE/4 and the NE/4 of the SE/4 of
Section 6, Block 56, Township 3, T&P Ry. Co.
Survey, Abstract 4161, containing 120 acres,
more or less, Reeves County, Texas,

and commencing at 7 A.M., the _____ day of first runs, 19____, and until further written notice either from you or us you are authorized to receive oil therefrom, purchase it and pay for it as follows:

CREDIT TO	DIVISION OF INTEREST	POST OFFICE ADDRESS
<u>ROYALTY INTEREST</u>		
Commissioner of the General Land Office of the State of Texas	1/16 R.I. (.0625000)	
Mrs. Clella Denton Klapproth and Charles L. Klapproth	1/32 R.I. (.0312500)	
K. L. Denton and Leta Denton	1/32 R.I. (.0312500)	
<u>OVERRIDING ROYALTY INTEREST</u>		
Kenneth M. Hankins	13/256 O.R.I. (.0507813)	
Mary Lucile Lyons	13/256 O.R.I. (.0507812)	
Pro Chemco Oil and Gas Company	12/256 O.R.I. (.0468750)	
Patoil Corporation	4/256 O.R.I. (.0156250)	
<u>WORKING INTEREST</u>		
L. B. Lyons, d/b/a Big State Tool Company	182/256 W.I. (.7109375)	

RECEIVED

JUL 14 1972

General Land Office

MAKE SURE YOUR CORRECT MAILING ADDRESS IS SHOWN ABOVE

The following covenants are also parts of this division order and shall be binding on the undersigned, their heirs, devisees, successors, legal representatives and assigns.

FIRST: The oil received and purchased hereunder shall become your property as soon as the same is received into your custody, or that of any pipe line company or carrier designated by you, and the undersigned agree to look solely to you for payment of oil purchased hereunder and shall have no claim or recourse against any subsequent purchaser of said oil.

SECOND: The oil received and purchased hereunder shall be delivered F. O. B. to any pipeline or carrier designated by you which gathers and receives said oil, and you shall pay for such oil to the respective owners according to the division of interest above set forth at the same price per barrel received by the operator of the lease covered by this division order. The word "oil" used herein shall mean crude oil and condensate (or distillate) delivered hereunder.

THIRD: Quality and quantity shall be determined in accordance with the conditions specified in the purchase agreement with lease operator. The oil shall be steamed when necessary to make merchantable and you may refuse to receive any oil not considered merchantable by you.

FOURTH: Settlements and payments shall be made monthly by check mailed from your office to the respective parties at the addresses above given, for the amount of such purchase price due said parties, respectively, less any taxes required by the law to be deducted and paid by you as purchaser.

FIFTH: Abstracts and other evidence of title satisfactory to you will be furnished to you at any time on demand. In the event of failure to so furnish such evidence of title, or in the event of any dispute or question at any time concerning title to the above lands, or the oil produced therefrom, you may hold the proceeds of all oil received and run, without interest, until indemnity satisfactory to you has been furnished or until such dispute or question of title is corrected or removed to your satisfaction. And in the event any action or suit is filed in any Court affecting title either to the real property above described or to the oil produced therefrom in which any of the undersigned are parties, written notice of filing of such action shall immediately be furnished you by the undersigned, stating the Court in which the same is filed and the title of such action or suit, and you or any carrier transporting oil for your account shall be held harmless from any judgment rendered in such suit and all reasonable costs and expenses incurred in defending against said claim, whether in your defense or in the defense of the carrier transporting oil for your account, and the undersigned shall pay said judgment and said costs and expenses.

SIXTH: The undersigned severally shall notify you of any change of ownership, and no transfer of interest shall be binding upon you until a transfer order and the recorded instrument evidencing such transfer, or a certified copy thereof, shall be furnished to you. Transfers of interest shall be made effective not earlier than the first day of the calendar month in which notice is received by you. You are relieved hereby of any responsibility for determining if and when any of the interests hereinabove set forth shall or should revert to or be owned by other parties as a result of the completion or discharge of money or other payments from said interest and the signers hereof whose interests are affected by such money or other payments, if any, assume said responsibility and shall give you notice in writing by registered letter addressed to you at the above address, when any such money or other payments have been completed or discharged or when any other division of interest than that set forth above shall, for any reason, become effective and to furnish transfer orders accordingly, and that in the event such notice shall not be received, you shall be held harmless in the event of, and are hereby released from any and all damage or loss which might arise out of any overpayment.

SEVENTH: This division order shall become valid and binding on each and every owner above named as soon as signed by him or her regardless of whether any of the other above named owners have so signed; and in consideration of the purchase of oil hereunder, consent is given hereby to you and any pipe line company which you may cause to connect with the wells or tanks on said land, to disconnect and remove such pipe lines, in case of termination by either you or us of purchases under this division order.

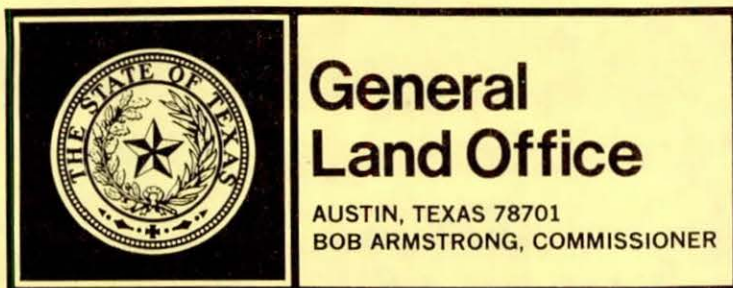
EIGHTH: Working interest owners and operators who sign this division order, and each of them, guarantee and warrant for your benefit and that of any pipe line or other carrier designated by you to run or transport said oil, that all oil tendered hereunder has been and will be produced and handled in compliance with the Fair Labor Standards Act of 1938, and any amendments thereto, and all other federal, state and municipal laws, rules and regulations.

IN ACCORDANCE WITH FEDERAL LAW, PLEASE INDICATE YOUR SOCIAL SECURITY OR IDENTIFICATION NUMBER BELOW:

WITNESS OF SIGNATURES

OWNERS SIGN BELOW

BE SURE YOUR SIGNATURE IS WITNESSED AND YOUR CORRECT ADDRESS IS SHOWN



July 21, 1972

The Permian Corporation
P. O. Box 1183
Houston, Texas 77001

RE: State Lease No. M-56074
Big State Tool Co. Bethol - Denton Lease
Part of Sec. 6, Blk. 56
T. & P. Ry Co. Survey
Reeves County, Texas
Permian D/O 202870 (oil)

Gentlemen:

This letter is issued in lieu of the ordinary form of "Division Order" prepared by the oil companies primarily for execution by the individual royalty owner.

Inasmuch as the statutes provide the royalties the State shall receive, it is felt that it would not be in conformity with the law on the subject for this Department to execute your division order and thereby attempt to bind the State by the provisions contained therein.

This Department, insofar as permitted under the law, acquiesces in the sale of the oil and/or gas to you from this lease which oil and/or gas shall become your property when the State has been paid for same, as prescribed by law and under the terms and conditions as set out in the lease covering the area in question.

Sincerely yours,

Bob Armstrong

BY: Harold Frank, Jr., Assistant Director
Finance, Audit and Investment

BL/glr
Enclosure

DIVISION ORDER

M. F. 56 074

CORRESPONDENCE FILE

44
(To)

Permian Corp.

From

Dated 7-²¹~~20~~-72 gl

March 12, 1973

Big State Tool Company
1013 S. Crane Avenue
Odessa, Texas 79760

RE: State Lease M-56074
120 acres Sec. 6, Blk. 56
T & P Ry. Co. Survey
Reeves County, Texas

Gentlemen:

Our records show the statutory 10¢ per acre rental in the amount of \$12.00 on the subject lease was due on November 13, 1972.

This minimum rental is due the State although the lease is producing.

At an early date please forward your check for \$12.00 to pay the minimum rental due on the subject lease.

Sincerely yours,

Bob Armstrong

BY: Harold Frank, Jr., Assistant Director
Finance, Audit and Investment

NS/blr

45

M. F. 56074

CORRESPONDENCE FILE

To Big State Tool Co.

From

Dated 3-12-73 gu

Hon. Bob Armstrong
Commissioner
General Land Office

Date _____ 19 _____

Dear Sir:

Attached is \$ _____

Charge

Credit Acct. # _____

Cash Fees
Check To Cover Interest On The Following:
Draft Rental

State Lease M-56074, 120 acres,
Sec. 6, Blk. 56, T & P Ry Co.
Survey Reeves Co, Texas

ck-12.00

56500

11-13-72 / 11-13-73

(15)

RECEIVED

MAR 17 1973

General Land Office

Receipt
Please Mail Copies to Mr. _____
Statement

Big State Tool Co. ✓

Street Box 2024

City Odessa ✓

Attention _____

46

(46) M.F. 56074

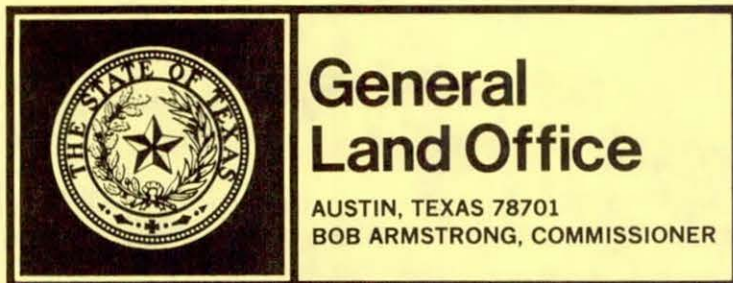
Rental Payment

Filed 3-17 1973

BOB ARMSTRONG, COMMISSIONER

78
Clerk

RECEIVED
MAR 22 1973
B. CLERK



August 14, 1973

Big State Tool Company
P. O. Box 2024
Odessa, Texas 79760

RE: State Lease M-56074
Bethol-Denton Lease
Regan Field
Reeves County, Texas

Gentlemen:

This is to advise that the statutes require certain records to be filed in the General Land Office each month pertaining to production for the preceding month when a lease is producing.

The files of this office do not show the following records to have been received:

Permian Corporation's Oil Purchase Statements for January, 1972 and February, 1972.

Please file these records at the earliest possible time. Thank you for your cooperation.

Sincerely yours,

Bob Armstrong

BY: Charles F. Whitsetl , Supervisor
Finance, Audit and Investment

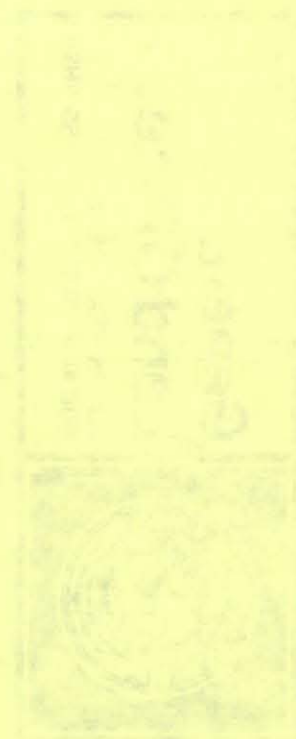
BM/glc

47

M. F. 56074
CORRESPONDENCE FILE

To Big State Tool Co.
From

Dated 8-14-73 gc



P. O. BOX 2024



BIG STATE TOOL CO.

1013 S. CRANE AVENUE
ODESSA, TEXAS - 79760

FEDERAL 7-3052

August 29, 1973

RECEIVED

SEP 1 1973

General Land Office

Mr. Charles F. Witsel, Supervisor
Finance, Audit and Investment
General Land Office
Austin, Texas 78701

Re: State Lease M-56074
Bethol-Denton Lease, Regan
Field, Reeves County, Texas.

Dear Mr. Witsel:

As you requested in your letter of August 14, 1973, we are attaching a copy of Permian Corporation's oil purchase statement for the month of February 1972. You will note, though, on our January 1972 report that Permian Corporation was not the purchaser, but rather Admiral Crude Oil Corp. Admiral Crude Oil Corporation became defunct and issued no December 1971 reports and no January 1972 reports.

We did make reports for December 1971 and January 1972. And we did make payment to you for your part of this production, even though we received no payment. This was by our checks as follows:

<u>Check No.</u>	<u>Date</u>	<u>Amount</u>	<u>Month of Liability</u>
20220	3-15-72	\$ 69.25	(Dec. '71)
20239	3-29-72	131.92	(Jan. '72)

If additional information is desired, please advise.

Very truly yours,

L. B. Lyons

"Quality Tools"

48

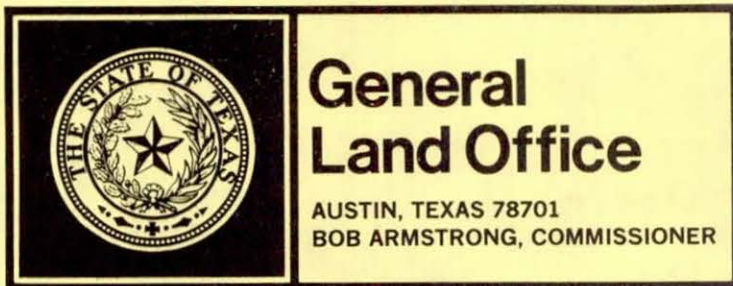
M. F. 56074

CORRESPONDENCE FILE

To

From Big Tool State

Dated 8-29-73g



November 28, 1973

Big State Tool Company
Box 2024
Odessa, Texas 79760

RE: State Lease M-56074
Parts of Sec. 6, Blk. 56
T&P Ry. Co. T-3
Reeves County, Texas

Gentlemen:

Our records show the statutory 10¢ per acre rental in the amount of \$12.00 on the subject lease was due on **November 13, 1973.**

This minimum rental is due the State although the lease is producing.

At an early date, please forward your check in the amount of \$12.00 to pay the minimum rental due on the subject lease.

Sincerely yours,

Bob Armstrong

BY: A. J. Wallis, Supervisor
Finance, Audit and Investment

Telephone No. 512-475-2856
NS/glc

M. F. 56074

CORRESPONDENCE FILE

To Big State Tool Co.
From

Dated 11-28-73 gc



RECEIVED

19 DEC 6 1973

General Land Office

Hon. Bob Armstrong
Commissioner
General Land Office

Date _____

Dear Sir:

Attached is \$ _____

Charge _____

Credit Acct. # _____

Cash Fees
Check To Cover Interest On The Following:
Draft Rental

State Lease - M-56074

ck - 12.00 40852

15

Receipt
Please Mail Copies to Mr. _____
Statement

Big State Tool Co. ✓

Street _____

City _____

Attention _____

Odessa ✓

RECEIVED
DEC 11 1923
COUNTY CLERK'S OFFICE

(50) M.F. 56074

Rental Payment

Filed 12-6 1923

BOB ARMSTRONG, COMMISSIONER

ms

Clerk



December 18, 1974

Big State Tool Company
Box 2024
Odessa, Texas 79760

RE: State Lease M-56074
Pts. of Sec. 6, Blk. 56
2 & P Ry. Co. T-3
Reeves County, Texas

Gentlemen:

Our records show the statutory 10¢ per acre rental in the amount of \$12.00 on the subject lease was due on **November 13, 1974.**

This minimum rental is due the State although the lease is producing.

At an early date, please forward your check in the amount of \$ **12.00** to pay the minimum rental due on the subject lease.

To expedite the handling of your correspondence, please direct your reply to the undersigned Supervisor.

Sincerely yours,

A. J. Wallis, Supervisor
Finance, Audit and Investment
Telephone No. 512-475-2856

NS/glc

(51)

M. F. 56074
CORRESPONDENCE FILE

To Big State Tool Co.

From

Dated 12-18-74 gr



December 18, 1974

Big State Tool Company ✓
Box 2024
Odessa, Texas 79760 ✓

RE: State Lease M-56074
Pts. of Sec. 6, Blk. 56
2 & P Ry. Co. T-3
Reeves County, Texas

CA 12.00 38222

Gentlemen:

Our records show the statutory 10¢ per acre rental in the amount of \$12.00 on the subject lease was due on November 13, 1974.

This minimum rental is due the State although the lease is producing.

At an early date, please forward your check in the amount of \$12.00 to pay the minimum rental due on the subject lease.

To expedite the handling of your correspondence, please direct your reply to the undersigned Supervisor.

Sincerely yours,

A. J. Wallis

A. J. Wallis, Supervisor
Finance, Audit and Investment
Telephone No. 512-475-2856
NS/glc

RECEIVED

JAN 3 1975

General Land Office

Check Attach. →

22370
12/30/74
121-

15-11-1
12-1-201
121

(52) M-56074
Fental Payment
1-3-75

← Jutta David



November 21, 1975

Big State Tool Company
Box 2024
Odessa, Texas 79760

RE: State Lease M-56074
Pts. of Sec. 6, Blk. 56
T & P Ry. Co. T-3
Reeves County, Texas

Gentlemen:

Our records show the statutory 10¢ per acre rental in the amount of \$12.00 on the subject lease was due on November 13, 1975.

This minimum rental is due the State although the lease is producing.

At an early date, please forward your check in the amount of \$12.00 to pay the minimum rental due on the subject lease.

Sincerely yours,

A. J. Wallis, Supervisor
Resource Accounting
Telephone No. 512-475-2856

NS/glc



M. F. 56074

CORRESPONDENCE FILE

To

Big State Zool

From

Dated 11-21-75 *gc*





November 21, 1975

Big State Tool Company ✓
Box 2024
Odessa, Texas 79760

RE: State Lease M-56074
Pts. of Sec. 6, Blk. 56
T & P Ry. Co. T-3
Reeves County, Texas

~~ck - 4.34 - 3.55~~
ck - 12.00

35539

121

~~ck - 4.34 - 3.55~~

Gentlemen:

Our records show the statutory 10¢ per acre rental in the amount of \$12.00 on the subject lease was due on November 13, 1975.

This minimum rental is due the State although the lease is producing.

At an early date, please forward your check in the amount of \$12.00 to pay the minimum rental due on the subject lease.

Sincerely yours,

A. J. Wallis

A. J. Wallis, Supervisor
Resource Accounting
Telephone No. 512-475-2856
NS/glc

RECEIVED
NOV 28 1975
General Land Office

Check Attached
23187
11-26-75

(54) A-56074
Rental Payment
11-28-75

RECEIVED
NOV 28 1975

	Initials	Date
Prepared By		
Approved By		

STATE LEASE *m-56074*

OPERATOR

	1	2	3	4	5	6	
MONTH	ADJUSTED GROSS VALUE	ROYALTY DUE %	ROYALTY PAID	ADDITIONAL ROYALTY DUE	ACCUMULATED SHORTAGE	INTEREST DUE 6%/ANNUM	
8-74	22062	1379	1340	39	39	0	1
9-74	312598	19537	19042	495	534	03	2
10-74	165699	10356	10093	263	797	04	3
11-74	162520	10158	9900	258	1055	05	4
12-74	181476	11342	11054	288	1343	07	5
1-75	176862	11054	10784	270	1613	08	6
2-75	511375	31961	31191	770	2383	12	7
3-75	534823	33426	32643	783	3166	16	8
4-75	889015	55563	54260	1303	4469	22	9
5-75	741306	46332	45246	1086	5555	28	10
6-75	554723	34670	33857	813	6368	32	11
7-75	971320	60708	59364	1344	7712	39	12
	5223779	326486	318774	7712		176	13
							14
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							49
							50

6% INTEREST ON \$77.12 COMPUTED

FROM OCT 1, 1974 THROUGH JULY 31, 1976

386

TOTAL INTEREST DUE

562

November 11, 1974

Big State Tool Company
Box 2024
Odessa, Texas 79760

Attention: Oil Accounting Manager

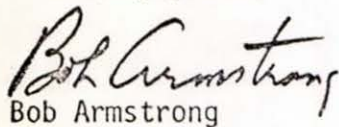
Gentlemen:

In conducting an audit of Big State Tool Company's affidavits of production (Form MA-1) and oil royalty payments we have found that your company has been deducting certain costs associated with the marketing and transportation of oil prior to computing the State's royalties. In this regard we have been advised by the Attorney General's Office that there is nothing in the language of the lease agreements covering lands in which the State has a mineral interest which can be construed to diminish the oil royalties reserved to the State by statute.

As a royalty owner it is the policy of the State of Texas and the General Land Office that all oil royalties stipulated in lease agreements covering lands in which the State has a mineral interest be paid without deduction for the cost of producing, gathering, storing, treating, processing, transporting and otherwise making the oil and other products produced therefrom ready for sale or use.

Beginning with the production month of August, 1974, Big State Tool Company should make royalty payments without deductions in accordance with the provisions of the lease agreements and with the statutes of the State of Texas.

Sincerely yours,


Bob Armstrong

BF/JS

Big State Tool Company
P. O. Box 2024
Odessa, Texas 79760

ATTENTION: Accounting Manager

RE: State Lease M-56074
Bethol Denton Lease
Ken Regan (Delaware) Field
Reeves County, Texas

Gentlemen:

An examination of our records on the subject lease reveals marketing deductions, have been taken against the State's royalty for the production month of August, 1974 through July, 1975. As stated in our letter to you dated November 11, 1974, the State's royalty must be based on gross value beginning with the production month of August, 1974 (copy enclosed).

Please forward your check for \$82.74 to pay the \$77.12 additional royalty and legal interest of \$5.62 (schedule enclosed). Legal interest is calculated from October 1, 1974 through July 31, 1976.

Sincerely yours,

Billy R. Lancaster, Supervisor
Resource Accounting
Telephone No. 512-475-4524

JJD/bh
Enclosure

(55)

M. F. m-56074
CORRESPONDENCE FILE

① Big State Tool

From

Dated 8-6-26

101
BIG STATE TOOL COMPANY
P. O. Box 2024
Odessa, Texas 79760

RECEIVED

SEP 2 1976

General Land Office

General Land Office
Austin, Texas 78701

ATTENTION: Mr. Billy R. Lancaster, Supervisor
Resources Accounting

RE: State Lease M-56074
Bethol Denton Lease
Ken Regan (Delaware) Field
Reeves County, Texas

Dear Mr. Lancaster:

We have examined our Forms MA-1 for the period of August 1974 through July 1975 and find we made marketing deductions for only August and September 1974. Marketing deductions were not made by us on Form MA-1 for the months of October 1974 thru July 1975.

We ask that you please recheck on this and advise as to the correct amount we might owe.

Very truly yours,

BIG STATE TOOL COMPANY

L. B. Lyons
L. B. Lyons *new*

Ltr. dated 8-6-76

JJD

I told Norman Whisenand (Big State Tool) that we are in the process of requesting the additional royalty from Permian. I told him nothing would be due from Big State Tool unless we requested it in the future. phone 913 915-337-3052 7295

56

M. F. 56074

CORRESPONDENCE FILE

To

From BIG STATE TOOL

Dated 9-2-76



December 15, 1976

Big State Tool Company
Box 2024
Odessa, Texas 79760

RE: State Lease M-56074
Pts. of Sec. 6, Blk. 56
T & P Ry. Co. T-3
Reeves County, Texas

Gentlemen:

Our records show the statutory 10¢ per acre rental in the amount of \$ **12.00** on the subject lease was due on **November 13, 1976.**

This minimum rental is due the State although the lease is producing.

At an early date, please forward your check in the amount of \$ **12.00** to pay the minimum rental due on the subject lease.

Sincerely yours,

A. J. Wallis, Supervisor
Resource Accounting
Telephone No. 512-475-2856

NS/glc

M. F. 56074
CORRESPONDENCE FILE

To Big State Tool
From

Dated 12-15-76 gr



Hon. Bob Armstrong
Commissioner
General Land Office

Date _____ 19____

Dear Sir:

Attached is \$ _____

Charge

Credit Acct. # _____

Cash Fees
Check To Cover Interest On The Following:
Draft Rental

Lease Rental, State Lease M-56074
Pt. of Sec. 6 B1K 56
J.L.B. Reg. Co. T-3
Reeves Co. Texas

ck - 12.00

41074

attn: A.J. Wallis

121

Receipt
Please Mail Copies to Mr. _____
Statement

Big State Tool Co. ✓
Odessa L

Street _____

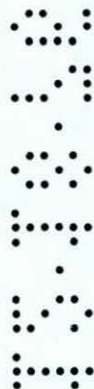
City _____

Attention _____

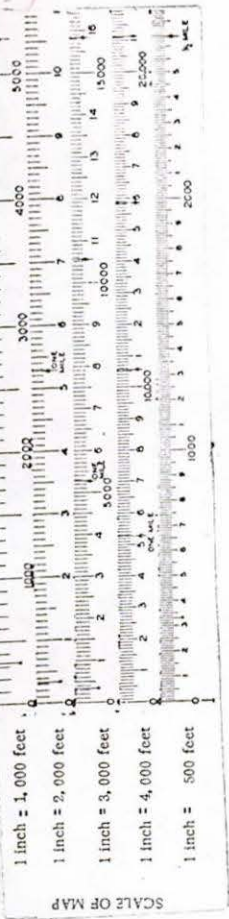
(14)

(58)

M-56074
Rental Payment
12-18-76



N.R.



SCALES OF MAP

1 inch = 1,000 feet
1 inch = 2,000 feet
1 inch = 3,000 feet
1 inch = 4,000 feet
1 inch = 500 feet

FORM W-1
(3-1-70)

M-56074

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

DIST. 8
42 389 30408

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Check one: ☒ DRILL ☐ DEEPEN ☐ PLUG BACK ☐ OTHER (Specify) _____

1. Operator: Big State Tool Company

2. Address (including City and Zip Code): P. O. Box 2024, Odessa, Texas 79760

3. Is Form P-5 (Organization Report) in Exact Operator Name Filed? ☒ YES ☐ NO

4. Lease Name: Bethol - Denton

5. Location (Sec., Bk., Twp., Range): Sec. 6, Bk. 56, Twp. 3, R. 10

6. This well is to be located _____ miles South Direction from _____, _____, Texas

7. RRC District: B

8. County: Reeves

9. Well Number: 4

10. Number of Acres in Lease: 120

11. Distance from Proposed Location to Nearest Property or Lease Line (ft.): 330

12	13	14	15	16	17	18	19	20	21	22
FIELD NAME (Exactly as shown on R. R. C. Reservation including Reservoir if applicable) If different, so state below.	Completion or ID Number	RRC Lease Number	Field Rule	Field Rule	Field Rule	Field Rule	Field Rule	Field Rule	Field Rule	Field Rule
Ken Reagan (DEANARE)	3400	21108	330	660	20	20	660	Yes	Oil	3
Depth	3400	21108	330	660	20	20	660	Yes	Oil	3
Completion or ID Number	3400	21108	330	660	20	20	660	Yes	Oil	3
RRC Lease Number	21108	330	660	20	20	20	660	Yes	Oil	3
Field Rule	330	660	20	20	20	20	660	Yes	Oil	3
Field Rule	660	20	20	20	20	20	660	Yes	Oil	3
Field Rule	20	20	20	20	20	20	660	Yes	Oil	3
Field Rule	660	20	20	20	20	20	660	Yes	Oil	3
Field Rule	20	20	20	20	20	20	660	Yes	Oil	3
Field Rule	660	20	20	20	20	20	660	Yes	Oil	3
Field Rule	20	20	20	20	20	20	660	Yes	Oil	3
Field Rule	660	20	20	20	20	20	660	Yes	Oil	3
Field Rule	20	20	20	20	20	20	660	Yes	Oil	3
Field Rule	660	20	20	20	20	20	660	Yes	Oil	3
Field Rule	20	20	20	20	20	20	660	Yes	Oil	3
Field Rule	660	20	20	20	20	20	660	Yes	Oil	3
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Field Rule	660	20	20	20	20	20	660	Yes	Oil	3
Field Rule	20	20	20	20	20	20	660	Yes	Oil	3
Field Rule	660	20	20	20	20	20	660	Yes	Oil	3
Field Rule	20	20	20	20	20	20	660	Yes	Oil	3
Field Rule	660	20	20	20	20	20	660	Yes	Oil	3
Field Rule	20	20	20	20	20	20	660	Yes	Oil	3
Field Rule	660	20	20	20	20	20	660	Yes	Oil	3
Field Rule	20	20	20	20	20	20	660	Yes	Oil	3
Field Rule	660	20	20	20	20	20	660	Yes	Oil	3
Field Rule	20	20	20	20	20	20	660	Yes	Oil	3
Field Rule	660	20	20	20	20	20	660	Yes	Oil	3
Field Rule	20	20	20	20	20	20	660	Yes	Oil	3
Field Rule	660	20	20	20	20	20	660	Yes	Oil	3
Field Rule	20	20	20	20	20	20	660	Yes	Oil	3
Field Rule	660	20	20	20	20	20	660	Yes	Oil	3
Field Rule	20	20	20	20	20	20	660	Yes	Oil	3
Field Rule	660	20	20	20	20	20	660	Yes	Oil	3
Field Rule	20	20	20	20	20	20	660	Yes	Oil	3
Field Rule	660	20	20	20	20	20	660	Yes	Oil	3
Field Rule	20	20	20	20	20	20	660	Yes	Oil	3
Field Rule	660	20	20	20	20	20	660	Yes	Oil	3
Field Rule	20	20	20	20	20	20	660	Yes	Oil	3
Field Rule	660	20	20	20	20	20	660	Yes	Oil	3
Field Rule	20	20	20	20	20	20	660	Yes	Oil	3
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Field Rule	660	20	20	20	20	20	660	Yes	Oil	3
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Field Rule	20	20	20	20	20	20	660	Yes	Oil	3
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Field Rule	660	20	20	20	20	20	660	Yes	Oil	3
Field Rule	20	20	20	20	20	20	660	Yes	Oil	3
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Field Rule	20	20	20	20	20	20	660	Yes	Oil	3
Field Rule	660	20	20	20	20	20	660	Yes	Oil	3
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Field Rule	660	20	20	20	20	20	660	Yes	Oil	3
Field Rule	20	20	20	20	20	20	660	Yes	Oil	3
Field Rule	660	20	20	20	20	20	660	Yes	Oil	3
Field Rule	20	20	20	20	20	20	660	Yes	Oil	

WELL STATUS REPORT

OPERATOR Big State Tool Co.

STATE LEASE NO. M-56074 FEE _____ R.A.L. Yes FREE ROYALTY _____

OFFSET, APPROX. _____ FT. FROM STATE LEASE _____

LEASE Bethol-Denton WELL NO. 4

FIELD NAME Ken Regan Delaware WILDCAT _____ COUNTY Reeves

REPORT NO. 1 SPUD DATE _____ DRILLING DEPTH _____

COMPLETION DATE _____ TOTAL DEPTH _____

PERFS _____ 1ST COMPLETION: YES _____ NO _____

POTENTIAL/TEST: OIL _____ GAS _____ D&A _____

REMARKS: They have their cable tool rig on this location and are to spud in
today ?

BA/jmh/gs

2-25-75


INSPECTOR

DATE April 21, 1976

WELL STATUS REPORT

OPERATOR Big State Tool Co.

STATE LEASE NO. M-56074 FEE _____ R.A.L. Yes FREE ROYALTY _____

OFFSET, APPROX. _____ FT. FROM STATE LEASE _____

LEASE Bethol-Denton WELL NO. 4

FIELD NAME Ken Reagan Delaware WILDCAT _____ COUNTY Reeves

REPORT NO. 2 SPUD DATE 4-24-76 DRILLING DEPTH 345 feet

COMPLETION DATE _____ TOTAL DEPTH _____

PERFS _____ 1ST COMPLETION: YES _____ NO _____

POTENTIAL/TEST: OIL _____ GAS _____ D&A _____

REMARKS: _____

BA/jmh/gs

2-25-75


INSPECTOR
May 18, 1976

DATE _____

WELL STATUS REPORT

OPERATOR Big State Tool Co.

STATE LEASE NO. M-56074 FEE _____ R.A.L. Yes FREE ROYALTY _____

OFFSET, APPROX. _____ FT. FROM STATE LEASE _____

LEASE Bethol-Denton WELL NO. 4

FIELD NAME Ken Regan Delaware WILDCAT _____ COUNTY Reeves

REPORT NO. 3 SPUD DATE 4-24-76 DRILLING DEPTH Unkown

COMPLETION DATE _____ TOTAL DEPTH _____

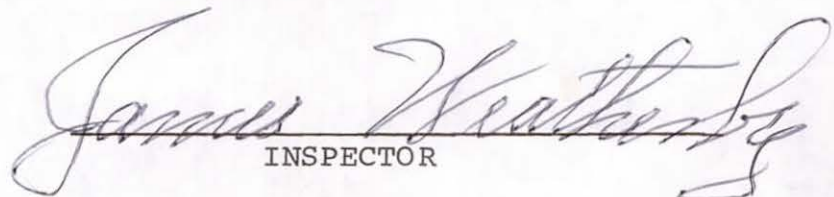
PERFS _____ 1ST COMPLETION: YES _____ NO _____

POTENTIAL/TEST: OIL _____ GAS _____ D&A _____

REMARKS: They cable tool rig did not have any one working on it this date. So
I was unable to get a drilling depth. I was told in Orla, Texas that they
were around 600 feet but I could not find their sample bags to get a depth
off of one or the last bag this date ?

BA/jmh/gs

2-25-75


INSPECTOR

DATE June 9, 1976

OPERATOR Big State Tool Co.

WELL STATUS REPORT

STATE LEASE NO. M-56074 FEE _____ R.A.L. X FREE ROYALTY _____

OFFSET, APPROX. _____ FT. FROM STATE LEASE _____

LEASE Bethol-Denton WELL NO. 4

FIELD NAME Ken Regan Delaware WILDCAT _____ COUNTY Reeves

REPORT NO. 4 SPUD DATE 4-24-76 DRILLING DEPTH 780 feet

COMPLETION DATE _____ TOTAL DEPTH _____

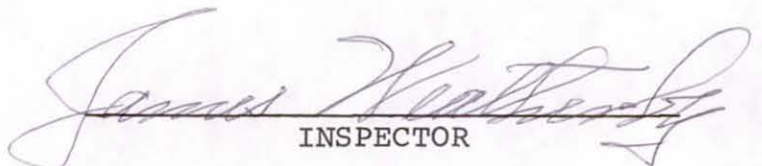
PERFS _____ 1ST COMPLETION, YES _____ NO _____

POTENTIAL/TEST OIL _____ GAS _____ D&A _____

REMARKS: Pete: There was not any one at the well site this date and I
was told this depth in Orla, Texas but feel like it must be close to
being right ?

BA/jmh/gs

1-24-75


INSPECTOR

DATE July 28, 1976

WELL STATUS REPORT

OPERATOR Big State Tool Co.

STATE LEASE NO. M-56074 FEE _____ R.A.L. Yes FREE ROYALTY _____

OFFSET, APPROX. _____ FT. FROM STATE LEASE _____

LEASE Bethel-Denton WELL NO. 4

FIELD NAME Ken Reagan Delaware WILDCAT _____ COUNTY Reeves

REPORT NO. 5th SPUD DATE 4-24-76 DRILLING DEPTH 1239 feet

COMPLETION DATE _____ TOTAL DEPTH _____

PERFS _____ 1ST COMPLETION: YES _____ NO _____

POTENTIAL/TEST: OIL _____ GAS _____ D&A _____

REMARKS: _____

BA/jmh/gs

2-25-75


INSPECTOR

DATE Sept 15, 1976

WELL STATUS REPORT

OPERATOR Big State Tool Company

STATE LEASE NO. M-56074 FEE R.A.L. Yes FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE Bethol-Denton WELL NO. #4

FIELD NAME Ken Regan Delaware WILDCAT COUNTY Reeves

REPORT NO. 6th SPUD DATE 4-24-76 DRILLING DEPTH Unkown feet

COMPLETION DATE TOTAL DEPTH

PERFS 1ST COMPLETION: YES NO

POTENTIAL/TEST: OIL GAS D&A

REMARKS: The cable tool rig was still on the location but it was not running
this date. I was not able to find a sample bag out side the dog-house to see
at what depth the last sample was taken ?

BA/jmh/gs

2-25-75


INSPECTOR

DATE Oct 6, 1976

WELL STATUS REPORT

OPERATOR Big State Tool Co.

STATE LEASE NO. M-56074 FEE _____ R.A.L. Yes FREE ROYALTY _____

OFFSET, APPROX. _____ FT. FROM STATE LEASE _____

LEASE Bethol-Denton WELL NO. 4

FIELD NAME Ken Regan Delaware WILDCAT _____ COUNTY Reeves

REPORT NO. 7th SPUD DATE 4-24-76 DRILLING DEPTH 2580 feet

COMPLETION DATE _____ TOTAL DEPTH _____

PERFS _____ 1ST COMPLETION: YES _____ NO _____

POTENTIAL/TEST: OIL _____ GAS _____ D&A _____

REMARKS: _____

BA/jmh/gs

2-25-75


INSPECTOR

DATE Dec 1, 1976

WELL STATUS REPORT

OPERATOR Big State Tool Co.

STATE LEASE NO. M-56074 FEE R.A.L. Yes FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE Bethol-Denton WELL NO. 4

FIELD NAME Ken Reagan Delaware WILDCAT COUNTY Reeves

REPORT NO. 8th SPUD DATE 4-24-76 DRILLING DEPTH 3100 feet

COMPLETION DATE TOTAL DEPTH

PERFS 1ST COMPLETION: YES NO

POTENTIAL/TEST: OIL GAS D&A

REMARKS:

BA/jmh/gs

2-25-75


INSPECTOR

DATE Jan 19, 1977

WELL STATUS REPORT

OPERATOR Big State Tool Co.

STATE LEASE NO. M-56074 FEE _____ R.A.L. Yes FREE ROYALTY _____

OFFSET, APPROX. _____ FT. FROM STATE LEASE _____

LEASE Bethol-Denton WELL NO. 4

FIELD NAME Ken Regan Delaware WILDCAT _____ COUNTY Reeves

REPORT NO. 9th SPUD DATE 4-24-76 DRILLING DEPTH 3282 feet

COMPLETION DATE _____ TOTAL DEPTH _____

PERFS _____ 1ST COMPLETION: YES _____ NO _____

POTENTIAL/TEST: OIL _____ GAS _____ D&A _____

REMARKS: This maybe a Total Depth. They are 17-feet in to the pay at this
depth ?

BA/jmh/gs

2-25-75


INSPECTOR

DATE Feb 9, 1977

WELL STATUS REPORT

OPERATOR Big State Tool Co.

STATE LEASE NO. M-56074 FEE R.A.L. Yes FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE Bethol-Denton WELL NO. 4

FIELD NAME Ken Regan Delaware WILDCAT COUNTY Reeves

REPORT NO. 10th SPUD DATE 4-24-76 DRILLING DEPTH
Unkown

COMPLETION DATE TOTAL DEPTH 3300 feet

PERFS Unkown 1ST COMPLETION: YES ?? NO ??

POTENTIAL/TEST: OIL Unkown GAS D&A

REMARKS: They have made a flowing oil well out of this location. The cable
tool rig is still on the hole this date ?

BA/jmh/gs

2-25-75


INSPECTOR

DATE May 24, 1977

(59)

M. F. 56074

APPLICATION TO DRILL

WELL # 4

FILED 3-6 1977

BOB ARMSTRONG, COMMISSIONER

BY: MHV



December 12, 1977

Big State Tool Company
Box 2024
Odessa, Texas 79760

RE: State Lease M-56074
Pts. of Sec. 6, Blk. 56
T & P Ry. Co. T-3
Reeves County, Texas

Gentlemen:

Our records show the statutory 10¢ per acre rental in the amount of \$12.00 on the subject lease was due on November 13, 1977.

This minimum rental is due the State although the lease is producing.

At an early date, please forward your check in the amount of \$12.00 to pay the minimum rental due on the subject lease.

Sincerely yours,

A. J. Wallis, Supervisor
Resource Accounting
Telephone No. 512-475-2856
RW/glc

60

M. F. 56074
CORRESPONDENCE FILE

To Big State Tool
From

Dated 12-12-78



Hon. Bob Armstrong
Commissioner
General Land Office

Date _____ 19____

Dear Sir:

Attached is \$ _____

Charge

Credit Acct. # _____

Cash Fees
Check To Cover Interest On The Following:
Draft Rental

Rental, M-56074
Pt. of sec. 6, Blk. 56
T & P Ry Co. T-3
Reeves Co, Tex.

(121)

ck-12.00

41902

Receipt
Please Mail Copies to Mr. _____
Statement

Street

City

Attention _____

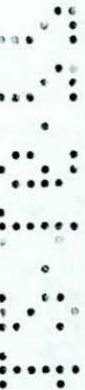
Big State Tool Co. ✓

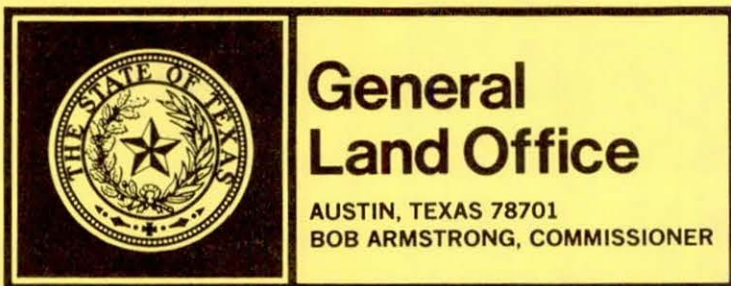
P.O. Box 2024

Odessa, Tex. 79760

(16)

(61) M-56074
Rental Payment
12-16-77





December 5, 1978

Big State Tool Company
Box 2024
Odessa, Texas 79760

RE: State Lease M-56074
Pt. of Sec. 6, Blk. 56
T & P Ry. Co. T-3
Reeves County, Texas

Gentlemen:

Our records show the statutory 10¢ per acre rental in the amount of \$ 12.00 on the subject lease was due on **November 13, 1978.**

This minimum rental is due the State although the lease is producing.

At an early date, please forward your check in the amount of \$ 12.00 to pay the minimum rental due on the subject lease.

Sincerely yours,

A. J. Wallis, Supervisor
Resource Accounting
Telephone No. 512-475-3599

NS/glc

(62)

M. F. 56074

CORRESPONDENCE FILE

To Big State Tool

From

Dated 12-5-78 gc

Hon. Bob Armstrong
Commissioner
General Land Office

Date _____ 19____

Dear Sir:

Attached is \$ _____

Charge

Credit Acct. # _____

Cash Fees
Check To Cover Interest On The Following:
Draft Rental

121

40275

CK. 12.00

Rental State Lease # M56074

Reeves Co. 24.

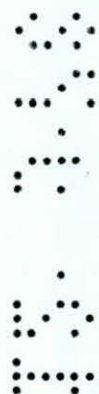
Receipt
Please Mail Copies to Mr. _____
Statement

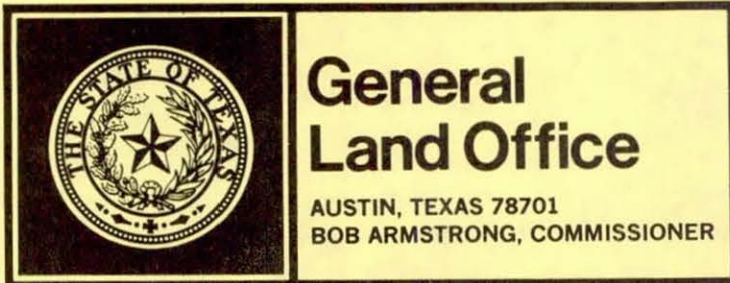
Street Box 2024

City Dessa, 24.

Attention _____

(63) M-56074
Rental Payment
12-9-78





November 29, 1979

Big State Tool Company
Box 2024
Odessa, Texas 79760

RE: State Lease M-56074
Pt. of Sec. 6, Blk. 56
T & P Ry. Co. T-3
Reeves County, Texas

Gentlemen:

Our records show the statutory 10¢ per acre rental in the amount of \$12.00 on the subject lease was due on **November 13, 1979.**

This minimum rental is due the State although the lease is producing.

At an early date, please forward your check in the amount of \$12.00 to pay the minimum rental due on the subject lease.

Sincerely yours,

A. J. Wallis, Supervisor
Resource Accounting
Telephone No. 512-475-3599

RW/glc

64

M. F. 56074

CORRESPONDENCE FILE

To Big State Tool

From

Dated 11-29-79



Hon. Bob Armstrong
Commissioner
General Land Office

Date _____ 19 _____

Dear Sir:

Attached is \$ _____

Charge

Credit Acct. # _____

Cash Fees
Check To Cover Interest On The Following:
Draft Rental

X 12⁰⁰ 38197

Rental State Lse

M-56074

Pl of Sec 6 Bk 56

T & P Ry Co. T-3

Reeves Co.

(122)

Please Mail Receipt
Copies to Mr. _____
Statement

Street _____

City Odessa, Tex.

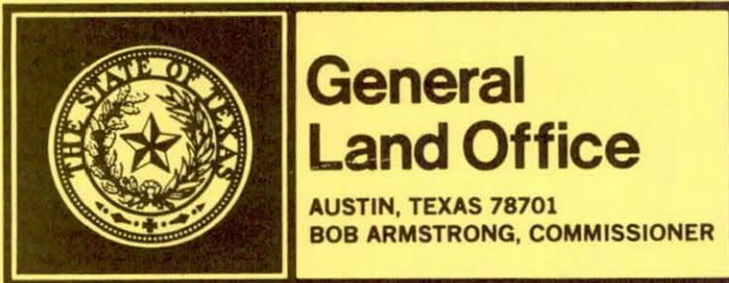
Attention _____

5

(65) M-56074
Rental Payment
12-5-79

7412F

3
2
1



December 16, 1980

Big State Tool Company
Box 2024
Odessa, Texas 79760

RE: State Lease M-56074
Pt. of Sec. 6, Blk. 56
T & P Ry. Co. T-3
Reeves County, Texas

Gentlemen:

Our records show the statutory 10¢ per acre rental in the amount of \$12.00 on the subject lease was due on November 13, 1980.

This minimum rental is due the State although the lease is producing.

At an early date, please forward your check in the amount of \$12.00 to pay the minimum rental due on the subject lease.

Sincerely yours,

A. J. Wallis, Supervisor
Resource Accounting
Telephone No. 512-475-3599

RN/glc

(66)

M-56074
Ⓢ Big State Tool
12-16-80 *gc*

Hon. Bob Armstrong
Commissioner
General Land Office

Date _____ 19__

Dear Sir:

Attached is \$ _____

Charge

Credit Acct. # _____

Cash Fees
Check To Cover Interest On The Following:
Draft Rental

M-56074

121

X 12.00

42429

m56074

Rental

Receipt

Please Mail Copies to Mr. _____
Statement

Big State Tool Co. ✓

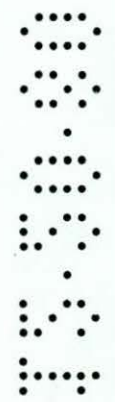
Street _____

City *Odessa, N.Y. ✓*

Attention _____

6

⑥7 M-56074
Rental Payment
12-20-80



410 294
FILE NO. 4059 CUSTER OIL COMPANY TO CHARLES (CHUCK)
RUNNESTRAND

THE STATE OF TEXAS §

COUNTY OF REEVES §

ASSIGNMENT OF LEASES

On the 13th day of November, 1963, K. L. Denton and wife, and Clella Denton Klapproth and husband executed, acknowledged and delivered oil and gas leases afterwards recorded in vol. 236 at, respectively, pages 507 and 94, covering

E/2 NE/4 and NE/4 SE/4, Section 6, Block 56, T-3, T&P Ry. Co. Survey, Abs. 4161, said Reeves County, Texas (State Lease M-56074).

In consideration of the sum of \$10,010.00 to Assignor, paid and secured to be paid, by Assignee as follows:

- (a) \$10.00 cash in hand paid, the receipt of which is hereby acknowledged and confessed; and
- (b) \$10,000.00, evidenced by Assignee's execution and delivery of a Vendor's Lien Note in that amount due on February 1, 1982,

Custer Oil Company, a corporation, acting herein by its officers duly authorized hereunto (Assignor) does hereby bargain, grant, sell, convey and assign unto Charles (Chuck) Runnestrand (Assignee), his heirs and assigns, the said leases and leasehold estates and interests therein to the extent only of an overriding royalty of 75% of 1/16 of production of all oil, gas and other minerals produced from the land covered by said leases.

TO HAVE AND TO HOLD the said overriding royalty unto Assignee herein, his heirs and assigns forever; but it is especially agreed and stipulated that the Vendor's Lien is retained against the said overriding royalty until the Note described above is fully paid according to its face and tenor, effect and reading, when this Assignment shall become absolute.

WITNESS THE EXECUTION HEREOF this 30th day of September 1981, effective September 1, 1981 at 7:00 a.m..

CUSTER OIL COMPANY

ATTEST:

Phyllis R. Oliver
Phyllis R. Oliver, Secretary

By Donald M. Oliver
Donald M. Oliver, President

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Donald M. Oliver, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said Custer Oil Company, a corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 2⁵ day of September, 1981.



William Beaudry

E 503—CERTIFICATE OF TRUE COPY OF PAPERS RECORDED—Class 1. (Arts. 6600-6625-6624, R. S. 1925)

Texas Standard Form

THE STATE OF TEXAS

County of REEVES } I, CATHERINE ASHLEY, Clerk

of the County Court of Reeves County, Texas, do hereby certify that

the foregoing is a true and correct copy of the original RECORDED ASSIGNMENT OF LEASES

FROM CUSTER OIL COMPANY TO CHARLES (CHUCK) RUNNESTRAND,

as the same appears of record in my office in book 410 page 294, Deed Records.

Given under my Hand and Seal of said Court, at office in Pecos, Texas

this 8th day of October 1981.

CATHERINE ASHLEY Clerk,

By Billie JO Freeman Deputy.
(Billie JO Freeman)

M. 50017

Assignment

68

File Date 10-20-81

Bob Armstrong, Commissioner

ES

RECEIVED AS STATED
\$10.00

Date 10-22-81

Reg No FF#: 2442

GENERAL LAND OFFICE

10.50.01

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER, INC.

ATTORNEYS AT LAW

FRANK STUBBEMAN (1906-1978)
HAMILTON E. McRAE
TOM SEALY
BOYD LAUGHLIN
FRED M. CASSIDY
WM. B. BROWDER, JR.
W. F. PENNEBAKER
DURWARD M. GOOLSBY
ROBERT J. COWAN
WALTER K. BOYD, JR.
HARRELL FELDT
SMITH RAY
J.J. BOWDEN
NICHOLAS C. TAYLOR
JOE D. MERONEY
ALVIN WALVOORD, JR.
RODNEY W. SATTERWHITE
HAL L. KEMPF
THOS. L. LOWRY
MARK R. LEAVERTON
MICHAEL B. MCKINNEY
AL W. SCHORRE, JR.
ALAN G. MORAVCIK
JACK D. LADD
MICHAEL R. STOLTZ
MARC L. SKEEN
MARY LOU CASSIDY
GARY D. DOUGLAS
ANDREW L. KERR
M. LINDSEY FOUTS III
J. RANDY TURNER*
ALAN R. WILSON*
RHONDA J. SELVY

*ALSO MEMBER NEW MEXICO BAR

MIDLAND, TEXAS
MIDLAND SAVINGS BUILDING-ZIP CODE 79701
300 WEST WALL STREET
P. O. BOX 1540-ZIP CODE 79702
A. C. 915 682-1616
TELECOPIER (915) 682-4884

W. A. MASTERS
OF COUNSEL

AUSTIN, TEXAS
1800 AMERICAN BANK TOWER, ZIP CODE 78701
221 WEST 6TH STREET
P. O. BOX 2286-ZIP CODE 78768
A. C. 512 476-3502

ADDRESS REPLY TO:

Austin Office
October 19, 1981

WALTER C. BEARDSLEY
JAMES G. NOLAND
MILTON L. BANKSTON
T. B. WRIGHT
JOE R. GREENHILL, JR.
JAMES V. HAMMETT, JR.
JOSEPH V. CRAWFORD
PATRICIA A. ENGLISH
GALT GRAYDON
JAMES CHRISMAN PHILLIPS
KAREN PARKER
LATIUS R. PRIKRYL
J. STOCKTON WILLIAMS, JR.
ROBERT A. MACINNES
WOFFORD DENIUS
BRAD CUMMINS
THOMAS J. MITCHELL III
STEVANN C. SIMPSON
DAVID E. CHAMBERLAIN
C. DANIEL ROBERTS
STEVEN P. WILLIAMS

Commissioner of the
General Land Office
State of Texas
Stephen F. Austin Building
Austin, TX 78701

Re: State Lease M-56074

Dear Sir:

Enclosed herewith for filing is a certified copy of
Custer Oil Company's Assignment of captioned Lease as
recorded in vol. 410, p. 294, Deed Records of Reeves County.

Please charge our account 874.

Very truly yours,

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER, INC.

By

Walter C. Beardsley
Walter C. Beardsley

WCB:jm
Enclosure
cc: Permian Corporation
Box 1183
Houston, TX 77001

Re: Lease 202870, Big State Tool Company--Bethol-Denton

Custer Oil Company
307 Comet
Austin, TX 78734

M. F. 56074 (69)

CORRESPONDENCE FILE

From: Stubbeman, M^C Rae, et al

Dated 10-20-81
ES

10.50.07

October 22, 1981

Stubbeman, McRae, Sealy, Laughlin & Browder, Inc.
PO Box 2286
Austin, TX 78763

Attn: Walter C. Beardsley

Re: Assignment of Oil and Gas Lease
M-56074
Reeves County, Texas

Gentlemen:

The certified copy of Assignment of Oil and Gas Lease, affecting the captioned tract, has been filed in our records.

We have charged your Account No. 874 with \$10.00 to cover the filing fee due ~~on~~ ^{on} the assignment. Our Invoice No. FF-2442 showing this charge is enclosed herewith.

Sincerely yours,

Bob Armstrong

By:
Dena Isham, Assistant
Oil and Gas Division
Legal Department
512/475-4246

DI/es

Encl.

M. F. 56074 (70)

CORRESPONDENCE FILE

To Stulbessan, McRae, et al.

Dated 10-22-81
ES

State lease - m-56074

Lease Name - Bethol-Denton

R.R.C. Lease No. - 21108

Operator - Big State Tool Co.

Reeves Co.

Month/yr.	MCF Price	Vented/Flared 100% Volumes Reported to R.R.C.	GROSS Value	Royalty Due @ .0625	Royalty Paid	Additional Royalty Due	Accumulated Shortage	Penalty Due @ 1% Per Mo.												
4-81	1.26	284	357.84	22.37	2.13	2024	2024	.20												
5-81	✓	370	466.20	29.14	2.78	2636	4660	.47												
6-81	✓	405	510.30	31.89	3.04	2885	7545	.75												
7-81	✓	272	342.72	21.42	2.04	1938	9483	.95												
				\$ 10482	\$ 999	\$ 9483		\$ 237												
1% per month penalty on \$ 9483 computed from Oct. '81 - Aug. '82									\$ 10.43											
TOTAL PENALTY DUE									\$ 1280											



IMPORTANT: RETAIN WHITE COPY AND
RETURN BLUE COPY WITH
SEPARATE CHECK FOR TOTAL
DUE.

September 20, 1982

Big State Tool Company
Box 2024
Odessa, Texas 79760

ATTENTION: GAS ACCOUNTING MANAGER

RE: State Lease M-56074
Bethol-Denton Lease
Ken Regan (Delaware) Field
Reeves County, Texas

Gentlemen:

An audit of the subject lease for the months of April, 1981 through July, 1981 indicates a price of \$.12 for vented or flared gas. The terms of your lease (Paragraphs 1 and 11) require the State to be paid royalty on production of gas regardless of how used or disposed of and the value of the gas is to be based on \$1.26 per MCF when there are no gas sales. (See General Land Office letter dated May 4, 1981.)

Based on the above determination and the attached schedule, please forward payment of \$107.63 which includes \$94.83 additional royalty and the required statutory delinquency penalty of \$12.80 as provided by Section 52.131, Texas Natural Resources Code. The statutes require that each such penalty shall never be less than Five Dollars (\$5). The delinquency penalty is computed for the period June, 1981 through August, 1982.

Sincerely yours,

Billy Lancaster, Administrative Supervisor
Resource Accounting
Telephone No. 512-475-2858
SKS/glc
Enclosures

71

M. F. 56074
CORRESPONDENCE FILE

To Big State Ice Co.
From

Dated 9-20-82



IMPORTANT: RETAIN WHITE COPY AND
RETURN BLUE COPY WITH
SEPARATE CHECK FOR TOTAL
DUE.

September 20, 1982

*Rec'd 9-25-82
R# 9320
\$ 107.63*

Big State Tool Company
Box 2024
Odessa, Texas 79760

ATTENTION: GAS ACCOUNTING MANAGER

107.63

09320

B-file

122

RE: State Lease M-56074
Bethol-Denton Lease
Ken Regan (Delaware) Field
Reeves County, Texas

Gentlemen:

An audit of the subject lease for the months of April, 1981 through July, 1981 indicates a price of \$.12 for vented or flared gas. The terms of your lease (Paragraphs 1 and 11) require the State to be paid royalty on production of gas regardless of how used or disposed of and the value of the gas is to be based on \$1.26 per MCF when there are no gas sales. (See General Land Office letter dated May 4, 1981.)

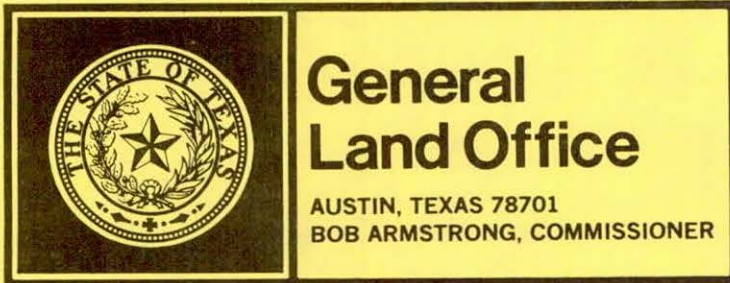
Based on the above determination and the attached schedule, please forward - payment of \$107.63 which includes \$94.83 additional royalty and the required statutory delinquency penalty of \$12.80 as provided by Section 52.131, Texas Natural Resources Code. The statutes require that each such penalty shall never be less than Five Dollars (\$5). The delinquency penalty is computed for the period June, 1981 through August, 1982.

Sincerely yours,

Billy Lancaster, Administrative Supervisor
Resource Accounting
Telephone No. 512-475-2858
SKS/glc
Enclosures

*Credit Letter 9-30-82
B-H Lse. M-56074 - 107.63
add, Royalty + penalty
June 81, thru Aug 82 107.63*

M. F. 56074 (72)
CORRESPONDENCE FILE
TO
Big State Tool Co
FROM
DATED 9-25-82



December 15, 1982

Big State Tool Company
Box 2024
Odessa, Texas 79760

RE: State Lease M-56074
Pt. of Sec. 6, Blk. 56
T & P Ry. Co. T-3
Reeves County, Texas

Gentlemen:

Our records show the statutory 10¢ per acre rental in the amount of \$ ~~24.00~~ ^{12.00} on the subject lease was due on November 13, 1981, and November 13, 1982.

This minimum rental is due the State although the lease is producing.

At an early date, please forward your check in the amount of \$ 24.00 to pay the minimum rental due on the subject lease.

Sincerely yours,

A. J. Wallis, Supervisor
Resource Accounting
Telephone No. 512-475-3599
RW/hlm

(3)

M. F. 56024

CORRESPONDENCE FILE

To

Big State Sool

From

Dated 12-15-82

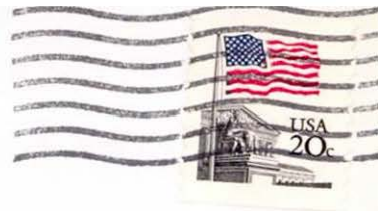


BIG STATE TOOL CO.

P. O. BOX 2024

ODESSA, TEXAS 79760

12-23-82



General Land Office

Austin, Texas 78701

Hon. Bob Armstrong
Commissioner
General Land Office

Date _____ 19 _____

Dear Sir:

Attached is \$ _____

Charge

Credit Acct. # _____

Cash Fees
Check To Cover Interest On The Following:
Draft Rental

121

X-24.⁰⁰ 44452

Rental fee one State Pool 24.⁰⁰
M-56074
letter 12-15-82 24.⁰⁰

Receipt
Please Mail Copies to Mr.
Statement

Big State Pool Co.

Street Port 2024
City Odessa, Tex. 
Attention _____

(74) M-56074
Rental Payment
12-23-82



December 13, 1983

Big State Tool Company
P.O. Box 2024
Odessa, Texas 79760

RE: State Lease M-56074
Pt. of Sec 6, Blk 56
T&P Ry. Co. T-3
Reeves County, Texas

Gentlemen:

Our records show the statutory 10¢ per acre rental in the amount of \$12.00 on the subject lease was due on November 13, 1983.

The minimum rental is due the State although the lease is producing.

At an early date, please forward your check in the amount of \$12.00 to pay the minimum rental due on the subject lease.

Sincerely yours,

Carl Liberty, Supervisor
Resource Accounting
Telephone No. 512-475-3599
NS/jrf

M. F. 56074

CORRESPONDENCE FILE

To

Big State Tool Co.

From

Dated 12-13-83

(15)

Garry Mauro
Commissioner
General Land Office



December 13, 1983

Big State Tool Company ✓
P.O. Box 2024
Odessa, Texas 79760

RE: State Lease M-56074
Pt. of Sec 6, Blk 56
T&P Ry. Co. T-3
Reeves County, Texas

121

X12.00 44257

Gentlemen:

Our records show the statutory 10¢ per acre rental in the amount of \$12.00 on the subject lease was due on November 13, 1983.

The minimum rental is due the State although the lease is producing.

At an early date, please forward your check in the amount of \$12.00 to pay the minimum rental due on the subject lease.

Sincerely yours,


Carl Liberty, Supervisor
Resource Accounting
Telephone No. 512-475-3599
NS/jrf

12-15-83

Thanks for
reminder



(76) M-56074
Rental Payment
12-17-83

Garry Mauro
Commissioner
General Land Office

IMPORTANT: RETAIN WHITE COPY AND
RETURN BLUE COPY WITH
SEPARATE CHECK FOR THE
TOTAL DUE.



November 20, 1984

Big State Tool Company
P.O. Box 2024
Odessa, TX 79760

RE: STATE LEASE M-56074
Pt. of Sec. 6, Blk. 57
T&P RY CO T-3
Reeves County, TX

Gentlemen:

Our records show the statutory 10¢ per acre rental in the amount of \$12.00 on the subject lease was due on 11-13-84.

The minimum rental is due the State although the lease is producing.

At an early date, please forward your check in the amount of \$12.00 to pay the minimum rental due on the subject lease.

Sincerely yours,

Carl Liberty, Supervisor
Resource Accounting
Telephone No. 512-475-2858

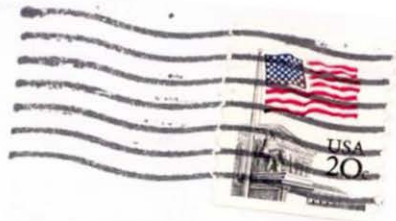
RW/dm

77

56074
M. F. _____
CORRESPONDENCE FILE 1

TO
Big State Tool

11-20-84



General Fund Office
Stephen S. Austin Bldg.
1700 No. Congress Ave.
Austin, Texas 78701

40-00-11

IMPORTANT: RETAIN WHITE COPY AND
RETURN BLUE COPY WITH
SEPARATE CHECK FOR THE
TOTAL DUE.

November 20, 1984

Big State Tool Company ✓
P.O. Box 2024
Odessa, TX 79760

RE: STATE LEASE M-56074
Pt. of Sec. 6, Blk. 57
T&P RY CO T-3
Reeves County, TX

X 12.00

29591

Gentlemen:

Our records show the statutory 10¢ per acre rental in the amount of \$12.00 on the subject lease was due on 11-13-84.

The minimum rental is due the State although the lease is producing.

At an early date, please forward your check in the amount of \$12.00 to pay the minimum rental due on the subject lease.

Sincerely yours,

121

Carl Liberty, Supervisor
Resource Accounting
Telephone No. 512-475-2858

RW/dm

78

M-56074

Rental Payment

11-28-84



LEASE NUMBER: 56074

OPERATOR: BIG STATE TOOL CO.

		1	2	3	4	5	6
		GROSS VALUE	NET VALUE	ADDITIONAL	PENALTY @ 1/16		
		OF OWNER'S	OF OWNER'S	ROYALTY VALUE	PER 30 DAY PERIOD	TOTAL	
		INTEREST *	INTEREST *	DUE	OR FRACTIONAL PART	DUE	
1	9/84	59715	57917	1798	216	2014	1
2	10/84	90420	87696	2724	300	3024	2
3	11/84	28624	27717	907	91	798	3
4	12/84	78660	76108	2552	230	2782	4
5	1/85	50668	48613	2055	164	2219	5
6	2/85	49226	47172	2054	144	2198	6
7	3/85	42602	40891	1711	103	1814	7
8	4/85	78560	75465	3095	155	3250	8
9	5/85	53846	51763	2083	83	2166	9
10	6/85	52443	50391	2049	61	2110	10
11	7/85	52211	50153	2058	* 2500	4558	11
12		636975	613889	23086	4047	27133	12
13							13
14	* Minimum						14
15	Applied						15
16							16
17							17
18							18
19							19
20							20
21							21
22							22
23							23
24							24
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37							37
38							38
39							39
40							40



IMPORTANT: RETAIN WHITE COPY AND RETURN BLUE COPY
WITH SEPARATE CHECK FOR THE TOTAL DUE

November 27, 1985

Big State Tool Co.
Box 2024
Odessa, TX 79760

ATTENTION: ACCOUNTING MANAGER

State Lease M-56074
Bethel Denton Lease
Ken Reagan (Delaware) Field
Reeves County, Texas

Gentlemen:

Examination of Permian Oil Purchase Statements and Permian Royalty Payments for the subject lease indicates oil royalty has been underpaid \$230.86 for the period September 1984 thru July 1985.

This underpayment is the result of Permian making royalty payments based on a net value after deducting for transportation costs. In accordance with established Land Office policy, royalties due the state shall be computed on gross value and paid without deductions for production or severance taxes, or for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting, and otherwise making the oil, gas, and other products produced there from ready for sale or use.

If your records show this royalty has been paid, please advise the total amount of the check and the approximate date it was mailed. If royalty has not been paid, please pay \$271.33 which includes \$230.86 additional royalty and the required statutory delinquent penalty of \$40.47. Failure to submit royalties when due for period August 1984 thru June 1985 subjects the amount owed to a statutory penalty of 1% of the amount owed for each thirty day period or fractional part thereof as provided by Section 52.131, Texas Natural Resources Code. However, no penalty may be less than five dollars (\$5.00).

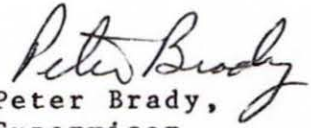
Big State Tool Co.
November 27, 1985
Page 2

Failure to submit royalties when due for July 1985 and thereafter subjects the amount owed to a 5% penalty for the first 30 days after due date, and an additional 5% penalty beginning on the 31st day after due date. Minimum penalty shall be \$25.00. Interest at 12% begins to accrue on the 61st day. New penalty and interest are in accordance with Revision to Section 52.131 Texas Natural Resources Code, effective September 1, 1985.

Payment should be received in this office no later than December 27, 1985.

If you have any questions, please feel free to contact me or Tracey Howard at (512) 475-2858.

Sincerely


Peter Brady,
Supervisor
Energy Resources/Royalty Audit

Attachment:

PB/TH/rgg

M.F. # 56074

CORRESPONDENCE FILE

TO Acting Manager

FROM Peter Brady

DATED 11-27-85

INDEX # 79

79

56074

ASSIGNMENT OF OIL AND GAS LEASES

STATE OF TEXAS :

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF REEVES :

THAT the undersigned:

VELMA E. LYONS
P.O. Box 2024
Odessa, Texas 79760-2024

(hereinafter called "Assignor") for and in consideration of the sum of TEN DOLLARS (\$10.00) cash in hand paid and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby ASSIGN, TRANSFER, SELL AND CONVEY unto:

CHAPEL RESOURCES, INC.
P.O. Box 4104
Odessa, Texas 79760

(hereinafter referred to as "Assignee"), all of Assignor's right, title and interest in and to the Oil and Gas Leases described on Exhibit "A" attached hereto and made a part hereof for all purposes, together with the rights incident thereto, the personal property thereon, appurtenant thereto, used or obtained in connection therewith.

TO HAVE AND TO HOLD, such interest in and to said Oil and Gas Leases unto Assignee, its successors and assigns, forever. THIS ASSIGNMENT IS MADE WITHOUT WARRANTY OF TITLE, EXPRESS OR IMPLIED, AND ASSIGNOR EXPRESSLY DISCLAIMS ALL WARRANTIES, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE GOODS, EQUIPMENT, CHATTELS, FIXTURES AND OTHER PERSONAL PROPERTY HEREBY CONVEYED, INCLUDING, WITHOUT LIMITATION, ALL WARRANTIES OF TITLE, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, and Assignee agrees to accept all such goods, equipment, chattels, fixtures and other personal property "as is" and in their present state and condition of repair or disrepair. However, Assignor hereby grants and transfers to Assignee, its successors and assigns, the benefit of and the right to enforce the covenants and warranties, if any, which Assignor is entitled to enforce with respect to the Assets against Assignor's predecessors in title.

By acceptance of this instrument, Assignee assumes and agrees to pay, perform, and discharge all obligations arising under such Leases after the effective time hereof which are attributable to the interests herein assigned and conveyed, including the obligation to plug and abandon wells and to restore premises in accordance with applicable laws, rules and regulations.

The provisions of this instrument shall be binding upon and shall inure to the benefit of the Assignor and Assignee and their respective (as applicable) heirs, executors and administrators, successors and assigns.

EXECUTED THIS 1st day of May, 1995, but effective for all purposes as of May 1, 1995.

Sham Lyons Deputy for Velma E. Lyons
VELMA E. LYONS

A CERTIFIED COPY

Attest: August 15, 1995
Dianne O. Flores, County Clerk
Reeves County, Texas



By J. Beata Deputy

EXHIBIT 'A'

Attached to and made a part of that certain Assignment of Oil and Gas Leases by and between Velma E. Lyons, as Assignor, and Chapel Resources, Inc. as Assignee

Schedule of Leases

1. Oil and Gas Lease dated November 13, 1963, by and between K. L. Denton and wife, Leta Denton, as Lessors, and R. Paul Ricker, as Lessee, recorded in Volume 236, Page 507, Records of Reeves County, Texas, covering the following described land:

The East Half of the Northeast Quarter (E/2 NE/4) and Northeast Quarter of the Southeast Quarter (NE/4 SE/4) Section 6, Block 56, Township 3, T & P Ry. So. Survey, A-4161, Reeves County, Texas;

2. Oil and Gas Lease dated November 13, 1963, by and between Mrs. Clella Denton Klapproth and husband, Chas. L. Klapproth, as Lessors, and R. Paul Ricker, as Lessee, recorded in Volume 236, Page 94, Records of Reeves County, Texas, covering the following described land:

The East Half of the Northeast Quarter (E/2 NE/4) and the Northeast Quarter of the Southeast Quarter (NE/4 SE/4) Section 6, Block 56, Township 3, T & P Ry. So. Survey, A-4161, Reeves County, Texas;

Limited in depth to those formations occurring between the surface of the earth and a depth of 100 feet (100') below the deepest total depth of any currently producing well located on the lands described above.

A CERTIFIED COPY

Attest: August 15, 19 95
Dianne O. Flores, County Clerk
Reeves County, Texas



By J. Acute Deputy

THE STATE OF TEXAS :

COUNTY OF DALLAS :

This document was acknowledged before me on the 1st day of May, 1995, by
Velma E. Lyons.

Esther Elizabeth Ott

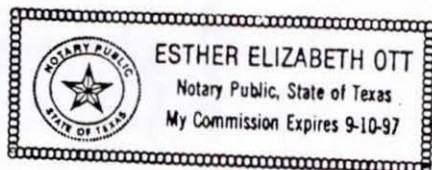
Notary Public in and for
The State of Texas

My Commission Expires:

9-10-97

Esther Elizabeth Ott

Notary's Name printed or typed



95030

A CERTIFIED COPY

Attest: August 15, 19 95
Dianne O. Flores, County Clerk
Reeves County, Texas



By J. Acosta Deputy

THE STATE OF TEXAS

County of REEVES } I, DIANNE O. FLOREZ, Clerk
of the COUNTY Court of REEVES County, Texas, do hereby certify that
the foregoing is a true and correct copy of the original ASSIGNMENT OF OIL AND GAS LEASES
BETWEEN VELMA E. LYONS TO CHAPEL RESOURCES, INC.

as the same appears of record in my office in book XXXXXXXX page FILE# 1493. ET. SEQ. OFFICIAL PUBL. RECO

Given under my Hand and Seal of said Court, at office in PECOS, TEXAS

this 15TH day of AUGUST 19 95

DIANNE O. FLOREZ Clerk,

By Tench Acosta Deputy.
TENCH ACOSTA

5
5
5
5
5



700 COMPTON

APR 15 1996
11:00 AM

COPY 1 OF 1

THE STATE OF TEXAS

M. 30674 ②
ASSIGNMENT
File Dated NOV 15 1995

0.30.32

FILE NO. 1349

ASSIGNMENT OF OIL AND GAS LEASES

STATE OF TEXAS §
 §
 COUNTY OF REEVES §

KNOW ALL MEN BY THESE PRESENTS:

THAT the undersigned:

BIG STATE TOOL COMPANY
 P. O. Box 2024
 Odessa, Texas 79760-2024

(hereinafter called "Assignor"), for and in consideration of the sum of TEN DOLLARS (\$10.00) cash in hand paid and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledges, does hereby ASSIGN, TRANSFER, SELL and CONVEY unto:

CHAPEL RESOURCES, INC.
 P. O. Box 4104
 Odessa, Texas 79760

(hereinafter referred to as "Assignee"), all of Assignor's right, title and interest in and to the Oil and Gas Leases described on Exhibit "A" attached hereto and made a part hereof for all purposes, together with the rights incident thereto, the personal property thereon, appurtenant thereto, used or obtained in connection therewith.

TO HAVE AND TO HOLD, such interest in and to said Oil and Gas Leases unto Assignee, its successors and assigns, forever, THIS ASSIGNMENT IS MADE WITHOUT WARRANTY OF TITLE, EXPRESS OR IMPLIED, AND ASSIGNOR EXPRESSLY DISCLAIMS ALL WARRANTIES, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE GOODS, EQUIPMENT, CHATTELS, FIXTURES AND OTHER PERSONAL PROPERTY HEREBY CONVEYED, INCLUDING, WITHOUT LIMITATION, ALL WARRANTIES OF TITLE, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, and Assignee agrees to accept all such goods, equipment, chattels, fixtures and other personal property "as is" and in their present state and condition of repair or disrepair. However, Assignor hereby grants and transfers to Assignee, its successors and assigns, the benefit of and the right to enforce the covenants and warranties, if any, which Assignor is entitled to enforce with respect to the Assets against Assignor's predecessors in title.

By acceptance of this instrument, Assignee assumes and agrees to pay, perform, and discharge all obligations arising under such Leases after the effective time hereof which are attributable to the interests herein assigned and conveyed, including the obligation to plug and abandon wells and to restore premises in accordance with applicable laws, rules and regulations.

The provisions of this instrument shall be binding upon and shall inure to the benefit of the Assignor and Assignee and their respective (as applicable) heirs, executors and administrators, successors and assigns.

EXECUTED THIS 1st day of May, 1995, but effective for all purposes as of May 1, 1995.

BIG STATE TOOL COMPANY

By: Kenneth Z. Scott

Kenneth Z. Scott, Attorney-in-Fact
 for L. B. Lyons (also known as
 Lawrence B. Lyons)

A CERTIFIED COPY

Attest: 7-24, 19 95
 Dianne O. Florez, County Clerk
 Reeves County, Texas

By: J. Alvis Deputy

Exhibit "A"

Attached to and made a part of that certain Assignment of Oil and Gas Leases by and between Big State Tool Company, as Assignor, and Chapel Resources, Inc., as Assignee

Schedule of Leases

1. Oil and Gas Lease dated November 13, 1963, by and between K. L. Denton and wife, Leta Denton, as Lessors, and R. Paul Ricker, as Lessee, recorded in Volume 236, Page 507, Records of Reeves County, Texas, covering the following described land:

The East Half of the Northeast Quarter (E/2 NE/4) and the Northeast Quarter of the Southeast Quarter (NE/4 SE/4) Section 6, Block 56, Township 3, T & P Ry. So. Survey, A-4161, Reeves County, Texas;

2. Oil and Gas Lease dated November 13, 1963, by and between Mrs. Clella Denton Klapproth and husband, Chas. L. Klapproth, as Lessors, and R. Paul Ricker, as Lessee, recorded in Volume 236, Page 94, Records of Reeves County, Texas, covering the following described land:

The East Half of the Northeast Quarter (E/2 NE/4) and the Northeast Quarter of the Southeast Quarter (NE/4 SE/4) Section 6, Block 56, Township 3, T & P Ry. So. Survey, A-4161, Reeves County, Texas;

Limited in depth to those formations occurring between the surface of the earth and a depth of 100 feet (100') below the deepest total depth of any currently producing well located on the lands described above.

A CERTIFIED COPY

Attest: 7:24, 19 95
Dianne O. Florez, County Clerk
Reeves County, Texas



By G. Chiles Deputy

THE STATE OF TEXAS §
COUNTY OF DALLAS §

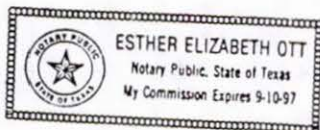
This document was acknowledged before me on the 1st day of May, 1995, by Kenneth Z. Scott, Attorney-in-Fact for L. B. Lyons (also known as Lawrence B. Lyons) d/b/a Big State Tool Company.

My Commission Expires:

9-10-97

Esther Elizabeth Ott
Notary Public in and for
The State of Texas

Esther Elizabeth Ott
Notary's Name printed or typed



A CERTIFIED COPY

Attest: 7-24, 1995
Dianne O. Florez, County Clerk
Reeves County, Texas



By G. Chila Deputy

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

FILE NO. 1349

FILED FOR RECORD ON THE 21st DAY OF July A.D. 1995 AT 11:09A M.

DULY RECORDED ON THE 21st DAY OF July A.D. 1995 AT 3:00P M.

BY: Gyomne Chila DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

576 0000000000

576 0000000000



THE STATE OF TEXAS

County of REEVES } I, DIANNE O. FLOREZ, Clerk
of the COUNTY Court of REEVES County, Texas, do hereby certify that
the foregoing is a true and correct copy of the original RECORDED ASSIGNMENT OF OIL AND GAS LEASE
BETWEEN BIG STATE TOOL COMPANY TO CHAPEL RESOURCES, INC.

as the same appears of record in my office in book 552 page 570-572 et seq Official Public
Given under my Hand and Seal of said Court, at office in PECOS, TEXAS Records.
this 24th day of July 1995

DIANNE O. FLOREZ Clerk,
By Avonne Abila Deputy.

56074 (81)
ASSIGNMENT
File Dated NOV 15 1995

0.30.32

TEXAS



GENERAL LAND OFFICE

JERRY PATTERSON, COMMISSIONER

July 21, 2014

Carla Cawood
John L. Robertson, Inc.
P.O. Box 1524
Carthage, Texas 75633

RE: GLO Assignment ID # 9003

Dear Ms.Cawood,

The General Land Office received the following instrument(s) and has filed them in the appropriate files.

Assignment of Leasehold Rights, Bill of Sale, and Conveyance, is effective November 1, 2013 from Mary Lucile Summers, as assignor, to BHP Billiton Petroleum Properties (N.A), LP, as assignee. As filed for record in Reeves County, in document number 13-09290.

Please see attached "Exhibit A" for reference. Filing fees of \$25.00 were received in connection with the above assignment. Please feel free to contact me if you have any questions.

Best Regards,

Alberto Amesquita
Mineral Leasing
Energy Resources

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

P.O. Box 12873 • Austin, Texas 78711-2873

512.463.5001 • 800.998.4GLO

glo.texas.gov

Exhibit "A"

<i>GLO ID</i>	<i>County</i>	<i>Lease</i>
9003	Reeves	MF056074

Monday, July 21, 2014

JOHN L. ROBERTSON, INC.

P. O. Box 1524
200 East Sabine Street
Carthage, TX 75633
(903) 693-6262

February 3, 2014

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

Attn: Mr. Drew Reid

RE: Assignment of Leasehold Rights, Bill of Sale, and Conveyance
Block 56, T-3, T&P RR CO Survey
Section 6: E/2 NE/4 and NE/4 SE/4
130842
Reeves County, Texas

ME. 056074

Mr. Reid:

Enclosed please find a certified copy of Assignment of Leasehold Rights, Bill of Sale, and Conveyance dated effective November 1, 2013 between Mary Lucile Summers, as Assignor, and BHP Billiton Petroleum Properties (N.A.), LP, as Assignee, that assigns interest in the following two Leases: Lease dated November 13, 1963 from Mrs. Clella Denton Klapproth and husband, Chas. L. Klapproth, Individually and as Agent for the State of Texas, to R. Paul Ricker, covering 120 acres, more or less, in the above captioned area; and Lease dated November 13, 1963 from K. L. Denton and wife, Leta Denton, Individually and as Agent for the State of Texas, to R. Paul Ricker, covering 120 acres, more or less, in the above captioned area. Also enclosed is a check in the amount of \$25.00 for the filing fee.

Please feel free to call if you have any questions or comments.

Thank You,



Carla Cawood

Enclosures:

25

121

CABRY ENTERPRISES LLC
11332 US HWY 59 N 903-930-1136
JEFFERSON, TX 75657-8272

14707118

1585

88-315/1119
10

2/3/2014

Date

Pay to the
Order of

State of Texas

\$ 25.00

Twenty Five dollars & no/xx

Dollars



Security
Features
Details on
Back.



CITIZENS NATIONAL BANK
Marshall, TX 75670 - 903-935-6624
Member FDIC

For HK-D108 Mary Lucile Summers

Carl A. Wood

MP

1585

ASSIGNMENT OF LEASEHOLD RIGHTS, BILL OF SALE, AND CONVEYANCE

THIS ASSIGNMENT OF LEASEHOLD RIGHTS, BILL OF SALE, AND CONVEYANCE (hereinafter called "**Assignment**") is executed by the parties hereto on the dates shown in their respective acknowledgments below, to be effective for all purposes, however, as of November 1, 2013 (hereinafter called the "**Effective Date**"), by and between Mary Lucile Summers, whose address is 5001 Woodway, Unit 1205, Houston, Texas 77056, as "**Assignor**", and BHP Billiton Petroleum Properties (N.A.), LP, whose address is 1360 Post Oak Blvd, Suite 150, Houston, Texas 77056-3030, as "**Assignee**".

1. WITNESSETH: That for and in consideration of the sum of Ten Dollars (\$10.00), and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby assign, sell, transfer and convey to Assignee, subject to all of the terms and provisions of this Assignment, the following:

(a) All Right, Title, and Interest of the working interests owned by Assignor in and to the oil and gas leases described on **Exhibit "A"** attached hereto and incorporated herein for all purposes (hereinafter called the "**Leases**"), limited to the depths set forth in Exhibit A, together with all rights, titles, and interests appurtenant thereunto, as set forth in said Leases, and (b) All Right, Title, and Interest in all real and personal property (excluding any tangible personal property in or related to existing wells), and any and all other property rights relating to the Leases, the leasehold estates created thereby, or the lands covered by the Leases or included in pooled acreage or units with which any Lease may have been pooled or unitized, including, but not limited to, all easements, rights of way, servitudes, contracts, contract rights, water rights, lease, title and other files, geophysical and seismic data, and any overriding royalty interest, fee interest, net profits interest, production payments, reversionary interests and other interests in the oil and gas in place or the production thereof from the lands covered by the Leases or included in pooled acreage or units with which any Lease may have been pooled or unitized. All the foregoing interests shall collectively be referred to as the "**Properties**."

2. Assignor hereby expressly excepts, reserves and retains unto itself, its successors and assigns, an overriding royalty interest (referred to hereinafter as "Assignor's Overriding Royalty") on all oil and gas and other minerals produced from, or allocated to, the Properties, as to the leases described on Exhibit "A", equal to the positive difference, if any, between existing burdens created by Assignor and/or Assignor's predecessors in title (including, but not limited to, the royalty reserved to the lessor(s) in the Leases, and production payments and/or overriding royalty interest), and twenty five percent (25%), proportionately reduced.

3. The interests in the Lease(s) described on Exhibit A conveyed to Assignee shall be for a term of three (3) years ("Primary Term") and so long thereafter as oil, gas, or other hydrocarbons are produced from the Properties, or any of the Leases are otherwise maintained in force under any provisions thereof, subject to the following:

(a) Notwithstanding any other provision herein to the contrary, if at any time after the expiration of the Primary Term, production from all wells drilled by Assignee on the leased premises of a Lease, or lands pooled therewith, should cease, but the Lease is being maintained in effect by some other means, Assignee's interest in said Lease shall remain in force so long as Assignee complies with the lease terms, including restoration of production from said leased premises or lands by pooling therewith through one or more of its own wells within one hundred eighty (180) days from said cessation of production if such action actions are allowed under the lease terms. If Assignee fails to restore production within said timeframe, Assignee shall re-assign the affected Lease to Assignor within thirty (30) days after the expiration of said 180-day period.

(b) If, at or within ninety (90) days prior to the expiration of the Primary Term of Assignment, Assignee is engaged in drilling or completion operations anywhere on the Properties or lands pooled therewith, the Primary Term shall be extended so long as Assignee continues drilling or completion operations on the Properties or lands pooled therewith with no cessation of more than ninety (90) consecutive days.

4. Assignor shall provide Assignee access to all of the files, records, documents, correspondence and data now in the possession or control of Assignor (the "Lease(s) Data").

5. Assignor will do, execute, acknowledge and deliver, all and every such further acts, conveyances, transfer orders, division orders, notices, releases and acquittances and such other instruments as may be necessary or appropriate more fully to assure to Assignee, its successors and assigns, all of the respective Lease(s), rights, titles, interests, estates, remedies, powers and privileges by this instrument granted, bargained, sold, conveyed, assigned, transferred, set over and delivered, or otherwise vested in Assignee or intended so to be.



True and Correct
copy of
Original filed in
Reeves County
Clerks Office

6. All cost, expenses and obligations relating to the Leases and other property rights conveyed hereunder which were incurred or accrued prior to the Effective Date shall be paid and discharged by Assignor.

7. To the extent permitted by law, Assignee shall be subrogated to Assignor's rights in and to representations, warranties and covenants given with respect to the Leases. Assignor hereby grants and transfers to Assignee, its successors and assigns, to the extent so transferable and permitted by law, the benefit of and the right to enforce the covenants, representations and warranties, if any, which Assignor is entitled to enforce with respect to the Leases, but only to the extent not enforced by Assignor.

8. Assignor covenants and warrants that each of the Leases listed on Exhibit "A" are in full force and effect and that Assignor has received no notice alleging any default under any of the terms of any of the Leases; that Assignor has good right and authority to sell and assign its interests and that same are free and clear of all mortgages and liens created by through and under Assignor; and that Assignor will warrant and forever defend the same unto Assignee against every person or persons whomsoever claiming by, through or under Assignor.

9. It is understood and agreed that in the event a tract covered by the Leases described in Exhibit 'A' herein are pooled or unitized with other tracts to form a pooled unit, a minimum of 66% of the tract will be pooled.

10. THIS ASSIGNMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS.

11. This Assignment, and the terms, conditions, covenants and provisions hereof, shall be binding upon and shall inure to the benefit of the Assignor and the Assignee, and their respective successors and assigns.

12. This Assignment may be executed in multiple counterparts with each party executing some but not all of the counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same document.

IN WITNESS WHEREOF the Assignor and the Assignee have duly executed this Assignment by their respective proper officers, all by authorization duly given.

ASSIGNOR

By: Mary Lucile Summers
Name: Mary Lucile Summers

ASSIGNEE

BHP Billiton Petroleum Properties (N.A.), LP

By: BHP Billiton Petroleum Properties (GP), LLC,
its General Partner

By: John W. Walsh
Name: John W. Walsh
Title: Attorney-In-Fact

[Acknowledgments on following page]



True and Correct
copy of
Original filed in
Reeves County
Clerks Office

STATE OF TEXAS)
) SS:
COUNTY OF HARRIS)

Melanie Vargas
Notary Public


 MELANIE FRANCES VARGAS
 Notary Public, State of Texas
 My Commission Expires
 May 17, 2014

STATE OF TEXAS)
) SS:
COUNTY OF Harris)



TERRI LEMONS
 MY COMMISSION EXPIRES
August 16, 2017


Notary Public



EXHIBIT "A"

Attached to and made a part of that certain "Assignment of Leasehold Rights"
dated effective November 1, 2013,
by and between Mary Lucile Summers, as "Assignor,"
and BHP Billiton Petroleum Properties (N.A.), LP, as "Assignee."

This Assignment only covers those depths below 3,500 feet. All Depths from the surface of the earth down to 3,500 feet are herein LESS & EXCEPTED from said Assignment.

File No.	Lessor	Lessee	Legal	Lease Date	Recording Info.
#7366	Mrs. Clella Denton Klapproth and husband, Chas. L. Klapproth, Individually and as Agent for the State of Texas	R. Paul Ricker	Block 56, T-3, T&P Ry. Co. Survey Sec 6: E/2 of NE/4 and NE/4 of SE/4 Reeves County, TX	11/13/63	Reeves County: Vol 236 Page 94
#555	K. L. Denton and wife, Leta Denton, Individually and as Agent for the State of Texas	R. Paul Ricker	Block 56, T-3, T&P Ry. Co. Survey Sec 6: E/2 of NE/4 and NE/4 of SE/4 Reeves County, TX	11/13/63	Reeves County: Vol 236 Page 507

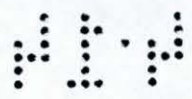
END OF EXHIBIT "A"

THE STATE OF TEXAS
COUNTY OF REEVES
I, Dianne O. Florez, County Clerk of the County of Reeves, Texas, do hereby certify that the foregoing is a true and correct copy of the original as the same is on file in my office.
Subscribed and sworn to before me this _____ day of _____, 2013.

Notary Public for the State of Texas
True and Correct
copy of
Original filed in
Reeves County
Clerk's Office

Inst No. 13-09290
DIANNE O. FLOREZ
COUNTY CLERK
2013 Dec 17 at 09:47 AM
REEVES COUNTY, TEXAS
By: AC Aurora Cabancho, DEPUTY

89



File No. MF056074
Assignment # 9003, Mary
Louise Summers to BHP 13.71.2013
Date Filed: 2-4-14
Jerry E. Patterson, Commissioner
By aw

Assignment of Homestead Rights, Bill D

THE STATE OF TEXAS
COUNTY OF REEVES

I, Dianne O. Flores, 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
Sale and Conveyance dated November 1, 2013,
filed for record in my office this 17th day of December, 2013 at
9:47 A.M., under Clerk's File No. 13-09390, to be recorded in the
Official Public Records

Records of Reeves County, Texas.
TO CERTIFY WHICH, Witness my hand and official seal at Pecos, Texas
this 17th day of December, 2013.

By Shirley Calandri, Deputy, DIANNE O. FLORES, COUNTY CLERK
REEVES COUNTY, TEXAS



TEXAS



GENERAL LAND OFFICE

JERRY PATTERSON, COMMISSIONER

July 21, 2014

Carla Cawood
John L. Robertson, Inc.
P.O. Box 1524
Carthage, Texas 75633

RE: GLO Assignment ID # 9004

Dear Ms. Cawood,

The General Land Office received the following instrument(s) and has filed them in the appropriate files.

Assignment of Leasehold Rights, Bill of Sale, and Conveyance, is effective November 1, 2013 from Sharon Louise Scott, as assignor, to BHP Billiton Petroleum Properties (N.A.), LP, as assignee. As filed for record in Reeves County, in document file number 13-09291.

Please see attached "Exhibit A" for reference. Filing fees of \$25.00 were received in connection with the above assignment. Please feel free to contact me if you have any questions.

Best Regards,

Alberto Amesquita
Mineral Leasing
Energy Resources

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

P.O. Box 12873 • Austin, Texas 78711-2873

512.463.5001 • 800.998.4GLO

glo.texas.gov

Exhibit "A"

<i>GLO ID</i>	<i>County</i>	<i>Lease</i>
9004	Reeves	MF056074

Monday, July 21, 2014

121

121

CABRY ENTERPRISES LLC
11332 US HWY 59 N 903-930-1136
JEFFERSON, TX 75657-8272

14707119
2/3/2014

1586
88-315/1119
10

Pay to the
Order of

State of Texas

Date

\$ 25.00

Twenty five dollars & no/ths

Dollars



Security
Features
Details on
Back.



CITIZENS NATIONAL BANK
Marshall, TX 75670 - 903-935-6024
Member FDIC

For Sharon Louise Scott HK-0109 Carlos Cawood MP

1586

JOHN L. ROBERTSON, INC.

P. O. Box 1524
200 East Sabine Street
Carthage, TX 75633
(903) 693-6262

14707119

February 3, 2014

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

Attn: Mr. Drew Reid

RE: Assignment of Leasehold Rights, Bill of Sale, and Conveyance
Block 56, T-3, T&P RR CO Survey
Section 6: E/2 NE/4 and NE/4 SE/4
Reeves County, Texas

MF-056074



Mr. Reid:

Enclosed please find a certified copy of Assignment of Leasehold Rights, Bill of Sale, and Conveyance dated effective November 1, 2013 between Sharon Louise Scott, as Assignor, and BHP Billiton Petroleum Properties (N.A.), LP, as Assignee, that assigns interest in the following two Leases: Lease dated November 13, 1963 from Mrs. Clella Denton Klapproth and husband, Chas. L. Klapproth, Individually and as Agent for the State of Texas, to R. Paul Ricker, covering 120 acres, more or less, in the above captioned area; and Lease dated November 13, 1963 from K. L. Denton and wife, Leta Denton, Individually and as Agent for the State of Texas, to R. Paul Ricker, covering 120 acres, more or less, in the above captioned area. Also enclosed is a check in the amount of \$25.00 for the filing fee.

Please feel free to call if you have any questions or comments.

Thank You,


Carla Cawood

Enclosures:

ASSIGNMENT of LEASEHOLD RIGHTS, BILL OF SALE, AND CONVEYANCE

THIS ASSIGNMENT OF LEASEHOLD RIGHTS, BILL OF SALE, AND CONVEYANCE (hereinafter called "**Assignment**") is executed by the parties hereto on the dates shown in their respective acknowledgments below, to be effective for all purposes, however, as of November 1, 2013 (hereinafter called the "**Effective Date**"), by and between Sharon Louise Scott, whose address is 17121 Clubb hill Dr., Dallas, Texas 75248, as "**Assignor**", and BHP Billiton Petroleum Properties (N.A.), LP, whose address is 1360 Post Oak Blvd, Suite 150, Houston, Texas 77056-3030, as "**Assignee**".

1. WITNESSETH: That for and in consideration of the sum of Ten Dollars (\$10.00), and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby assign, sell, transfer and convey to Assignee, subject to all of the terms and provisions of this Assignment, the following:

(a) All Right, Title, and Interest of the working interests owned by Assignor in and to the oil and gas leases described on **Exhibit "A"** attached hereto and incorporated herein for all purposes (hereinafter called the "**Lease(s)**"), limited to the depths set forth in Exhibit A, together with all rights, titles, and interests appurtenant thereunto, as set forth in said Leases, and (b) All Right, Title, and Interest in all real and personal property (excluding any tangible personal property in or related to existing wells), and any and all other property rights relating to the Leases, the leasehold estates created thereby, or the lands covered by the Leases or included in pooled acreage or units with which any Lease may have been pooled or unitized, including, but not limited to, all easements, rights of way, servitudes, contracts, contract rights, water rights, lease, title and other files, geophysical and seismic data, and any overriding royalty interest, fee interest, net profits interest, production payments, reversionary interests and other interests in the oil and gas in place or the production thereof from the lands covered by the Leases or included in pooled acreage or units with which any Lease may have been pooled or unitized. All the foregoing interests shall collectively be referred to as the "**Properties**."

2. Assignor hereby expressly excepts, reserves and retains unto itself, its successors and assigns, an overriding royalty interest (referred to hereinafter as "Assignor's Overriding Royalty") on all oil and gas and other minerals produced from, or allocated to, the Properties, as to the leases described on Exhibit "A", equal to the positive difference, if any, between existing burdens created by Assignor and/or Assignor's predecessors in title (including, but not limited to, the royalty reserved to the lessor(s) in the Leases, and production payments and/or overriding royalty interest), and twenty five percent (25%), proportionately reduced.

3. The interests in the Leases described on Exhibit A conveyed to Assignee shall be for a term of three (3) years ("Primary Term") and so long thereafter as oil, gas, or other hydrocarbons are produced from the Properties, or any of the Leases are otherwise maintained in force under any provisions thereof, subject to the following:

(a) Notwithstanding any other provision herein to the contrary, if at any time after the expiration of the Primary Term of Assignment, production from all wells drilled by Assignee on the leased premises of a Lease, or lands pooled therewith, should cease, but the Lease is being maintained in effect by some other means, Assignee's interest in said Lease shall remain in force so long as Assignee complies with the lease terms, including restoration of production from said leased premises or lands by pooling therewith through one or more of its own wells within one hundred eighty (180) days from said cessation of production if such action actions are allowed under the lease terms. If Assignee fails to restore production within said timeframe, Assignee shall re-assign the affected Lease to Assignor within thirty (30) days after the expiration of said 180-day period.

(b) If, at or within ninety (90) days prior to the expiration of the Primary Term of Assignment, Assignee is engaged in drilling or completion operations anywhere on the Properties or lands pooled therewith, the Primary Term shall be extended so long as Assignee continues drilling or completion operations on the Properties or lands pooled therewith with no cessation of more than ninety (90) consecutive days.

4. Assignor shall provide Assignee access to all of the files, records, documents, correspondence and data now in the possession or control of Assignor (the "Leases Data").

5. Assignor will do, execute, acknowledge and deliver, all and every such further acts, conveyances, transfer orders, division orders, notices, releases and acquittances and such other instruments as may be necessary or appropriate more fully to assure to Assignee, its successors and assigns, all of the respective Lease(s), rights, titles, interests, estates, remedies, powers and privileges by this instrument granted, bargained, sold, conveyed, assigned, transferred, set over and delivered, or otherwise vested in Assignee or intended so to be.



True and Correct
copy of
Original filed in
Reeves County
Clerks Office

6. All cost, expenses and obligations relating to the Leases and other property rights conveyed hereunder which were incurred or accrued prior to the Effective Date shall be paid and discharged by Assignor.

7. To the extent permitted by law, Assignee shall be subrogated to Assignor's rights in and to representations, warranties and covenants given with respect to the Leases. Assignor hereby grants and transfers to Assignee, its successors and assigns, to the extent so transferable and permitted by law, the benefit of and the right to enforce the covenants, representations and warranties, if any, which Assignor is entitled to enforce with respect to the Leases, but only to the extent not enforced by Assignor.

8. Assignor covenants and warrants that each of the Leases listed on Exhibit "A" are in full force and effect and that Assignor has received no notice alleging any default under any of the terms of any of the Leases; that Assignor has good right and authority to sell and assign its interests and that same are free and clear of all mortgages and liens created by through and under Assignor; and that Assignor will warrant and forever defend the same unto Assignee against every person or persons whomsoever claiming by, through or under Assignor.

9. It is understood and agreed that in the event a tract covered by the Leases described in Exhibit 'A' herein are pooled or unitized with other tracts to form a pooled unit, a minimum of 66% of the tract will be pooled.

10. THIS ASSIGNMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS.

11. This Assignment, and the terms, conditions, covenants and provisions hereof, shall be binding upon and shall inure to the benefit of the Assignor and the Assignee, and their respective successors and assigns.

12. This Assignment may be executed in multiple counterparts with each party executing some but not all of the counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same document.

IN WITNESS WHEREOF the Assignor and the Assignee have duly executed this Assignment by their respective proper officers, all by authorization duly given.

ASSIGNOR

By: Sharon Louise Scott
Name: Sharon Louise Scott

ASSIGNEE

BHP Billiton Petroleum Properties (N.A.), LP

By: BHP Billiton Petroleum Properties (GP), LLC,
its General Partner

By: John W. Walsh
Name: John W. Walsh
Title: Attorney-In-Fact



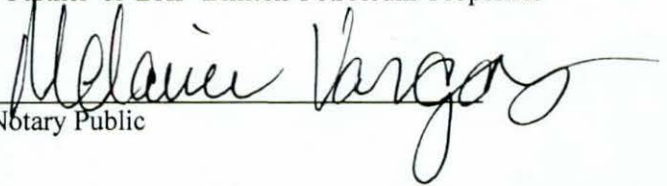
True and Correct
copy of
Original filed in
Harris County
Clerks Office

[Acknowledgments on following page]

ACKNOWLEDGMENT

STATE OF TEXAS)
) SS:
COUNTY OF HARRIS)

This instrument was acknowledged before me on the 26 day of November, 2013, by John W. Walsh, as Attorney-In-Fact for BHP Billiton Petroleum Properties (GP), LLC, on behalf of said limited liability company in its capacity as the General Partner of BHP Billiton Petroleum Properties (N.A.), LP, and on behalf of said limited partnership.


Notary Public

(Personalized Seal)



ACKNOWLEDGMENT

STATE OF TEXAS)
) SS:
COUNTY OF DALLAS)

This instrument was acknowledged before me on this 13th day of NOVEMBER, 2013, by Sharon Louise Scott.


Notary Public



True and Correct
copy of
Original filed in
Reeves County
Clerks Office

EXHIBIT "A"

Attached to and made a part of that certain "Assignment of Leasehold Rights"
dated effective November 1, 2013,
by and between Sharon Louise Scott, as "Assignor,"
and BHP Billiton Petroleum Properties (N.A.), LP, as "Assignee."

This Assignment only covers those depths below 3,500 feet. All Depths from the surface of the earth down to 3,500 feet are herein LESS & EXCEPTED from said Assignment.

File No.	Lessor	Lessee	Legal	Lease Date	Recording Info.
#7366	Mrs. Clella Denton Klapproth and husband, Chas. L. Klapproth, Individually and as Agent for the State of Texas	R. Paul Ricker	Block 56, T-3, T&P Ry. Co. Survey Sec 6: E/2 of NE/4 and NE/4 of SE/4 Reeves County, TX	11/13/63	Reeves County: Vol 236 Page 94
#555	K. L. Denton and wife, Leta Denton, Individually and as Agent for the State of Texas	R. Paul Ricker	Block 56, T-3, T&P Ry. Co. Survey Sec 6: E/2 of NE/4 and NE/4 of SE/4 Reeves County, TX	11/13/63	Reeves County: Vol 236 Page 507

END OF EXHIBIT "A"

TO THE PUBLIC: This is to certify that the foregoing is a true and correct copy of the original as the same was filed in my office this _____ day of _____, 2013, at _____, Texas. My commission expires _____ day of _____, 2013.

County Clerk, Reeves County, Texas

True and Correct
copy of
Original filed in
Reeves County
Clerk's Office

Inst No. 13-09291
DIANNE O. FLOREZ
COUNTY CLERK
2013 Dec 17 at 09:47 AM
REEVES COUNTY, TEXAS
By: AC *Aurora Calanchi* DEPUTY

96

File No. MF056074
Assignment #9004 Sharon Lewis
Suott to BHP Billiton
Date Filed: 2.4.14
Jerry E. Patterson, Commissioner
By mn

414 3

Assignment of Household Rights, Bill of Sale and Change of Name

THE STATE OF TEXAS
COUNTY OF REEVES
I, Dianne O. Flores, 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
filed for record in my office this 17th day of December 2013,
944A.M., under Clerk's File No. 13-09891, to be recorded in the
Official Public Record
Records of Reeves County, Texas.
TO CERTIFY WHICH, Witness my hand and official seal at Pecos, Texas
this 17th day of December, 2013.
By Dianne Calancho Deputy, DIANNE O. FLORES, COUNTY CLERK
REEVES COUNTY, TEXAS

EXHIBIT "A"

ATTACHED TO CONVEYANCE FROM FIRST TEXAS INVESTMENT STATUTORY TRUST TO FRED W. SHIELD AND COMPANY

Those certain oil, gas and/or other mineral royalty interests, overriding royalty interests and other non-leasehold oil, gas and other mineral interests and like interests situated in REEVES COUNTY, TEXAS, as described below:

4E
9/98
4:35
COMPANIES

PATOIL CORPORATION
SCHEDULE OF PROPERTIES

OCTOBER 7, 1998 EFFECTIVE OCTOBER 14, 1998

PAGE 1 OF 6

PROPERTY NAME	COUNTY/ PARISH	GROSS ACRES	LEASE/INSTR NET ACRES	EXP DATE MM DD YY	RECORDED LSE DATE MM DD YY	BOOK PAGE LAND DESCRIPTION	MICROFISCHE
PECT 5124 REGAN, A.M. -ORRI							
* * *42389 REEVES COUNTY, 42 TEXAS			AREA= 32 SCREWBEAN FIELD				
1 0 REGAN, A.M. (REEVES CO.) -ORRI							
K. M. REGAN		80.000000			08/01/50	129 190 DEED RECORDS	
TO : JACK MAY						OIL AND GAS LEASE DATED AUGUST 1, 1950 BY K.M. REGAN, INDIVIDUALLY AND AS AGENT FOR THE STATE OF TEXAS, IN FAVOR OF JACK MAY, INSOFAR AS SAID LEASE COVERS HORIZONS TO A DEPTH OF 2800 FEET BENEATH THE SURFACE OF THE FOLLOWING LAND IN REEVES AND CULBERSON COUNTIES, TEXAS:	
ACQUIRED FROM : JACK S. REAVES			RECORDED				
BY INSTRUMENT TYPE: R RETENTION			BOOK PAGE				
DATED : 08/06/59					0 BY LSE ASSGN		
						W/2 OF NE/4 OF SECTION 26, BLOCK 58, T-2, T&P RR COMPANY SURVEY.	

PECT 5131 BELL, A.D. -PMI							
* * *42389 REEVES COUNTY, 42 TEXAS			21 PRODUCING MINERALS DISTRICT AREA= 35 WORSHAM FIELD				
0 0 BELL, A.D. -PMI							
A.D. BELL		425.000000			03/06/61	207 536 DEED RECORDS	
TO : H.A. DE COMPIEGNE, JR.						THE W/2; N/2 OF NE/4; N/2 OF SW/4 OF NE/4; AND N/2 OF SW/4 OF SW/4 OF NE/4 OF SECTION 46, BLOCK 6, H&GN RR CO. SURVEY, REEVES COUNTY, TEXAS.	
ACQUIRED FROM : H.A. DE COMPIEGNE, JR.			RECORDED				
BY INSTRUMENT TYPE: D DEED			BOOK PAGE				
DATED : 03/09/61			207			534 DEED RECORDS	

PECT 5132 CLEVELAND, REESE -PMI



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97.97.0

8-28-15

OLSCHE

PATOIL CORPORATION

10/29/98

SCHEDULE OF PROPERTIES

PAGE 2 OF 6

07:50:34

OCTOBER 7, 1998 EFFECTIVE OCTOBER 14, 1998

ALL COMPANIES

PROP NO.	PROPERTY NAME LESSOR/GRANTOR	COUNTY/ PARISH	GROSS ACRES	LEASE/INSTR NET ACRES	EXP DATE MM DD YY	RECORDED LSE DATE MM DD YY	BOOK PAGE	MICROFISCHE LAND DESCRIPTION
* * *	#42389 REEVES COUNTY,	42 TEXAS		20 NON-PRODUCING MINERALS DISTRICT				
0	0 CLEVELAND, REESE -PMI JOE GIER, JR. TO : H. DE COMPIEGNE, JR.		320.000000			04/26/61	210 160	DEED RECORDS ALL OF THE SOUTH ONE-HALF (S/2) OF SECTION 6, BLOCK C-6, PUBLIC SCHOOL LAND SURVEY, REEVES COUNTY, TEXAS.
	ACQUIRED FROM : H. DECOMPIEGNE, JR. BY INSTRUMENT TYPE: D DEED DATED : 04/28/61			RECORDED BOOK PAGE 210 161				DEED RECORDS
PROSPECT 5133	CRITCHLEY, WALTER ET AL -PMI							
* * *	#42389 REEVES COUNTY,	42 TEXAS		21 PRODUCING MINERALS DISTRICT AREA= 36 WORSHAM BAYER FIELD				
50001	0 CRITCHLEY, WALTER -PMI WALTER CRITCHLEY & WIFE, CLARA TO : E.B.DILLEY		640.000000			03/10/61	0	FILE #2066 ALL OF SECTION 49, BLOCK 6, H & GN RR COMPANY SURVEY, REEVES COUNTY, TEXAS.
	ACQUIRED FROM : HAROLD D. HERNDON BY INSTRUMENT TYPE: D DEED DATED : 03/09/61			RECORDED BOOK PAGE 209 380				DEED RECORDS
* * *	#42389 REEVES COUNTY,	42 TEXAS		21 PRODUCING MINERALS DISTRICT				
50002	0 HARRY, L. "A" -PMI UNKNOWN TO : UNKNOWN		640.000000 *			00/00/00	0	UNKNOWN ALL OF SECTION 49, BLOCK 6, H & GN RY CO. SURVEY, REEVES COUNTY, TEXAS.
	ACQUIRED FROM : H. DE COMPIEGNE, JR. BY INSTRUMENT TYPE: D DEED DATED : 05/22/61			RECORDED BOOK PAGE 209 595				DEED RECORDS

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PROPERTY NAME		COUNTY/ PARISH	GROSS ACRES	LEASE/INSTR NET ACRES	EXP DATE MM DD YY	RECORDED LSE DATE MM DD YY	BOOK	PAGE	MICROFISCHE LAND DESCRIPTION
OLSCHE PATOIL CORPORATION 10/29/98 SCHEDULE OF PROPERTIES 07:50:34 OCTOBER 7, 1998 EFFECTIVE OCTOBER 14, 1998 ALL COMPANIES PAGE 3 OF 6									
* * * *42389 REEVES COUNTY, 42 TEXAS 21 PRODUCING MINERALS DISTRICT									
50003	O HARRY, L. "B" -PMI		640.000000 *			06/30/61	213	362	DEED RECORDS
	HAROLD AMERMAN & WIFE, FRIEDA								ALL OF SECTION 49, BLOCK 6, H & GN RR CO.
	TO : H. DE COMPIEGNE, JR.								SURVEY, REEVES COUNTY, TEXAS.
ACQUIRED FROM : H. DE COMPIEGNE, JR. BY INSTRUMENT TYPE: D DEED DATED : 10/18/61									
				RECORDED					
				BOOK	PAGE				
				216	131				DEED RECORDS
PROSPECT 5166 KLAPPROTH, CLELLA D. ET AL -ORRIE									
* * * *42389 REEVES COUNTY, 42 TEXAS 41 PRODUCING ORRI DISTRICT AREA= 33 KEN REGAN FIELD									
	O KLAPPROTH, CLELLA D. ET AL -ORRI		640.000000			11/13/63	236	0	PGS. 507/94
	K.L. DENTON/MRS. C.D. KLAPPROTH								EAST HALF OF THE NORTHEAST QUARTER
	TO : R. PAUL RICHER								(E/2 NE/4) AND THE NORTHEAST QUARTER OF
ACQUIRED FROM : BIG STATE TOOL COMPANY BY INSTRUMENT TYPE: R RETENTION DATED : 02/13/69									
				RECORDED					
				BOOK	PAGE				
						0 UNKNOWN			COMPANY SURVEY ABSTRACT NUMBER 4161,
									REEVES COUNTY, TEXAS.
PROSPECT 5188 GILL, JAMES W. ET AL -PMI									
* * * *42389 REEVES COUNTY, 42 TEXAS 20 NON-PRODUCING MINERALS DISTRICT AREA= 34 REEVES BLK 4 FIELD									
50001	O GILL, J.W. (MOBERLY) "A" -PMI		250.000000			04/10/73	322	156	O&G RECORDS
	JAMES W. GILL & WIFE, BARBARA								W/2 OF NW/4; NE/4 OF NW/4; N/2 OF SE/4 OF
	TO : GEORGE A. MOBERLY								NW/4; W/2 OF SW/4; S/2 OF SE/4 OF SW/4; AND
ACQUIRED FROM : FRED W. SHIELD BY INSTRUMENT TYPE: A ASSIGNMENT DATED : 12/23/83									
				RECORDED					
				BOOK	PAGE				
				463	307				DEED RECORDS

BOOK 597 PAGE 493

2015

OLSCHE

10/29/98

07:50:34

ALL COMPANIES

PATROL CORPORATION

SCHEDULE OF PROPERTIES

OCTOBER 7, 1998 EFFECTIVE OCTOBER 14, 1998

PAGE 4 OF 6

PROP NO.	LESSOR/GRANTOR	COUNTY/ PARISH	GROSS ACRES	LEASE/INSTR NET ACRES	EXP DATE NM DD YY	RECORDED LSE DATE MM DD YY	BOOK	PAGE	MICROFISCHE LAND DESCRIPTION
* * *	*42389 REEVES COUNTY,	42 TEXAS		20 NON-PRODUCING MINERALS DISTRICT					
50002	0 GILL, J.W. (MOBERLY) "B" -PMI JAMES W. GILL & WIFE, BARBARA TO : GEORGE A. MOBERLY		240.000000			04/10/73	322	155	O&G RECORDS NE/4 AND N/2 OF SE/4 OF SECTION 43, BLOCK 4, H&GN RAILWAY COMPANY SURVEY, REEVES COUNTY, TX.
	ACQUIRED FROM : FRED W. SHIELD BY INSTRUMENT TYPE: A ASSIGNMENT DATED : 12/23/85			RECORDED BOOK PAGE 463 309 DEED RECORDS					
* * *	*42389 REEVES COUNTY,	42 TEXAS		20 NON-PRODUCING MINERALS DISTRICT					
50003	0 GILL, J.W. (MOBERLY) (SEC. 43) -PMI JAMES W. GILL & WIFE, BARBARA TO : GEORGE A. MOBERLY		330.000000			04/10/73	322	154	O&G RECORDS W/2 AND THE WEST 10 ACRES OF S/2 OF SE/4 OF SECTION 43, BLOCK 4, H&GN RAILWAY COMPANY SURVEY, REEVES COUNTY, TEXAS.
	ACQUIRED FROM : FRED W. SHIELD BY INSTRUMENT TYPE: A ASSIGNMENT DATED : 12/23/85			RECORDED BOOK PAGE 463 309 DEED RECORDS					
PROSPECT 5190	HORRY, L. ET AL -PMI								
* * *	*42389 REEVES COUNTY,	42 TEXAS		21 PRODUCING MINERALS DISTRICT AREA= 32 SCREWBEAN FIELD					
0	0 HORRY, L. ET AL -PMI W.A. HOVER TO : H.A. DECOMPIEGNE & FRED W. SHIELD		640.000000 *			03/23/65	246	473	DEED RECORDS ALL OF SECTION 49, BLOCK 6, H & GN RAILWAY COMPANY SURVEY, REEVES COUNTY, TEXAS.
	ACQUIRED FROM : FRED W. SHIELD, ET AL BY INSTRUMENT TYPE: D DEED DATED : 07/17/73			RECORDED BOOK PAGE 323 5 O&G RECORDS					

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OLSCHE		PATOIL CORPORATION		SCHEDULE OF PROPERTIES		PAGE 5 OF 6	
10/29/98		00CTOBER 7, 1998 EFFECTIVE OCTOBER 14, 1998					
07:50:34							
ALL COMPANIES							
PROP	PROPERTY NAME	COUNTY/	GROSS	LEASE/INSTR	RECORDED		
NO.	LESSOR/GRANTOR	PARISH	ACRES	NET	EXP DATE	LSE DATE	BOOK PAGE MICROFISCHE
				ACRES	MM DD YY	MM DD YY	LAND DESCRIPTION
PROSPECT 5197	HOVER, W.A. (REEVES CO.) -PRI						
* * *	*42389 REEVES COUNTY, 42 TEXAS			30 NON-PRODUCING ROYALTY DISTRICT			
0 0	HOVER, W.A. (REEVES CO.) -PRI						
W.A. HOVER		640.000000		03/25/65	246	0	537??/DEED
TO	: FRED W. SHIELD/H.A. DE COMPIEGNE						ALL OF SECTION 11, BLOCK C-1, P.S.L. IN REEVES COUNTY, TEXAS.
ACQUIRED FROM :	FRED W. SHIELD, ET AL			RECORDED			
BY INSTRUMENT TYPE:	D DEED			BOOK PAGE			
DATED	: 07/17/73			325	1	0&G RECORDS	
PROSPECT 5212	CALLEY, MARY K. -PRI						
* * *	*42389 REEVES COUNTY, 42 TEXAS			30 NON-PRODUCING ROYALTY DISTRICT			
0 0	CALLEY, MARY K. -PRI						
MARY K. CALLEY, A WIDOW		912.000000		04/18/69	286	174	0&GL RECORDS
TO	: A. L. BALLARD						PARCEL NO. 1 - THE EAST 80 ACRES AND THE EAST PART MIDDLE PART, 160 ACRES, A TOTAL OF 240 ACRES, MORE OR LESS, OF SECTION 12, BLOCK C-10, PUBLIC SCHOOL LANDS, AND, PARCEL NO. 2 - ALL OF SECTION 13, BLOCK C-10, PUBLIC SCHOOL LANDS, SAID SECTION 13 CONTAINING 672 ACRES, MORE OR LESS, REEVES COUNTY, TEXAS.
ACQUIRED FROM :	A. L. BALLARD			RECORDED			
BY INSTRUMENT TYPE:	D DEED			BOOK PAGE			
DATED	: 04/06/76			343	335	0&G RECORDS	
PROSPECT 5216	GRAY, JUSTUS L. -FEE						

BOOK 597 PAGE 495

8-26-15

OLSCHE PATOIL CORPORATION
 10/29/98 SCHEDULE OF PROPERTIES
 07:50:34 OCTOBER 7, 1998 EFFECTIVE OCTOBER 14, 1998
 ALL COMPANIES

PAGE 6 OF 6

PROP NO.	PROPERTY NAME	COUNTY/ PARISH	GROSS ACRES	LEASE/INSTR NET ACRES	EXP DATE MM DD YY	RECORDED LSE DATE MM DD YY	BOOK PAGE	MICROFISCHE LAND DESCRIPTION
* * *	*42389 REEVES COUNTY,	42 TEXAS		50 NON-PRODUCING FEE LAND DISTRICT				
0 0	GRAY, JUSTUS L. -FEE							
	ALICE PATRICIA GRAY, INDV. & INDP		25.000000		11/16/64	244 114	DEED RECORDS	
	TO : H. A. DE COMPIEGNE, JR.							THE FOLLOWING DESCRIBED TRACTS OF LAND
	ACQUIRED FROM : H. A. DE COMPIEGNE, JR.			RECORDED				ALL IN SECTION 20, BLOCK 57, T-2,
	BY INSTRUMENT TYPE: D DEED			BOOK PAGE				REEVES COUNTY, TEXAS;
	DATED : 05/02/77			347 321	DEED RECORDS			THE SOUTHWEST QUARTER OF THE SOUTHWEST
								QUARTER OF THE NORTHWEST QUARTER, CONTAINING
								10 ACRES MORE OR LESS;
								THE NORTHWEST QUARTER OF THE NORTHWEST
								QUARTER OF THE SOUTHWEST QUARTER, CONTAINING
								10 ACRES, MORE OR LESS;
								THE SOUTH ONE-HALF OF THE NORTHWEST QUARTER
								OF THE SOUTHWEST QUARTER OF THE SOUTHWEST
								QUARTER CONTAINING 5 ACRES, MORE OR LESS;
								(THE MINERAL ESTATE IN SAID SECTION 20 IS
								OWNED BY THE STATE OF TEXAS SUBJECT TO THE
								RELINQUISHMENT ACT.)
	COUNTY 42389 TOTAL		4,502.000000					
	GRAND TOTAL		4,502.000000					
	TOTAL LEASES 14			TOTAL ACTIVE LEASES 14				

YMARMOO OIA GLEND W. COLE
 SAN JOSE, CA 95128

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

FILE NO. 3201

FILED FOR RECORD ON THE 10TH. DAY OF NOVEMBER A.D. 1998 AT 1:32 P M

DULY RECORDED ON THE 13TH. DAY OF NOVEMBER A.D. 1998 AT 2:00 P M

BY: *Diana Acosta* DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
 REEVES COUNTY, TEXAS



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21:32:00 91

File No. MF-056074
Division of Int

Date Filed: 8-26-15
George P. Bush, Commissioner

By [Signature]

CERTIFICATE OF RECORD

THE STATE OF TEXAS,)
COUNTY OF REEVES. }

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

Date Filed File # 3201 Vol 597 Page 490



DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

By: [Signature] Deputy

August 24, 2015

MI=056074

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

Attn: Carl Bonn

RE: Mineral File #56074

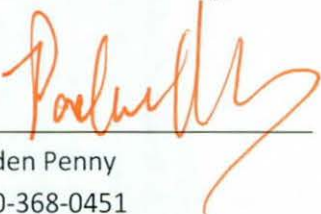
Mr. Bonn:

While BHP Billiton was searching the online scanned files for MF #56074, we noticed that several assignments were missing throughout the history of this file. Considering we have people located in Reeves County we thought we would go ahead and get certified copies of those documents to help shore up the GLO's files. We did find a copy of the two base leases and several assignments with their appropriate Letter of Acceptance within the file; however, considering the majority were missing, we decided to include certified copies of all the Assignments attached herein regardless as to if it was contained within the file.

Recently, BHP Billiton has been acquiring the deep rights in this location. Those Assignments of OGL are already scanned in this MF and have been paid for. Copies are not included herein.

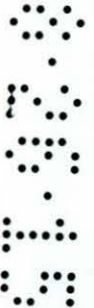
Please give me a call on my cell phone if you have any questions or concerns.

Thanks for the help,



Paden Penny
940-368-0451

Paden Penny
Po Box 533
Pecos, TX 79772



STATE OF TEXAS)

COUNTY OF REEVES)

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

WHEREAS, the following oil, gas and mineral leases have been executed, to-wit:

(a) Oil, Gas and Mineral lease dated November 13, 1963, executed by K. L. Denton and wife, Leta Denton, as lessors, and R. Paul Ricker, as lessee, covering the following described land situated in Reeves County, Texas, to-wit:

East Half of the Northeast Quarter (E $\frac{1}{2}$ NE $\frac{1}{4}$) and the Northeast Quarter of the Southeast Quarter (NE $\frac{1}{4}$ SE $\frac{1}{4}$) of Section 6, Block 56, Township 3, T & P Ry. Co. Survey, Abstract Number 4161

which lease is recorded in Volume 236, at page 507, Deed Records of Reeves County, Texas;

(b) Oil, Gas and Mineral lease dated November 13, 1963, executed by Mrs. Clella Denton Klapproth and husband, Chas. L. Klapproth, as lessors, and R. Paul Ricker, as lessee, covering the following described land situated in Reeves County, Texas, to-wit:

East Half of the Northeast Quarter (E $\frac{1}{2}$ NE $\frac{1}{4}$) and the Northeast Quarter of the Southeast Quarter (NE $\frac{1}{4}$ SE $\frac{1}{4}$) of Section 6, Block 56, Township 3, T & P Ry. Co. Survey, Abstract Number 4161

which lease is recorded in Volume 236, at page 94, Deed Records of Reeves County, Texas, reference to said leases and the recording thereof being hereby made for all purposes.

WHEREAS, Big State Tool Company, Odessa, Texas is the owner of certain interest under that Assignment of Oil and Gas Leases dated February 13, 1969, executed by Bethol Corporation, a corporation, Dallas, Texas, and Patoil Corporation, a corporation, San Antonio, Texas, which assignment is recorded in Volume 283, at Page 703, Deed Records of Reeves County, Texas, to the record of which reference is here made for all purposes.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: That BIG STATE TOOL COMPANY, Odessa, Texas, (herein called assignor) for and in consideration of \$10.00 and other good and valuable consideration to it in hand paid by KENNETH M. HANKINS, Odessa, Texas, the receipt and sufficiency of which are hereby acknowledged and confessed, does hereby bargain, sell, assign and convey unto the said KENNETH M. HANKINS, Odessa, Texas, (herein called assignee) an overriding royalty equal to 1/16 of 13/16 of all of the oil and gas in, on and under and which may be produced from the following



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described land under and by virtue of the terms and provisions of the following described oil and gas lease which land is located in Reeves County, Texas, and more particularly described as follows:

East Half of the Northeast Quarter (E $\frac{1}{2}$ NE $\frac{1}{4}$) and the Northeast Quarter of the Southeast Quarter (NE $\frac{1}{4}$ SE $\frac{1}{4}$) of Section 6, Block 56, Township 3, T & P Ry. Co. Survey, Abstract Number 4161, of the Deed Records of Reeves County, Texas.

Under and by virtue of that certain assignment of oil and gas lease, dated February 13, 1969, executed by Bethol Corporation and Patoil Corporation, as assignor, and Big State Tool Company, as assignee, recorded in Deed Records of Reeves County, Texas, to the record of which reference is hereby made for all purposes.

The overriding royalty interest hereby conveyed shall be free and clear of all development, production marketing, operating and other expense or charges of any nature; however, such interest shall bear and currently share its proportionate part of all ad valorem, gross production, pipeline and other taxes. Fuel oil and gas for operating the premises and for treating and handling the production therefrom shall be deducted before said overriding royalty and oil and gas is computed.

In the event the leasehold estate above described covers less than the full and undivided fee simple interest in and to the oil and gas rights in or on any part of said land then the overriding royalty interest hereby assigned shall be proportionately reduced. This assignment is made without warranty of title, either express or implied. The assignor covenants that the interest herein assigned is free and clear of all liens and encumbrances and that it has good right and authority to convey same. The terms and provisions hereof shall extend to and be binding upon the parties hereto, their heirs, legal representatives and assigns.

EXECUTED this the 27 day of February, 1969, to be effective for all purposes as of the 18 day of February, 1969, at 7:00 A. M.

BIG STATE TOOL COMPANY

L. B. Lyons

L. B. LYONS



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REEVES COUNTY
CLERKS OFFICE

STATE OF TEXAS)

COUNTY OF ECTOR)

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared L. B. Lyons, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 27 day of

February, 1969.

Jo Ann Hendricks
JO ANN HENDRICKS
NOTARY PUBLIC
COUNTY OF ECTOR, TEXAS
NOTARY PUBLIC IN AND FOR ECTOR COUNTY, TEXAS



Filed for record on the 27th day of March A.D.1969 at 9:00

A. M. Duly recorded on the 3rd day of April A.D.1969 at 9:00A. M

By Bruce J. Freeman Deputy

ESTELLE CLINTON, County Clerk,
Reeves County, Texas



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REEVES COUNTY
CLERKS OFFICE

3342

CERTIFICATE OF RECORD

THE STATE OF TEXAS, }
COUNTY OF REEVES. }

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

Date Filed _____ File # _____ Vol. 283 Page 706



DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

By: Myra Aranda, Deputy

STATE OF TEXAS)

COUNTY OF REEVES)

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

WHEREAS, the following oil, gas and mineral leases have been executed, to-wit:

(a) Oil, Gas and Mineral lease dated November 13, 1963, executed by K. L. Denton and wife, Leta Denton, as lessors, and R. Paul Ricker, as lessee, covering the following described land situated in Reeves County, Texas, to-wit:

East Half of the Northeast Quarter (E $\frac{1}{2}$ NE $\frac{1}{4}$) and the Northeast Quarter of the Southeast Quarter (NE $\frac{1}{4}$ SE $\frac{1}{4}$) of Section 6, Block 56, Township 3, T & P Ry. Co. Survey, Abstract Number 4161

which lease is recorded in Volume 236, at page 507, Deed Records of Reeves County, Texas;

(b) Oil, Gas and Mineral lease dated November 13, 1963, executed by Mrs. Clella Denton Klapproth and Husband, Chas. L. Klapproth, as lessors, and R. Paul Ricker, as lessee, covering the following described land situated in Reeves County, Texas, to-wit:

East Half of the Northeast Quarter (E $\frac{1}{2}$ NE $\frac{1}{4}$) and the Northeast Quarter of the Southeast Quarter (NE $\frac{1}{4}$ SE $\frac{1}{4}$) of Section 6, Block 56, Township 3, T & P Ry. Co. Survey, Abstract Number 4161

which lease is recorded in Volume 236, at page 94, Deed Records of Reeves County, Texas, reference to said leases and the recording thereof being hereby made for all purposes.

WHEREAS, Big State Tool Company, Odessa, Texas, is the owner of certain interest under that Assignment of Oil and Gas Leases dated February 13, 1969, executed by Bethol Corporation, a corporation, Dallas, Texas, and Patoil Corporation, a corporation, San Antonio, Texas, which assignment is recorded in Volume 283, at Page 703, Deed Records of Reeves County, Texas, to the record of which reference is here made for all purposes.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: That BIG STATE TOOL COMPANY, Odessa, Texas, (herein called assignor) for and in consideration of \$10.00 and other good and valuable consideration to it in hand paid by Mary Lucile Lyons, Odessa, Texas, the receipt and sufficiency of which are hereby acknowledged and confessed, does hereby bargain, sell, assign and convey unto the said Mary Lucile Lyons, Odessa, Texas, (herein called assignee) an overriding royalty equal to 1/16 of 13/16 of all of the oil and gas in, on and under and which may be produced from the following



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described land under and by virtue of the terms and provisions of the following described oil and gas lease which land is located in Reeves County, Texas, and more particularly described as follows:

East Half of the Northeast Quarter (E $\frac{1}{2}$ NE $\frac{1}{4}$) and the Northeast Quarter of the Southeast Quarter (NE $\frac{1}{4}$ SE $\frac{1}{4}$) of Section 6, Block 56, Township 3, T & P Ry. Co. Survey, Abstract Number 4161, of the Deed Records of Reeves County, Texas.

Under and by virtue of that certain assignment of oil and gas lease, dated February 13, 1969, executed by Bethol Corporation and Patoil Corporation, as Assignor, and Big State Tool Company, as assignee, recorded in Deed Records of Reeves County, Texas, to the record of which reference is hereby made for all purposes.

The overriding royalty interest hereby conveyed shall be free and clear of all development, production marketing, operations and other expense or charges of any nature; however, such interest shall bear and currently share its proportionate part of all ad valorem, gross production, pipeline and other taxes. Fuel oil and gas fro operation the premises and for treating and handling the production therefrom shall be deducted before said overriding royalty and oil and gas is computed.

In the event the leasehold estate above described covers less than the full and undivided fee simple interest in and to the oil and gas rights in or on any part of said land then the overriding royalty interest hereby assigned shall be proportionately reduced. This assignment is made without warranty of title, either express or implied. The assignor covenants that the interest herein assigned is free and clear of all liens and encumbrances and that it has good right and authority to convey same. The terms and provisions hereof shall extend to and be binding upon the parties hereto, their heirs, legal representatives and assigns.

EXECUTED this the 27 day of February, 1969 to
be effective for all purposes as of the 18 day of February,
1969, at 7:00 A. M.

BIG STATE TOOL COMPANY

L. B. Lyons
L. B. LYONS



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REEVES COUNTY
CLERKS OFFICE

STATE OF TEXAS)

COUNTY OF ECTOR)

BEFOREME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared L. B. Lyons, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 27 day of

February, 1969

JO ANN HENDRICKS
NOTARY PUBLIC
COUNTY OF ECTOR, TEXAS

Jo Ann Hendricks
NOTARY PUBLIC IN AND FOR ECTOR COUNTY, TEXAS



Filed for record on the 27th day of March A.D. 1969 at 9:00

A. M. Duly recorded on the 3rd day of April A.D. 1969 at 9:00A. M

By Linda Jo Lumsden Deputy

ESTELLE CLINTON, County Clerk,
Reeves County, Texas



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

2025

CERTIFICATE OF RECORD

THE STATE OF TEXAS, }
COUNTY OF REEVES. }

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

Date Filed _____ File # 1077 Vol. 283 Page 709



DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

By: Myna Aranda, Deputy

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



THE STATE OF TEXAS)

COUNTY OF REEVES)

BEFORE ME, the undersigned authority, on this day personally appeared WALTER P. PRUITT, who being by me first duly sworn upon his oath did state:

I am the duly elected, qualified and acting Secretary of ProChemco Oil and Gas, Inc., a Texas corporation. By charter amendment filed in the Office of the Secretary of State on June 1, 1970, the name of Katex Oil Company was changed to ProChemco Oil and Gas, Inc. This affidavit is executed for the purpose of reflecting of record such change of corporate name and the fact that the name "Katex Oil Company" has been changed to "ProChemco Oil and Gas, Inc."

Further affiant saith not.

EXECUTED this 14th day of August, 1970.

Walter P. Pruitt
Walter P. Pruitt

SUBSCRIBED AND SWORN TO before me, the undersigned authority, by the said WALTER P. PRUITT, this 14th day of August, 1970.

Kenneth Pratt
Notary Public, Potter County, Texas

THE STATE OF TEXAS)

COUNTY OF POTTER)

BEFORE ME, the undersigned authority in and for said county, Texas, on this day personally appeared WALTER P. PRUITT, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 14th day of August, A.D. 1970.

Kenneth Pratt
Notary Public, Potter County, Texas

My Commission expires:
June 1, 1971

Filed for record on the 8th day of Sept. A.D. 1970 at 8:30A. M

Duly recorded on the 10th day of Sept. A.D. 1970 at 9:00A. M

By Billie Jo Lumen Deputy

ESTELLE CLINTON, County Clerk,
Reeves County, Texas



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ORIGINAL FILED IN
REEVES COUNTY
CLERKS OFFICE

2025

CERTIFICATE OF RECORD

THE STATE OF TEXAS, }
COUNTY OF REEVES. }

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

Date Filed _____ File # 2765 Vol. 294 Page 319

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

By: Myra Tranda, Deputy

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



FILE NO. 3074

KENNETH M. HANKINS TO T. N. THOMAS, JR.

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

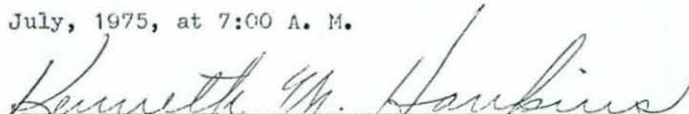
For a valuable consideration, receipt of which is acknowledged, KENNETH M. HANKINS of Odessa, Texas, (ASSIGNOR) hereby grants, sells, assigns, and conveys to T. N. THOMAS, JR. of Aiken, South Carolina, (ASSIGNEE) an overriding royalty interest equal to .0507813 of all oil, gas, and other minerals, on and under and which may be produced from the following described land:

East Half of the Northeast Quarter and the Northeast Quarter of the Southeast Quarter of Section 6, Block 56, Township 3, T & P Ry. Co. Survey, Abstract Number 4161, containing 120 acres, more or less, Reeves County, Texas,

The overriding royalty interest hereby conveyed shall be free and clear of all development, production marketing, operating and other expense or charges of any nature; however, such interest shall bear and currently share its proportionate part of all ad valorem, gross production, pipeline, and other taxes. Fuel oil and gas for operating the premises and for treating the production therefrom shall be deducted before said overriding royalty is computed.

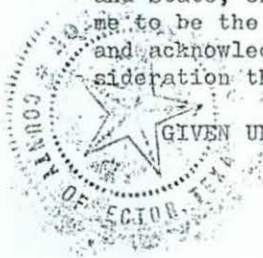
The assignor covenants that the interest herein assigned is free and clear of all liens and encumbrances and that he has good right and authority to convey same. The terms and provisions hereof shall extend to and be binding upon the parties hereto, their heirs, legal representatives and assigns.

EXECUTED this the 18th. day of July, 1975, to be effective for all purposes as of the 1st. day of July, 1975, at 7:00 A. M.


KENNETH M. HANKINS

STATE OF TEXAS)
COUNTY OF ECTOR)

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Kenneth M. Hankins, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.



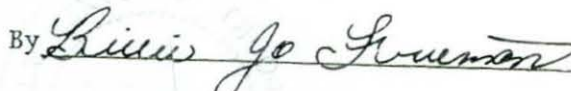
GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 18th. day of July, 1975.


NOTARY PUBLIC IN AND FOR ECTOR COUNTY, TEXAS

Filed for record on the 25th day of July A.D. 1975 at

10:30 A. M. Duly recorded on the 28th day of July A.D. 1975 at 4:30 P. M.

CATHERINE ASHLEY, County Clerk,
Reeves County, Texas.

By  DEPUTY



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

3074

CERTIFICATE OF RECORD

THE STATE OF TEXAS, }
COUNTY OF REEVES. }

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

Date Filed _____ File # 3074 Vol. 338 Page 647



DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

By: Myra Aranda Deputy

THIS IS A TRUE AND CORRECT
COPY OF
ORIGINAL FILED IN
OFFICE OF COUNTY CLERK
REEVES COUNTY, TEXAS
JAN 12 2011

FILE NO. 2421 BIG STATE TOOL COMPANY TO VELMA E. LYONS

STATE OF TEXAS)
COUNTY OF REEVES)ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

WHEREAS, Big State Tool Company, Odessa, Texas, is the owner of certain interest under that Assignment of Oil and Gas Leases dated February 13, 1969, executed by Bethol Corporation, a corporation, Dallas, Texas, and Patcoil Corporation, a corporation, San Antonio, Texas, which assignment is recorded in Volume 283, at Page 703, Deed Records of Reeves County, Texas, covering the following described land situated in Reeves County, Texas, to-wit:

East Half of the Northeast Quarter (E/2 NE/4) and the Northeast Quarter of the Southeast Quarter (NE/4 SE/4) of Section 6, Block 56, Township 3, T&P Ry. Co. Survey, Abstract 4161,

to the record of which reference is here made for all purposes.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that BIG STATE TOOL COMPANY, Odessa, Texas, (herein called assignor) for and in consideration of \$10.00 and other good and valuable consideration to it in hand paid by VELMA E. LYONS, 800 West 18th., Odessa, Texas 79763, the receipt and sufficiency of which are hereby acknowledged and confessed, does hereby bargain, sell, assign and convey unto the said VELMA E. LYONS, Odessa, Texas, (herein called assignee) an overriding royalty equal to 1/16th. of 13/16ths. of all of the oil and gas in, on and under and which may be produced from the above described oil and gas lease.

The overriding royalty interest hereby conveyed shall be free and clear of all development, production marketing, operating and other expense or charges of any nature; however, such interest shall bear and currently share its proportionate part of all ad valorem, gross production, pipeline and other taxes. Fuel oil and gas for operating the premises and for treating and handling the production therefrom shall be deducted before said overriding royalty is computed.

EXECUTED this the 20 day of June, 1977, to be effective July 1, 1977, at 7:00 A. M.

BIG STATE TOOL COMPANY


L. B. LYONS


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

STATE OF TEXAS)

COUNTY OF ECTOR)

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared L. B. LYONS, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 22 day of June, 1977.



L. B. Lyons
NOTARY PUBLIC IN AND FOR ECTOR COUNTY, TEXAS

Filed for record on the 24th day of June, A.D. 1977
at 9:50 A. M. Duly recorded on the 24th day of June, A.D.
1977 at 3:00 P. M.

CATHERINE ASHLEY, County Clerk,
Reeves County, Texas.

By Bruce Jo Freeman DEPUTY



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

2000

CERTIFICATE OF RECORD

THE STATE OF TEXAS, }
COUNTY OF REEVES. }

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

Date Filed 6/24/1997 File # 2421 Vol. 349 Page 475



DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

By: Vallie Yates, Deputy

MINERAL/ROYALTY CONVEYANCE

0019

STATE OF TX }
 COUNTY OF Reeves }

THAT Charles Runnestrand, 3015 Country Square Drive, #1043, Carrollton, TX 75006

hereinafter referred to as Grantors (whether one or more), for and in consideration of the sum of TEN DOLLARS (\$10.00) cash in hand paid and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged does hereby grant, bargain, sell, convey, transfer, assign and deliver to ALLIANCE ROYALTY, LTD., whose address is P.O. Box 10156, Midland Texas 79702-7156, hereinafter referred to as Grantee, ALL of Grantor's right, title and interest in and to all the oil, gas and/or other minerals owned by Grantor, including mineral, royalty, oil & gas leases and overriding royalty interest in and under and that may be produced from the lands described on Exhibit A.

This sale is made subject to any rights now existing to any lessee or assigns under any valid and subsisting oil and gas lease heretofore executed and now of legal record; it being understood and agreed that said Grantee shall have, receive and enjoy the herein granted undivided interest in and to all bonuses, rents, royalties and other benefits which may accrue thereunder from and after the date hereof, precisely as if the Grantee herein had been at the date of making said lease(s) the owner of a similar undivided interest in and to the lands above described and none other and Grantee one of the lessors therein. Without impairment of Grantee's rights under the warranty in event of failure of title, it is agreed that if this deed covers less interest in all of the oil, gas and other minerals in all or any part of said lands than the entire and undivided fee simple estate (whether Grantor's interest is herein specified or not), or no interest therein, then the consideration shall be paid only in proportion which the interest therein if any, covered by this Deed, bears to the whole and undivided fee simple estate therein.

In addition to the foregoing and for the same consideration hereof, Grantor does hereby Transfer, Assign, and Set Over unto Grantee all of Grantor's interest in and to all claims, demands, monies, proceeds, income, rights of recovery, cause of action, settlements, production held and other personal properties now on hand or in the possession of any third party, bank, trustee, or pipeline company, which have heretofore accrued to the mineral and/or royalty interest of Grantor in said land that has been herein conveyed to Grantee.

By execution of this instrument, Grantor authorizes and directs all persons responsible for paying and/or delivering the royalties subject to this instrument (the "subject royalties") to commence paying and/or delivering the subject royalties to Grantee in accordance with this instrument. Grantor warrants and represents to each person and to that person's heirs, successors, assigns, and legal representatives that, prior to making this conveyance, Grantor was the lawful owner of the subject royalties and that Grantor has not heretofore conveyed the subject royalties to any other person. Grantor shall indemnify and hold harmless each person responsible for paying and/or delivering the subject royalties, and that person's heirs, successors, assigns, and legal representatives harmless from and against any lawful claims to the subject royalties by, through, or under Grantor.

Grantor does hereby irrevocably appoint and constitute Grantee as Grantor's agent and attorney-in-fact for obtaining information regarding the income from the purchasers of oil, gas and/or other minerals and for executing division orders, transfer orders and all other instruments (including instruments that have a more complete legal description) as may be necessary to make fully effective this conveyance of interests, so that he may act in grantee's place and stead for this limited purpose only. Grantor agrees to execute such further assurances as may be requisite for the full and complete enjoyment of the rights herein granted and likewise agrees that Grantee herein shall have the right at any time to redeem for said Grantor by payment any mortgage, taxes, or liens on the above described land upon default in payment by Grantor, and be surrogated to the rights of the holder thereof.

TO HAVE AND TO HOLD the above described property and easement with all and singular the rights, privileges and appurtenances thereunder or anywise belonging to said Grantee herein his heirs, successors, and assigns forever, and Grantor does hereby bind Grantor's heirs, executors, administrators, successors and assigns to warrant and forever defend all and singular the said property unto the Grantee, his heirs, successors and assigns against every person whomsoever claiming or to claim the same or any part thereof.

Executed on the date stated in the acknowledgements appended to this assignment, but effective for all purposes at 12:01 a.m. Central Standard Time, 8/1/98.

X Charles Runnestrand
 Charles Runnestrand
 S.S. or Tax Id #: 449 78 2691

X Jerrie L. Cage
 Witness

X _____
 S.S. or Tax Id #: _____

X _____
 Witness

STATE OF Texas
 COUNTY OF Dallas

BE IT REMEMBERED, That on this 11th day of August 1998, before me, personally appeared the above named Grantor in the capacity listed therein Charles Runnestrand to me known to be the identical person described and acknowledged to me that he executed the same in said capacity for the purposes stated therein.

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



Jerrie L. Cage Notary Public
Jerrie L. Cage Printed Name

STATE OF _____
 COUNTY OF _____

BE IT REMEMBERED, That on this _____ day of _____ 19____, before me, personally appeared the above named Grantor in the capacity listed therein _____ to me known to be the identical person described and acknowledged to me that _____ executed the same in said capacity for the purposes stated therein.

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

My commission expires: _____

 Notary Public
 Printed Name



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 REEVES COUNTY
 CLERKS OFFICE

Attached to and made part of that certain Mineral/Royalty Deed between Charles Runnestrand as Grantor and ALLIANCE ROYALTY, LTD. as Grantee, covering Grantors right title and interest as described therein in the lands and units as described :

All of Section 6, Block 56-3, T&P, Reeves County, TX

FILE NO. 2455

FILED FOR RECORD ON THE 1ST. DAY OF SEPTEMBER A.D. 1998 AT 1:21 P M

DULY RECORDED ON THE 2ND. DAY OF SEPTEMBER A.D. 1998 AT 2:00P M

BY: Janet A. Acosta DEPUTY

DIANNE O, FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

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



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

2025

CERTIFICATE OF RECORD

THE STATE OF TEXAS, }
COUNTY OF REEVES. }

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

Date Filed _____ File # 2455 Vol. 593 Page 267



DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

By: Myra Aranda Deputy

THIS IS A COPY OF
THE ORIGINAL FILED IN
THE OFFICE OF THE
COUNTY CLERK

CONVEYANCE OF MINERAL, ROYALTY AND
OVERRIDING ROYALTY INTERESTSSTATE OF TEXAS §
COUNTY OF REEVES §

For a valuable consideration in hand paid, the receipt and sufficiency of which are hereby acknowledged, First Union National Bank, as sole Trustee of FIRST TEXAS INVESTMENT STATUTORY TRUST (hereinafter, "Grantor"), anticipating the merger with it prior to the effective date of this conveyance ("effective date") of PATOIL CORPORATION, a Delaware corporation, does hereby grant, bargain, sell and convey to FRED W. SHIELD AND COMPANY, a Texas general partnership, whose address is 115 East Travis Street, Suite 1442, San Antonio, Texas 78205-1693 (hereinafter referred to as "Grantee"), those oil, gas and/or other mineral royalty interests, overriding royalty interests and other non-leasehold oil, gas and other mineral interests and like interests situated in Reeves County, Texas that are described in Exhibit A which is attached hereto and made a part hereof and in and to any and all of Grantors right, title and interest on the effective date in and to oil, gas and/or other mineral royalty interests and overriding royalty interests and in any and all other non-leasehold oil, gas and other mineral interests and like interests situated in said county and state, whether or not described in Exhibit "A," together with all rights appurtenant thereto for the use and enjoyment of the property herein conveyed (collectively, "conveyed property").

Notwithstanding anything to the contrary that may be expressed in this instrument, this conveyance does not include, and there is hereby excepted and reserved from this conveyance to Grantor, its successor and assigns, all of Grantor's oil, gas and other mineral leasehold working interests located in the county and state set forth above, together with all of Grantor's interest in all personal property and equipment located on or used or obtained in connection with said leasehold working interests.

This conveyance is made subject to the terms and provisions of all presently valid and effective oil, gas and/or other mineral leases, unitization and pooling agreements, option agreements and any and all contracts, agreements or instruments of whatever nature which in any way cover or affect the conveyed property, regardless of whether such instruments have been filed for record; but Grantor conveys to Grantee all of its rights and interests under said contracts and agreements, including all of its (and/or Patoil Corporation's) reversionary rights thereunder.

By acceptance hereof, Grantee assumes and will hold Grantor harmless against all liabilities and obligations relating to the conveyed property arising prior to the date upon which Grantor acquires all of the outstanding capital stock of Patoil Corporation (stock acquisition date); and the title warranted by Grantor below is as to that title and interest in all oil, gas and/or other minerals royalty and overriding royalty interests and all other non-leasehold oil, gas and minerals interests owned by Patoil Corporation at the time Grantor acquired its capital stock on stock acquisition date but is not a warranty as to claims arising before such acquisition of capital stock by Grantor.

Grantor agrees to execute such further assurances as may be requisite for the full and complete enjoyment by Grantee of the rights granted herein, including, but not limited to, any counterparts to this conveyance which may be required by any federal or state governmental entity, transfer and division orders, recordable instruments evidencing Grantor's ownership of the properties and interests herein conveyed and its authority to convey same to Grantee, and conveyances to Grantee, without any warranty of title, of any such oil, gas and/or other minerals royalty and overriding royalty and all other non-leasehold oil, gas and minerals in said state and county that may revert to or vest in Assignor (and/or Patoil Corporation) after effective date.

This conveyance is effective on the effective date set out below; however, Grantor assigns to Grantee Grantor's rights to any royalty and overriding royalty payments or proceeds for produced oil and gas and other sums attributable to the conveyed properties and interests which had accrued but were unpaid prior to the effective date.

TO HAVE AND HOLD the conveyed property and interests above described, together with all and singular the rights and appurtenances thereto in anywise belonging, unto the said Grantee, its successors and assigns forever. And, limited as set out above, the undersigned Grantor for itself and its successors warrants and forever defends all and singular the said conveyed property and interests unto the said Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof by, through or under Grantor and/or under Patoil Corporation as to any claim or claims arising out of any actions or failure to act through effective date of this conveyance but not otherwise; but Grantor assigns unto Grantee, its successors and assigns, all rights under any and all warranties of title to the conveyed property when such property was acquired by Patoil Corporation.

EXECUTED this 24th day of October, 1998, effective from the 14th day of October, 1998 ("effective date").

First Union National Bank,
Trustee of First Texas Investment Statutory Trust

By: [Signature]
Printed Name: W. JEFFREY KRAMER
Title: VICE PRESIDENT

STATE OF TEXAS §
COUNTY OF BEXAR §

This instrument was acknowledged before me on this 24th day of October 1998, by W. Jeffrey Kramer, a vice president of First Union National Bank, a national banking association, on behalf of said association as Trustee of First Texas Investment Statutory Trust.



Melinda K. Dietz
NOTARY PUBLIC, STATE OF TEXAS



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REEVES COUNTY
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31000

File No.

MF-056074

Misc Ann of ORI

Date Filed:

8-26-75

George P. Bush, Commissioner

By

CB

MF 056074
MF 056074-A
CH 5-1-95ASSIGNMENT OF OIL AND GAS LEASESSTATE OF TEXAS §
COUNTY OF REEVES §

KNOW ALL MEN BY THESE PRESENTS:

THAT the undersigned:

BIG STATE TOOL COMPANY
P. O. Box 2024
Odessa, Texas 79760-2024

(hereinafter called "Assignor"), for and in consideration of the sum of TEN DOLLARS (\$10.00) cash in hand paid and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledges, does hereby ASSIGN, TRANSFER, SELL and CONVEY unto:

CHAPEL RESOURCES, INC.
P. O. Box 4104
Odessa, Texas 79760

(hereinafter referred to as "Assignee"), all of Assignor's right, title and interest in and to the Oil and Gas Leases described on Exhibit "A" attached hereto and made a part hereof for all purposes, together with the rights incident thereto, the personal property thereon, appurtenant thereto, used or obtained in connection therewith.

TO HAVE AND TO HOLD, such interest in and to said Oil and Gas Leases unto Assignee, its successors and assigns, forever, THIS ASSIGNMENT IS MADE WITHOUT WARRANTY OF TITLE, EXPRESS OR IMPLIED, AND ASSIGNOR EXPRESSLY DISCLAIMS ALL WARRANTIES, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE GOODS, EQUIPMENT, CHATTELS, FIXTURES AND OTHER PERSONAL PROPERTY HEREBY CONVEYED, INCLUDING, WITHOUT LIMITATION, ALL WARRANTIES OF TITLE, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, and Assignee agrees to accept all such goods, equipment, chattels, fixtures and other personal property "as is" and in their present state and condition of repair or disrepair. However, Assignor hereby grants and transfers to Assignee, its successors and assigns, the benefit of and the right to enforce the covenants and warranties, if any, which Assignor is entitled to enforce with respect to the Assets against Assignor's predecessors in title.

By acceptance of this instrument, Assignee assumes and agrees to pay, perform, and discharge all obligations arising under such Leases after the effective time hereof which are attributable to the interests herein assigned and conveyed, including the obligation to plug and abandon wells and to restore premises in accordance with applicable laws, rules and regulations.

The provisions of this instrument shall be binding upon and shall inure to the benefit of the Assignor and Assignee and their respective (as applicable) heirs, executors and administrators, successors and assigns.

EXECUTED THIS 1st day of May, 1995, but effective for all purposes as of May 1, 1995.

BIG STATE TOOL COMPANY

By: Kenneth Z. ScottKenneth Z. Scott, Attorney-in-Fact
for L. B. Lyons (also known as
Lawrence B. Lyons)TRUE & CORRECT
COPY OF
ORIGINAL FILED IN
REEVES COUNTY
CLERKS OFFICE

Exhibit "A"

Attached to and made a part of that certain Assignment of Oil and Gas Leases by and between Big State Tool Company, as Assignor, and Chapel Resources, Inc., as Assignee

Schedule of Leases

1. Oil and Gas Lease dated November 13, 1963, by and between K. L. Denton and wife, Leta Denton, as Lessors, and R. Paul Ricker, as Lessee, recorded in Volume 236, Page 507, Records of Reeves County, Texas, covering the following described land:

The East Half of the Northeast Quarter (E/2 NE/4) and the Northeast Quarter of the Southeast Quarter (NE/4 SE/4) Section 6, Block 56, Township 3, T & P Ry. So. Survey, A-4161, Reeves County, Texas;

2. Oil and Gas Lease dated November 13, 1963, by and between Mrs. Clella Denton Klapproth and husband, Chas. L. Klapproth, as Lessors, and R. Paul Ricker, as Lessee, recorded in Volume 236, Page 94, Records of Reeves County, Texas, covering the following described land:

The East Half of the Northeast Quarter (E/2 NE/4) and the Northeast Quarter of the Southeast Quarter (NE/4 SE/4) Section 6, Block 56, Township 3, T & P Ry. So. Survey, A-4161, Reeves County, Texas;

Limited in depth to those formations occurring between the surface of the earth and a depth of 100 feet (100') below the deepest total depth of any currently producing well located on the lands described above.

MF-05 6074

MF056074-A



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REEVES COUNTY
CLERKS OFFICE

THE STATE OF TEXAS §

COUNTY OF DALLAS §

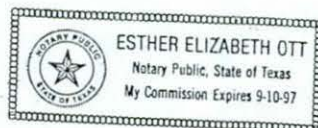
This document was acknowledged before me on the 1st day of May, 1995, by Kenneth Z. Scott, Attorney-in-Fact for L. B. Lyons (also known as Lawrence B. Lyons) d/b/a Big State Tool Company.

My Commission Expires:

9-10-97

Esther Elizabeth Ott
Notary Public in and for
The State of Texas

Esther Elizabeth Ott
Notary's Name printed or typed



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REEVES COUNTY
CLERK'S OFFICE



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

FILE NO. 1349

FILED FOR RECORD ON THE 21st DAY OF July A.D. 1995 AT 11:09A M.

DULY RECORDED ON THE 21st DAY OF July A.D. 1995 AT 3:00P M.

BY: Juanne Alita DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

21.00.00

93

File No. MF 056074
Assign By State
to Chapel Resources
Date Filed: 1-12-16
George P. Bush, Commissioner
By: CB

CERTIFICATE OF RECORD

THE STATE OF TEXAS,)
COUNTY OF REEVES. }

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

Date Filed 1/31/16 File # 1349 Vol. 553 Page 570



DIANNE O. FLORES, COUNTY CLERK
REEVES COUNTY, TEXAS
By: Alyssa Miranda Deputy

FILE # 2323

MF056074
MF056074-A
eff 5-195

ASSIGNMENT OF OIL AND GAS LEASES

STATE OF TEXAS :

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF REEVES :

THAT the undersigned:

VELMA E. LYONS

P.O. Box 2024

Odessa, Texas 79760-2024

(hereinafter called "Assignor") for and in consideration of the sum of TEN DOLLARS (\$10.00) cash in hand paid and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby ASSIGN, TRANSFER, SELL AND CONVEY unto:

CHAPEL RESOURCES, INC.

P.O. Box 4104

Odessa, Texas 79760

(hereinafter referred to as "Assignee"), all of Assignor's right, title and interest in and to the Oil and Gas Leases described on Exhibit "A" attached hereto and made a part hereof for all purposes, together with the rights incident thereto, the personal property thereon, appurtenant thereto, used or obtained in connection therewith.

TO HAVE AND TO HOLD, such interest in and to said Oil and Gas Leases unto Assignee, its successors and assigns, forever. THIS ASSIGNMENT IS MADE WITHOUT WARRANTY OF TITLE, EXPRESS OR IMPLIED, AND ASSIGNOR EXPRESSLY DISCLAIMS ALL WARRANTIES, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE GOODS, EQUIPMENT, CHATTELS, FIXTURES AND OTHER PERSONAL PROPERTY HEREBY CONVEYED, INCLUDING, WITHOUT LIMITATION, ALL WARRANTIES OF TITLE, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, and Assignee agrees to accept all such goods, equipment, chattels, fixtures and other personal property "as is" and in their present state and condition of repair or disrepair. However, Assignor hereby grants and transfers to Assignee, its successors and assigns, the benefit of and the right to enforce the covenants and warranties, if any, which Assignor is entitled to enforce with respect to the Assets against Assignor's predecessors in title.

By acceptance of this instrument, Assignee assumes and agrees to pay, perform, and discharge all obligations arising under such Leases after the effective time hereof which are attributable to the interests herein assigned and conveyed, including the obligation to plug and abandon wells and to restore premises in accordance with applicable laws, rules and regulations.

The provisions of this instrument shall be binding upon and shall inure to the benefit of the Assignor and Assignee and their respective (as applicable) heirs, executors and administrators, successors and assigns.

EXECUTED THIS 1st day of May, 1995, but effective for all purposes as of May 1, 1995.

Velma Lyons
VELMA E. LYONS



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

EXHIBIT 'A'

Attached to and made a part of that certain Assignment of Oil and Gas Leases
by and between Velma E. Lyons, as Assignor, and Chapel Resources, Inc. as Assignee

Schedule of Leases

1. Oil and Gas Lease dated November 13, 1963, by and between K. L. Denton and wife, Leta Denton, as Lessors, and R. Paul Ricker, as Lessee, recorded in Volume 236, Page 507, Records of Reeves County, Texas, covering the following described land:

The East Half of the Northeast Quarter (E/2 NE/4) and
Northeast Quarter of the Southeast Quarter (NE/4 SE/4)
Section 6, Block 56, Township 3, T & P Ry. So. Survey,
A-4161, Reeves County, Texas;

MF056274

2. Oil and Gas Lease dated November 13, 1963, by and between Mrs. Clella Denton Klapproth and husband, Chas. L. Klapproth, as Lessors, and R. Paul Ricker, as Lessee, recorded in Volume 236, Page 94, Records of Reeves County, Texas, covering the following described land:

The East Half of the Northeast Quarter (E/2 NE/4) and
the Northeast Quarter of the Southeast Quarter
(NE/4 SE/4) Section 6, Block 56, Township 3, T & P Ry.
So. Survey, A-4161, Reeves County, Texas;

MF056074-A

Limited in depth to those formations occurring between the surface of the earth and
a depth of 100 feet (100') below the deepest total depth of any currently producing
well located on the lands described above.

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



THE STATE OF TEXAS :

COUNTY OF DALLAS :

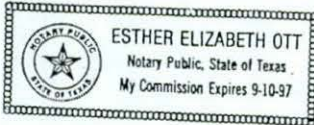
This document was acknowledged before me on the 1st day of May, 1995, by
Velma E. Lyons.

Esther Elizabeth Ott
Notary Public in and for
The State of Texas

My Commission Expires:

9-10-97

Esther Elizabeth Ott
Notary's Name printed or typed



ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL,
OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR
OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL
L.A.2

FILE NO. 2323FILED FOR RECORD ON THE 20TH. DAY OF NOVEMBER A.D. 1995 AT 11:28 A.M.DULY RECORDED ON THE 22ND. DAY OF NOVEMBER A.D. 1995 AT 3:00 P.M.BY: Jenika Acosta DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS



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

94

21.02.08

File No. MF 056074
Assign Velma Lyon
to Chapel Resources
Date Filed: 1-12-16
George P. Bush, Commissioner
By: CB

CERTIFICATE OF RECORD

THE STATE OF TEXAS,)
COUNTY OF REEVES.)

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

Date Filed 2023 File # 2023 Vol. 556 Page 499



DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

By: Lynna Andrade, Deputy

FILE # 257

MF 056074
MF 056074-A
CH 2-1-96

Lmt DePTH

ASSIGNMENT OF OIL AND GAS LEASESSTATE OF TEXAS X
 :
COUNTY OF REEVES X

KNOW ALL MEN BY THESE PRESENTS:

--- THAT the undersigned:

CHAPEL RESOURCES, INC.
P. O. Box 4104
Odessa, Texas 79760

(hereinafter called "Assignor") for and in consideration of the sum of TEN DOLLARS (\$10.00) cash in hand paid and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby ASSIGN, TRANSFER, SELL and CONVEY unto:

Joe F. Sledge & R. Mark Sledge, a
Texas partnership dba SLEDGE BROS.
OIL CO.
Star Route - Box 286
Kermit, Texas 79714

(hereinafter referred to as "Assignee"), all of Assignor's right, title and interest in and to the Oil and Gas Leases described on Exhibit "A" attached hereto and made a part hereof for all purposes, together with the rights incident thereto, the personal property thereon, appurtenant thereto, used or obtained in connection therewith.

TO HAVE AND TO HOLD, such interest in and to said Oil and Gas Leases unto Assignee, its successors and assigns, forever. THIS ASSIGNMENT IS MADE WITHOUT WARRANTY OF TITLE, EXPRESS OR IMPLIED, AND ASSIGNOR EXPRESSLY DISCLAIMS ALL WARRANTIES, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE GOODS, EQUIPMENT, CHATTELS, FIXTURES AND OTHER PERSONAL PROPERTY HEREBY CONVEYED, INCLUDING, WITHOUT LIMITATION, ALL WARRANTIES OF TITLE, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, and Assignee agrees to accept all such goods, equipment, chattels, fixtures and other personal property "As Is" and in their present state and condition of repair or disrepair. However, Assignor hereby grants and transfers to Assignee, its successors and assigns, the benefit of and the right to enforce the covenants and warranties, if any, which Assignor is entitled to enforce with respect to the Assets against Assignor's predecessors in title.

BY ACCEPTANCE OF THIS INSTRUMENT, Assignee assumes and agrees to pay, perform, and discharge all obligations arising under such Leases after the effective time hereof which are attributable to the interests herein assigned and conveyed, including the obligation to plug and abandon wells and to restore premises in accordance with the then existing and applicable laws, rules and regulations.

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

Chapel Resources, Inc, Assignor &
Sledge Bros. Oil Co., Assignee

Page 2

The provisions of this instrument shall be binding upon
and shall inure to the benefit of the Assignor and Assignee
and their respective (as applicable) heirs, executors and ad-
ministrators, successors and assigns.

EXECUTED THIS 1st day of February, 1996, and effective
for all purposes as of this date.

CHAPEL RESOURCES, INC.

SLEDGE BROS. OIL CO.

By: Bob D. Manning
Bob D. Manning, President

By: Joe F. Sledge
Joe F. Sledge, Partner

By: Beth Cobb
Beth Cobb, Secretary

By: R. Mark Sledge
R. Mark Sledge, Partner

THE STATE OF TEXAS I
THE COUNTY OF ECTOR I

This document was acknowledged before me on the 1st day of
February, 1995, by Bob D. Manning, President of Chapel Resources,
Inc.

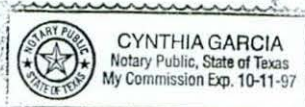


Cynthia Garcia
Notary Public in and for The State
of Texas

Cynthia Garcia
Notary's Name printed or typed

THE STATE OF TEXAS I
THE COUNTY OF Ector I

This document was acknowledged before me on the 1st day of
February, 1995, by Joe F. Sledge & R. Mark Sledge, as partners
in a Texas partnership dba Sledge Bros. Oil Co.



Cynthia Garcia
Notary Public in and for The State
of Texas

Cynthia Garcia
Notary's Name printed or typed



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

EXHIBIT 'A'

Attached to and made a part of that certain Assignment of Oil and Gas Leases by and between Chapel Resources, Inc., Assignor, and Joe F. Sledge & R. Mark Sledge, a Texas partnership dba Sledge Bros. Oil Co., Assignee. Schedule of Leases

1. Oil and Gas Lease dated November 13, 1963, by and between K. L. Denton and wife, Leta Denton, as Lessors, and R. Paul Ricker, as Lessee, recorded in Volume 236, Page 507, Records of Reeves County, Texas, covering the following described land:

The East Half of the Northeast Quarter (E/2 NE/4) and Northeast Quarter of the Southeast Quarter (NE/4 SE/4) Section 6, Block 56, Township 3, T & P Ry. So. Survey, A-4161, Reeves County, Texas;

2. Oil and Gas Lease dated November 13, 1963, by and between Mrs. Clella Denton Klapproth and husband, Chas. L. Klapproth, as Lessors, and R. Paul Ricker, as Lessee, recorded in Volume 236, Page 94, Records of Reeves County, Texas, covering the following described land:

The East Half of the Northeast Quarter (E/2 NE/4) and the Northeast Quarter of the Southeast Quarter (NE/4 SE/4) Section 6, Block 56, Township 3, T & P Ry. So. Survey, A-4161, Reeves County, Texas;

Limited in depth to those formations occurring between the surface of the earth and a depth of 100 feet (100') below the deepest total depth of any currently producing well located on the lands described above.

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

FILE NO. 257

FILED FOR RECORD ON THE 5TH DAY OF FEBRUARY A.D. 1996 AT 9:23 P.M.

DULY RECORDED ON THE 6TH DAY OF FEBRUARY A.D. 1996 AT 2:00 P.M.

BY: Jenisha Acosta DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS



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

95

21020

File No. MF056074

Assign from Chapel Resource
to Joe & Mark Sledge aka Sledge Bros

Date Filed: 1-12-16

George P. Bush, Commissioner

By CB

CERTIFICATE OF RECORD

THE STATE OF TEXAS, }
COUNTY OF REEVES. }

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

Date Filed 1-12-16 File # 257 Vol. 558 Page 633



DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS
By Lynna Miranda, Deputy

CLERK'S OFFICE
REEVES COUNTY, TEXAS

2016

DIVISION ORDER

mf 056068

mf 056074



bhpbilliton

resourcing the future

Date: 2/15/2016

To: BHP Billiton Petroleum
Land Administration
P O Box 22719
Houston, TX 77227-9927
(877) 311- 1443

Issue Date: 2/15/2016
Property Name: STATE WILLIE VEE 56-T3-6 1H
Property #: P1M690/00501
Production: ALL PRODUCTS
Operator: PETROHAWK ENERGY CORPORATION
Legal Description: T&P RR CO ABST/ID# 4161 Grantee L.A. DENTON Twsp T3 Blk 56 Sec 6REEVES
COUNTY/PARISH, TEXAS T&P RR CO ABST/ID# 4112 Grantee K. RUHNAU Twsp T3
Blk 56 Sec 6 REEVES COUNTY/PARISH, TEXAS (639.63 ACRES)

API 389-34936

CREDIT TO

Owner # 80113945
STATE OF TEXAS GLO
1700 N CONGRESS AVE NO 640
AUSTIN TX 78701-1495

Decimal	Type	Status	Reason	Start Date
0.01042660	RI	PAY		11/1/2015
0.01042660	RI	PAY		11/1/2015
0.01042660	RI	PAY		11/1/2015
0.00781653	RI	PAY		11/1/2015
0.00781653	RI	PAY		11/1/2015
0.00781653	RI	PAY		11/1/2015
0.03123290	RI	PAY		11/1/2015
0.01171380	RI	PAY		11/1/2015
0.00585250	RI	PAY		11/1/2015
0.00585250	RI	PAY		11/1/2015
0.00390827	RI	PAY		11/1/2015
0.00390827	RI	PAY		11/1/2015



TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

April 20, 2016

Broderick Brown
Division Order Analyst
BHP Billiton Petroleum
P O BOX 22719
Houston, TX 77227-9927

Re: State Lease Nos. MF111858/MF111325 State Protector 55-T2-2X11 1H
MF056068/MF056074 State Willie Vee 56-T3-6 1H; and
MF111792 Wagner B 8H (Unit 5085)

Dear Mr. Brown:

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

96.

File No. MF056074
Division Order

Date Filed: 4-21-16

George P. Bush, Commissioner

By UH



Texas General Land Office

Reconciliation Billing

George P. Bush, Commissioner

PO Box 12873
Austin, TX 78711-2873
(800) 998-4456
8:00 - 5:00 M-F

BPX Operating Company
Attn: Patty Burg
Office: WM11 6025-1
15377 Memorial Drive
Houston, TX 77079-4101

Billing Date: 6/29/2021
Billing Due Date: 7/29/2021
Customer Number: C000046383

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
21I00871	MF056074	\$5,556.13	\$0.00	\$555.62	\$512.69	\$6,624.44
Total Due		\$5,556.13	\$0.00	\$555.62	\$512.69	\$6,624.44

Penalty and interest have been calculated thru 6/30/2021. Payment remitted after 6/30/2021 will result in additional penalty and interest charges.

Jacquet,David (512) 463-5262 or david.jacquet@glo.texas.gov

NOTICE

- Please update GLO1 and GLO2 production reports to correct volumes.
- Please do not update GLO3 report to include billed royalty, penalty or interest. This receivable has already been recorded.
- For questions regarding this invoice, email us at glo123@glo.texas.gov.

This notice does not constitute an Audit Billing Notice as defined in Section 52.135 of the Texas Natural Resources Code and, consequently, does not preclude the TGLO from conducting further examinations of these leases, time periods or issues.

Detach and return with payment

Reconciliation Billing

BPX Operating Company

Billing Date: 6/29/2021

Billing Due Date: 7/29/2021

Customer Number: C000046383

Remit Payment To:

Texas General Land Office

PO Box 12873

Austin, TX 78711-2873

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
21I00871	MF056074	\$5,556.13	\$0.00	\$555.62	\$512.69	\$6,624.44
Total Due		\$5,556.13	\$0.00	\$555.62	\$512.69	\$6,624.44
Amt. Paid						

Customer ID: C000046383
 Invoice Number:
 GLO Lease: MF056074
 GLO Review: BPX OPERATING COMPANY
 Review Period: SEPT 2019 - AUG 2020

Category Gas
 Auditor/AE: DJACQUET
 Billing Date: 6/1/2021
 P&I Calculation Date: 6/30/2021
 Royalty Rate: 6.25%

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Month / Year	RRC Number	Gas/Oil Volume	Tract Participation Rate	Price	BTU	Gross Value	Royalty Due	Royalty Paid	Additional Royalty Due	Number of Days Late	Interest Rate For Additional Royalty	Penalty Rate From Additional Royalty	Interest Rate From Additional Royalty2	Revenue Due
Sep-19	08-279638	35,269	1	\$1.19	1	\$41,970.52	\$2,623.16	\$0.00	\$2,623.16	593	6.50%	\$262.32	\$249.45	\$3,134.93
Oct-19	08-279638	28,968	1	\$1.62	1	\$46,927.44	\$2,932.97	\$0.00	\$2,932.97	563	6.50%	\$293.30	\$263.24	\$3,489.51
TOTALS		64,237				\$88,897.97	\$5,556.13	\$0.00	\$5,556.13			\$555.62	\$512.69	\$6,624.44

COMMENTS: BILLING ON UNDER PAID ROYALTIES FOR RRC ID#S:08-279638, 08-287931, 08-288112 & 08-288073 UNIT 7506.

COLUMN (3) VOLUMES - REPRESENTS THE VOLUMES REPORTED TO THE RRC VERSUS VOLUMES REPORTED TO THE GLO.

COLUMN (5) PRICES- NO GLO2 REPORTES SUBMITTED TO THE GLO. THE PRICES USED IS FROM THE WAHA HUB.

COLUMNS (12),(13),(14) PLEASE GO TO THIS WEB SITE FOR EXPLANATION OF PENALTY AND INTEREST ASSESSMENT:

<http://www.glo.texas.gov/energy-business/oil-gas/rac/forms/penalty-interest-assessment-rules.pdf>

NOTE 1: PLEASE REMIT PAYMENT OF THIS INVOICE SEPARATELY FROM REGULAR ROYALTY PAYMENTS. THE PREFERRED METHOD OF PAYMENT IS BY CHECK ACCOMPANIED WITH THE BOTTOM HALF OF THE ATTACHED INVOICE. IF PAYMENT IS MADE THROUGH ACH DEBIT, SEND AN EMAIL TO account.services@glo.texas.gov NOTING YOUR COMPANY NAME, CUSTOMER ID, INVOICE NUMBER, REMITTANCE DATE AND AMOUNT OF PAYMENT.

ATTN: PATTY BURG
 SENT VIA E-MAIL: Patty.Burg@bpx.com

File No. MF 056074 (97)
County _____
Recon Billings
Date Filed: 8/24/21
George P. Bush, Commissioner VD
By _____



Texas General Land Office

Reconciliation Billing

Commissioner Dawn Buckingham, M.D.

PO Box 12873
Austin, TX 78711-2873
(800) 998-4456
8:00 - 5:00 M-F

BPX Operating Company
Attn: Patty Burg
Office: WM11 6025-1
15377 Memorial Drive
Houston, TX 77079-4101

Billing Date: 2/7/2023
Billing Due Date: 3/9/2023
Customer Number: C000046383

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
23I00544	MF056074	\$0.00	\$4,839.37	\$483.94	\$49.02	\$5,372.33
Total Due		\$0.00	\$4,839.37	\$483.94	\$49.02	\$5,372.33

Penalty and interest have been calculated thru 2/28/2023. Payment remitted after 2/28/2023 will result in additional penalty and interest charges.

NOTICE

- Please update GLO1 and GLO2 production reports to correct volumes.
- Please do not update GLO3 report to include billed royalty, penalty or interest. This receivable has already been recorded.

This notice does not constitute an Audit Billing Notice as defined in Section 52.135 of the Texas Natural Resources Code and, consequently, does not preclude the TGLO from conducting further examinations of these leases, time periods or issues.

Detach and return with payment

Reconciliation Billing

BPX Operating Company

Billing Date: 2/7/2023

Billing Due Date: 3/9/2023

Customer Number: C000046383

Remit Payment To:

Texas General Land Office

PO Box 12873

Austin, TX 78711-2873

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
23I00544	MF056074	\$0.00	\$4,839.37	\$483.94	\$49.02	\$5,372.33
Total Due		\$0.00	\$4,839.37	\$483.94	\$49.02	\$5,372.33
Amt. Paid						

Customer ID: C000046383
 Invoice Number:
 GLO Lease: MF056074
 GLO Review: BPX OPERATING COMPANY
 Review Period: Sept 2021 - Aug 2022

Category Oil
 Auditor/AE: ECortez
 Billing Date: 2/1/2023
 P&I Calculation Date: 2/28/2023
 Royalty Rate: 6.25%

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Month / Year	RRC Number	Gas/Oil Volume	Tract Participation Rate	Price	BTU	Gross Value	Royalty Due	Royalty Paid	Additional Royalty Due	Number of Days Late	Interest Rate For Additional Royalty	Penalty Rate From Additional Royalty	Interest Rate From Additional Royalty2	Revenue Due
Aug 22	08-279638	1	1	\$0.000	1	\$0.00	\$4,839.37	\$0.00	\$4,839.37	146	4.25%	\$483.94	\$49.02	\$5,372.33
TOTALS		1				\$0.00	\$4,839.37	\$0.00	\$4,839.37			\$483.94	\$49.02	\$5,372.33

COMMENTS: BILLING ON UNPAID OIL ROYALTIES TO THE GLO FOR UNIT 7506 (08-279638, 08-287931, 08-288073, 08-288112)

COLUMN (8) ROYALTY DUE BASED OFF SUBMITTED GLO1 REPORTS
 COLUMNS (9) ROYALTY PAID
 COLUMNS (12),(13),(14) PLEASE GO TO THIS WEB SITE FOR EXPLANATION OF PENALTY AND INTEREST ASSESSMENTS:
<http://www.glo.texas.gov/energy-business/oil-gas/frac/forms/penalty-interest-assessment-rules.pdf>

FOR QUESTIONS REGARDING THIS INVOICE PLEASE E-MAIL: eric.cortez@glo.texas.gov

NOTE 1: PAYMENT OF THIS INVOICE MAY BE MADE BY CHECK OR ACH DEBIT.
 PLEASE REMIT PAYMENT OF THIS INVOICE SEPARATELY FROM REGULAR ROYALTY PAYMENTS.
 WHEN PAYMENT IS REMITTED, PLEASE SEND AN EMAIL TO: account.services@glo.texas.gov and eric.cortez@glo.texas.gov
 NOTING YOUR COMPANY NAME, CUSTOMER ID, INVOICE NUMBER(S) AND AMOUNT OF PAYMENT.

ATTN: Patty Burg
 EMAIL: patty.burg@bpx.com bplo@bpx.com

File No. MF056074 ⁹⁸

Recon Billing County

Date Filed: 2/9/2023
Commissioner Dawn Buckingham, M.D.

By: VD