



CAUTION

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Archives and Records Staff

MF067636

TERMINATION

DATE 8/1/2018
LEASING BG
MAPS JL
GIS MC

Leasing: _____
Analyst: _____
Maps: JL
GIS: MC

State Lease	Control	Base File	County
MF067636	07-109247	148332	REEVES

Survey	T & P RY CO	
Block	56	
Block Name		
Township	3-S	
Section/Tract	16	
Land Part		
Part Description	W2	
Acres	320	
Depth Below	Depth Above	Depth Other
0	3550	See Lease
Name	MAY, JOHN L	
Lease Date	10/17/1972	
Primary Term	5 yrs	
Bonus (\$)	\$4,000.00	
Rental (\$)	\$0.50	
Lease Royalty	0.0625	

RELINQUISHMENT ACT LEASE M-67636

5
195

COUNTY: Reeves
TRACT : Sec. 16, Blk. 56, T-3, T&P
PART : W/2
ACRES : 320
DEPTH: ABOVE 3550'
LESSEE : John L. May
DATE : October 17, 1972
TERM : Five years
BONUS : \$4,000.00
RENTAL: 160.00
FILE : 148331 - 148332

✓
~~Release ms~~ ~~ST~~PARTIAL RELEASE ~~ST~~ ~~AA~~

JP

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Cert/Facts

6-6-73

MF067636

Stuhlman, The Rae, et al
Austin, Texas

Cert/Facts 6-20-74

Getty Oil Co.

Midland, Texas

✓ See item (8) in M-31461

67. Assignment 5/9/03

68. Letter 2/10/06

69. Release 2/10/06

70. HIO letter 3/7/06

71 Billing to Sledge bro 11-9-01

72 Email to UK open ac 10-20-11

Scanned SM 12/6/13

73- Reconciliation Billing 5/5/14.

Scanned PJ 5-20-14

74 Production Data 3/1/2019

75 Termination letter 3/1/2019

Scanned PJ 5-20-2019

Mineral Classified Land
Lease Consideration Comparison

County

REEVES

Area

(Loving) (N Reeves)

Total W/2 Sec. 16 & SW/4 Sec. 6 Blk 56 T-3

M. F.	Acres	Lease Date	Term	Bonus	B/Ac	Rental	Comparison
New ^{2/16}	480	8-22-72	5 yrs	12000. ⁰⁰	25. ⁰⁰	1. ⁰⁰	1/16 th
5294	320	10-29-70	5 yrs	4800. ⁰⁰	35. ⁰⁰	1. ⁰⁰	1 Mi. W. (1/16)
4757	320	7-1-69	5 yrs	3200. ⁰⁰	10. ⁰⁰	1. ⁰⁰	1 1/2 Mi. N. (1/16)
5255	320	10-29-70	5 yrs	4800. ⁰⁰	15. ⁰⁰	1. ⁰⁰	1 Mi. W. (1/16)

1-mile { 148331
148332

Remarks:

Consideration

Recommended

pm (if two lease)

Not Recommended

RECEIVED

NOV 3 1972

General Land Office

OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 17th day of October, 19 72,
by and between Evelyn C. Bolinger (also known as Mrs. M. R. Bolinger),
a feme sole

of Plain Dealing, Louisiana 71064
(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 John L. May

of Fort Stockton, 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 \$ 4,000.00
FOUR THOUSAND 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 has this day granted, demised, leased and
does

let, and by these presents does 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 of, treat and transport said products of the lease, the following lands situated in REEVES County,
State of Texas, to-wit:

West Half (W/2) of Section Sixteen (16), Block 56, Township 3,
T & P RR Co. Survey

containing 320 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
1/16th
owner of the soil 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 17th day of October, 19 73,
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
First State Bank and Trust Co.,xx Plain Dealing, La. 71064
soil or to his credit in the Bank, at
or its successors, which shall continue as the depository regardless of changes in the ownership of said land, the sum of
Fifty Cents (50¢)

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 payments 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 royalty and the 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. 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 One 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.

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 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 insofar 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 three dollars (\$3.00) 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, and that leases shall not be binding upon the State unless they recite the actual and true consideration paid or promised therefor, and such leases shall be accompanied by filing fee of five dollars (\$5.00).

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 3, 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. In the event production of oil or gas on the leased premises after once obtained shall cease from any cause at the expiration of the primary term thereof or at any time or times thereafter, this lease shall not terminate if the Lessee commences additional drilling or reworking operations within sixty (60) days thereafter, and the lease shall remain in full force and effect so long as such operations continue in good faith and in workmanlike manner without interruptions totaling more than sixty (60) days during any one such operation; and if such drilling or reworking operations result in the production of oil or gas, the lease shall remain in full force and effect so long as oil or gas is produced therefrom in paying quantities or payment of shut-in gas well royalties or compensatory royalties is made as hereafter provided or as provided elsewhere in the statutes of the State of Texas.

PARAGRAPH 25 IS OPTIONAL AND MAY BE DELETED.

25. 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 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 there-

after, 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 and 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 to the Commissioner of the General Land Office 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 offset wells as required by law.

26. In the event that all or any portion of the land described in this lease is included within a pooled unit or units approved by the Commissioner of the General Land Office for the purpose of pooling the State's royalty interest hereunder, Lessor agrees that the Commissioner shall be Lessor's representative for the purpose of executing such pooling agreement, and the execution of such pooling agreement by the Commissioner of the General Land Office shall have the same force and effect as if Lessor had executed such agreement for himself and shall pool the royalty payable to the undersigned Lessor hereunder to the same extent as the State's share of the royalty hereunder is pooled, and Lessor agrees if requested by Lessee to execute any such agreement or a ratification thereof which may be desired by Lessee.

X-308-A

DOUBLE ACKNOWLEDGEMENT

STATE OF
COUNTY OF

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

_____ and _____ 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 seal of office, this the _____ day of _____, A. D. 19____

Notary Public in and for

County, _____

SINGLE ACKNOWLEDGEMENT

STATE OF **LOUISIANA**
COUNTY OF ~~XXXXXX~~ **PARISH OF BOSSIER**

Before me, the undersigned authority, on this day personally appeared **Evelyn C. Bolinger** _____

_____, known to me to be the person whose name **is** _____ subscribed to the foregoing instrument, and acknowledged to me that **she** _____ 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 21st day of October, A. D. 19 72

[Signature]
Notary Public in and for

Bossier Parish ~~XXXXXX~~ **Louisiana**

SINGLE ACKNOWLEDGEMENT

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, _____

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 instrument is a true and correct copy of the OIL AND GAS LEASE FROM EVELYN C. BOLINGER TO JOHN L. MAY, as the same was filed for record in my Office on Oct. 31, 1972 at 1:00 P.M., under File No. 3216 to be recorded in 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 31st day of October, A.D. 1972.

By *Linne Jo Freeman* DEPUTY

ESTELLE CLINTON, County Clerk,
Reeves County, Texas.

①

M 69636
LEASE
File Dated 11-3-72
Bob Armstrong, Commissioner

RECEIVED AS STATED
\$4,000.00

Date 10-3-72
Reg. No. 4902

GENERAL LAND OFFICE

RECEIVED AS STATED
\$5.00

Date 11-6-72
Reg. No. FF-324

GENERAL LAND OFFICE

JOHN L. MAY
304 S. NELSON
P. O. BOX 252 PHONE 915 - 336-2936
FORT STOCKTON, TEXAS - 79735

October 2, 1972

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

Dear Sir:

Enclosed is a certified copy of a lease from Mrs. Evelyn C. Bolinger to John L. May on the west half of Section 16 and the southwest quarter of Section 6, Block 56, Township 3, T & P RR Co. Survey, Reeves County, Texas. Also enclosed is a bank cashier's check for \$6,000.00 in payment of the State's share of the bonus consideration of \$25.00 per acre for a five year lease.

Please charge the filing fee to Account No. 814. If this lease is approved, we would appreciate your having one of the secretaries call us collect, Area Code 915/ 336-2936 and advising us of this.

Thank you for your consideration.

Very truly yours

John L. May
John L. May

Cashier's Check No. 81074 \$6,000.00
Oil and Gas Lease - Form No. 5367

cc - 6,000.00

4902

RECEIVED

OCT 3 1972

General Land Office

(2)

M. F. 67636

CORRESPONDENCE FILE

To John L. May
From

Dated 10-2-72

October 16, 1972

Mr. John L. May
P. O. Box 252
Fort Stockton, Texas 79735

Re: Proposed Lease from Mrs. Evelyn C. Bolinger to John L. May
covering the W/2 Sec. 16 and SW/4 Sec. 6, Blk. 56, T-3,
T&P Ry. Co. Survey, Reeves County, Texas

Dear Mr. May:

This will acknowledge receipt of your letter of October 2, 1972
with enclosures of a certified copy of the captioned lease and
bonus check in the sum of \$6,000.00.

After reviewing the lease, we find that it would not be in the
best interest of the State of Texas to file this lease inasmuch
as the lands described therein are not contiguous but are
approximately one mile apart.

If you wish to submit two leases, each covering only one of the
two tracts, we shall be glad to consider the same.

We are returning the certified copy of the Oil and Gas Lease and
will hold your remittance in our suspense file pending receipt of
certified copies of new leases, together with a xerox copy of a
recorded Release of the above lease. The Release should bear an
execution date prior to the dates of the new leases.

Sincerely yours,

Bob Armstrong

By:

V. C. Morelle, Attorney

VCM/alm

3

M. F. 67636

CORRESPONDENCE FILE

To John L. May
From

Dated 10-16-72

JOHN L. MAY
304 S. NELSON
P. O. BOX 252 PHONE 915 - 336-2936
FORT STOCKTON, TEXAS 79735

RECEIVED
NOV 3 1972
General Land Office

October 31, 1972

4

General Land Office
Austin, Texas 78701

RE: Proposed Leases, Mrs. Evelyn C. Bolinger
S/2 Section 16, SW/4 Section 6, Block 56,
T-3, Reeves County, Texas

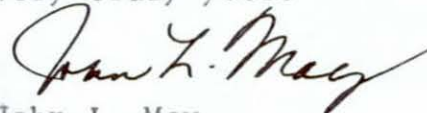
Gentlemen:

Enclosed are certified copies of a filed release and two oil and gas leases on the above captioned acreage. The leases were redone after receipt of your letter of October 16, 1972.

As stated in that letter, you are presently holding our original remittance for the prior lease. We ask that you consider these leases and advise. Please charge any filing fees to Account No. 814.

We would appreciate hearing from you regarding your approval of these leases.

Very truly yours



John L. May

JLM:nj

Enclosures: 3

(4)

M. P. 67636

CORRESPONDENCE FILE

From John L. May

Dated 10-31-72

November 6, 1972

Mr. John L. May
P. O. Box 252
Fort Stockton, Texas 79735

Re: State Leases M-67636 - W/2 of Sec. 16, Blk. 56, T-3, T&P Ry. Co
and M-67637 - SW/4 of Sec. 6, Blk. 56, T-3, T&P Ry. Co. Survey
Reeves County, Texas

Dear Mr. May:

The certified copies of Oil and Gas Leases, affecting the captioned tracts, have been filed in our records under M-67636 and M-67637 to which mineral file numbers you should refer in any future correspondence concerning these leases.

Your remittance in the amount of \$6,000.00 has been applied as the State's portion of the cash bonuses due on the leases, and a receipt for this amount is enclosed herewith. We have charged your Account No. 814 with \$10.00 to cover the filing fees due on the leases. Our Invoice No. FF-324, showing this charge, is also enclosed.

Sincerely yours,

Bob Armstrong

By:

W. C. Morelle, Attorney

VCM/alm

Enclosures

(2.)

M. F. 67636

CORRESPONDENCE FILE

To John L. May
From

Dated 11-6-72

JOHN L. MAY
304 S. NELSON
P. O. BOX 252 PHONE 915 - 336-2936
FORT STOCKTON, TEXAS 79735

RECEIVED

SEP 15 1973

General Land Office

P# 1936

September 12, 1973

Commissioner
General Land Office
Austin, Texas 78701

Dear Sir:

Enclosed is Cashier's Check No. 13378 in your favor with the request that it be credited as full payment of the rental for the period from October 17, 1973 to October 17, 1974 for Lease No. M-67636 executed on October 17, 1972 by Evelyn C. Bolinger in favor of John L. May in so far as the said lease covers the following described acreage in the County of Reeves State of Texas, to-wit:

W/2 of Section 16, Block 56, T-3, T & P RR Co. Survey
and recorded in Volume 315 at page 208, Lease Records
of Reeves County.

Please stamp the enclosed copy of this letter for payment having been received and return the copy to us.

Thank you for your cooperation.

Very truly yours

John L. May
John L. May

cc #160.00

nj

Encl.

⑥ M.F. 67636

Rental Payment

Filed 9-15 1973

BOB ARMSTRONG, COMMISSIONER

RB

Clerk

✓
JOHN L. MAY
304 S. NELSON
P. O. BOX 252 PHONE 915 - 336-2936
FORT STOCKTON, TEXAS 79735

RECEIVED
SEP 25 1974
General Land Office

September 23, 1974

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

Dear Sir:

cc 160.00 3494 121
Enclosed is Cashier's Check No. 21664 in your favor with the request that it be credited as full payment of the rental for the period from October 17, 1974 to October 17, 1975 for Lease No. M-67636 executed on October 17, 1972 by Evelyn C. Bolinger in favor of John L. May in so far as the said lease covers the following described acreage in the County of Reeves, State of Texas, to-wit:

W/2 of Section 16, Block 56, Township 3, T & P RR
Co. Survey

and recorded in Volume 315 at page 208, Lease Records of Reeves County.

Please stamp the enclosed copy of this letter as payment having been received and return the copy to us.

Thank you for your cooperation.

Very truly yours

JOHN L. MAY

Noreen Joplin
Noreen Joplin

Encl: \$160.00

7

M 67636
Rental Payment
9-25-44

FILE NO. 3097

GETTY OIL COMPANY TO UNION TEXAS PETROLEUM, ET AL
404768-000 404769-000
(ASSIGNMENT)

STATE OF TEXAS X
COUNTY OF REEVES X

KNOW ALL MEN BY THESE PRESENTS:

THAT, for and in consideration of Ten Dollars (\$10.00) and other good and valuable considerations paid by Union Texas Petroleum, a Delaware corporation, and Champlin Petroleum Company, a Delaware corporation, to Getty Oil Company, the receipt and full sufficiency of which are hereby acknowledged, the said Getty Oil Company does hereby grant, bargain, sell, assign, transfer and convey unto Union Texas Petroleum and Champlin Petroleum Company, their respective successors and assigns, the following proportions of undivided interests, to wit:

Union Texas Petroleum	1/3
Champlin Petroleum Company	1/3

in and to the following described oil and gas leases, to wit:

Lease dated October 17, 1972, from Evelyn C. Bolinger, individually and as agent for the State of Texas, as party of the first part, to John L. May, as party of the second part, recorded in Volume 315, page 208, the Oil & Gas Lease Records of Reeves County, Texas;

Lease dated October 17, 1972, from Evelyn C. Bolinger, individually and as agent for the State of Texas, as party of the first part, to John L. May, as party of the second part, recorded in Volume 315, page 212, of the Oil & Gas Lease Records of Reeves County, Texas,

RECEIVED

SEP 28 1974

General Land Office

INSOFAR and ONLY INSOFAR as said leases cover and affect the depths below three thousand five hundred and fifty feet (3,550') from the surface of the lands described in said leases. The leases insofar as they affect the depths above three thousand five hundred and fifty feet (3,550') from the surface are not affected by this assignment.

It is the intent of the parties that as a result of this assignment, the above described oil and gas leases shall be owned in the proportions of an undivided one-third (1/3)

M-67636
T-404768-000

M-67637
T-404769-000

by Getty Oil Company, an undivided one-third (1/3) by Union Texas Petroleum, and an undivided one-third (1/3) by Champlin Petroleum Company.

This conveyance is hereby expressly made subject to the reservations and covenants contained in that certain assignment dated May 31, 1974, from John L. May, as Assignor, to Getty Oil Company, as Assignee, such assignment being recorded in Volume 331, page 742, of the Oil & Gas Lease Records of Reeves County, Texas, reference to which is hereby made for all purposes.

TO HAVE AND TO HOLD the said interests in the said leases and all rights created thereunder unto the said Union Texas Petroleum and Champlin Petroleum Company, their successors and assigns.

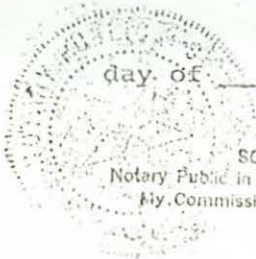
This assignment is executed without warranty of title either express or implied.

EXECUTED this 16th day of July, 1974.
GETTY OIL COMPANY

By T. L. Roberts
Attorney-In-Fact

THE STATE OF TEXAS -X
COUNTY OF HARRIS X

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared T. L. ROBERTS Attorney-In-Fact of GETTY OIL COMPANY, 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 said GETTY OIL COMPANY, a Delaware corporation, that he was duly authorized to perform the same by appropriate resolution of the Board of Directors of such 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 16th day of July, 1974.

Scott E. James
Notary Public in and for Harris County, Texas

Filed for record on the 23rd day of Sept. A.D. 1974 at 9:00 A. M. Duly recorded on the 23rd day of Sept. A.D. 1974 at 2:15 P. M.

By Brian J. Freeman DEPUTY

CATHERINE ASHLEY, County Clerk,
Reeves County, Texas.
RECEIVED
SEP 28 1974
General Land Office

8

M 67636
Assignment
File Dated 9-28-74
Bob Arms P.O. Commissioner

RECEIVED AS STATED

#3.00
DATE 10-8-74
Reg. No. FF-728
M-67636

GENERAL LAND OFFICE

RECEIVED AS STATED

#3.00
DATE 10-8-74
Reg. No. FF-728
M-67637

GENERAL LAND OFFICE

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 (ASSIGNMENT)
FROM GETTY OIL COMPANY TO UNION TEXAS PETROLEUM, ET AL

as the same appears of record in my office in book 331 page 744 (Oil & Gas Lease Records)
Given under my Hand and Seal of said Court, at office in PECOS, TEXAS
this 25th day of September 19 74

CATHERINE ASHLEY, Clerk,
By Shirley Garcia Deputy.

404768-000

404769-000

RECEIVED

SEP 28 1974

ASSIGNMENT OF OIL AND GAS LEASES

General Land Office

THE STATE OF TEXAS :
COUNTY OF REEVES : KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, Evelyn C. Bolinger, (also known as Mrs. M. R. Bolinger) individually and as agent for the State of Texas, as Lessor, executed and delivered to John L. May, as Lessee, an Oil and Gas Lease dated October 17, 1972, recorded in Volume 315, Page 208, Oil and Gas Records, Reeves County, Texas covering 320 acres of land, more or less, in Reeves County, Texas, therein described as the West Half (W/2) of Section 16, Block 56, Township 3, T & P RR Co. Survey, to which lease and the record thereof reference is hereby made for further description and all other purposes; and

WHEREAS, Evelyn C. Bolinger, (also known as Mrs. M. R. Bolinger) individually and as agent for the State of Texas, as Lessor, executed and delivered to John L. May, as Lessee, an Oil and Gas lease dated October 17, 1972, recorded in Volume 315, Page 212, Oil and Gas Records, Reeves County, Texas covering 160 acres of land, more or less, in Reeves County, Texas, therein described as the Southwest Quarter (SW/4) of Section 6, Block 56, Township 3, T & P RR Co. Survey, to which lease and the record thereof reference is hereby made for further description and all other purposes;

NOW, THEREFORE, I, John L. May of the County of Pecos, State of Texas, the Assignor herein, for and in consideration of the sum of TEN and NO/100 DOLLARS (\$10.00) cash to me in hand paid by GETTY OIL COMPANY, receipt of which is hereby acknowledged, and in consideration of the overriding royalty reserved as hereinafter set out, have GRANTED, SOLD, TRANSFERRED and ASSIGNED, and do hereby GRANT, SELL, TRANSFER and ASSIGN except as hereinafter set out, unto GETTY OIL COMPANY, the Assignee herein, the Oil and Gas Leases above mentioned, and all personal property, machinery and equipment located thereon, together with all leasehold and other rights, titles and interest that I have by virtue of said leases in and to the land covered thereby and all rights, titles and interest purported to be created by such leases insofar as it covers the oil, gas and other minerals below the 3550 feet from the surface, in and to the above described lands;

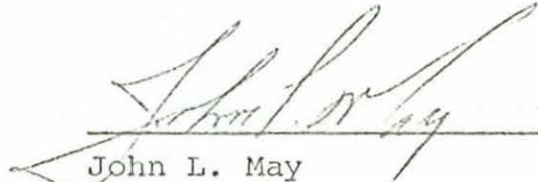
There is excepted from this assignment and the Assignor herein, John L. May, expressly reserves to himself, his heirs and assigns forever a royalty equal to one-sixteenth (1/16th) of eight-eighths (8/8) part, being a one-sixteenth (1/16th) overriding royalty of all oil, gas and all other minerals which may be produced and saved by the said GETTY OIL COMPANY, its successors and assigns, from the land affected hereby under and by virtue of the leases above mentioned, delivery of such oil and/or gas to be made free of cost to the credit of the Assignor into storage tanks by him provided or into the pipeline to which the wells on said premises or the land with which said premises may be pooled with may be connected;

Assignor agrees that if lessor in the above mentioned leases owns an interest in the premises covered thereby, less than the entire and undivided fee, then the overriding royalty herein reserved shall be payable to assignor in the proportion which the interest of the lessor in said land bears to the entire and undivided fee;

TO HAVE AND TO HOLD unto the said GETTY OIL COMPANY, its successors and assigns, forever, in accordance with the terms and provisions of said leases;

And I do hereby, for myself, my heirs, executors and administrators, covenant and warrant that I am the owner of said leases, and all of the leasehold rights which said leases purport to create, with full right to convey same; that said leases are now unencumbered, valid and in full force and effect in accordance with their terms, subject, however, to the depth limitation and to the overriding royalty herein reserved.

In testimony whereof, witness my hand this 31st day of May, A. D. 1974.


John L. May

RECEIVED

SEP 28 1974

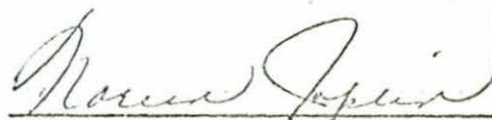
General Land Office

THE STATE OF TEXAS :
COUNTY OF PECOS :

BEFORE ME, the undersigned authority, a Notary Public in and for said County, Texas, on this day personally appeared John L. May, 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 therein expressed.

GIVEN under my hand and seal of office, this 31st day of May, A. D. 1974.




Notary Public in and for
Pecos County, Texas
Barbara J. Quinn

Filed for record on the 23rd day of Sept. A.D. 1974 at

9:00 A. M. Duly recorded on the 23rd day of Sept. A.D. 1974
at 2:15 P. M.

CATHERINE ASHLEY, County Clerk,
Reeves County, Texas.

By Bruce J. Freeman DEPUTY

67636
Assignment
File Dated 9-28-74
Bob Armstrong, Commissioner

RECEIVED AS STATED
#3.00
DATE 10-8-74
Reg. No. FF-728
M-67636
GENERAL LAND OFFICE

RECEIVED AS STATED
#3.00
DATE 10-8-74
Reg. No. FF-728
M-67636
GENERAL LAND OFFICE

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 (ASSIGNMENT OF OIL AND GAS LEASES).
FROM John L. May To Getty Oil Company

as the same appears of record in my office in book 331 page 742 (Oil & Gas Lease Records)

Given under my Hand and Seal of said Court, at office in PECOS, TEXAS
this 25th day of September 1974

CATHERINE ASHLEY, Clerk,
By Shirley Garcia Deputy.



RECEIVED

SEP 28 1974

General Land Office

Getty Oil Company

P.O. Box 1231, Midland, Texas 79701 • Telephone (915) 683-6301

Mid-Continent Exploration and Production Division

September 26, 1974

171

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

Re: M-67636 (Title 404768-000) and
M-67637 (Title 404769-000)
Assignments of Oil & Gas Leases
Riverton Area
Reeves County, Texas

Gentlemen:

Attached for filing in the appropriate records of your office
are Certified Copies of two (2) assignments each covering the
subject leases.

Please charge appropriate filing fees to Getty Oil Account
#12.

Very truly yours,

GETTY OIL COMPANY

Ronald C. Jackson
Ronald C. Jackson
Assistant District Landman

RCJ/ss

Attachment

10

M. F. 67636

CORRESPONDENCE FILE

To Betty Oil Co.
From

Dated 9-26-74



October 8, 1974

Getty Oil Company
P. O. Box 1231
Midland, Texas 79701

Attention: Mr. Ronald C. Jackson

Re: State Leases M-67636 (Title 404768-000) and M-67637 (Title 404769-000)
Riverton Area, Reeves County, Texas

Gentlemen:

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

We have charged your Account No. 12 with \$12.00 to cover the \$3.00 filing fee due on the Assignments and our Invoice No. FF-728, showing this charge, is enclosed herewith.

Sincerely yours,

Bob Armstrong

By:

Lewis J. Bundrant, Attorney

LJB/alm

Enc.

(11)

M. F. 67636

CORRESPONDENCE FILE

To *Metzger & Co.*
~~From~~

Dated 10-8-74

DIVISION ORDER

Make note of this Division Order and pass to the next person. DO NOT hold over one day.

Initial:

Supervisor

BL

Affidavit Auditor

Royalty Distribution

CL

Rental Section

~~Contract Supervisor~~

Remarks:

Scurlock Oil Co.
20075 D/o (oil)
M-67636
10-23-74

CUSTER OIL COMPANY

307 COMET DRIVE

AUSTIN, TEXAS 78746

DONALD M. OLIVER - PRESIDENT

October 11, 1974

RECEIVED
OCT 12 1974
General Land Office

Commissioner, General Land Office
State of Texas
Austin, Texas

121
M-67636

Gentlemen:

Re: Bollinger Lease
W/2 Sec. 16, Blk. 56, T-3,
Reeves County, Texas

Enclosed is division order covering your interest in our joint owned Bollinger Lease in Reeves County, Texas.

After proper execution, please forward the original copy to the Scurlock Oil Company and you may retain the other copy for your files.

Yours very truly,

Donald M. Oliver

Donald M. Oliver, President

October 8 1974

EFFECTIVE WITH DATE OF FIRST RUNS

To: SCURLOCK OIL COMPANY
1501 Houston Club Building
Houston, Texas 77002

The undersigned certify and guarantee that they are the legal owners of Wells Nos. 1 and up on the
CUSTER OIL COMPANY

**BOLLINGER

Lease:

Described:

The West one-half (W/2) of Section 16, Abstract No. 5314,
Block 56, T-3, Reeves County, Texas, FROM THE SURFACE OF
THE GROUND TO A DEPTH OF 3550 FEET ONLY.

RECEIVED

OCT 12 1974

General Land Office

REEVES

County, State of TEXAS

and the oil produced therefrom,
including the Royalty Interest, and until further notice you will give credit for all oil received as per directions below:

CREDIT TO	DIVISION OF INTEREST	P. O. ADDRESS
EVELYN C. BOLINGER	.062500 RI	
THOMAS C. CARLSON	.040625 WI	
COCHRAN COMPANY	.076172 WI	
CUSTER OIL COMPANY	.203125 WI	
HAWN BROTHERS	.152344 WI	

1. The oil run hereunder shall become the property of the Scurlock Oil Company, and good title is hereby warranted to it, and such good title to same shall pass to it as soon as the same is received and delivered to any pipe lines or other conveyances designated by the Scurlock Oil Company.

2. The oil received under this Division Order shall be paid for by the Purchaser (Scurlock Oil Company) to the party or parties entitled thereto according to the division of interests shown above at the price posted by Scurlock Oil Company. Settlements therefor shall be made monthly, except as hereinafter provided.

3. For the amount due on account of oil received during each calendar month, payment shall be made on or before the 20th of the next succeeding calendar month. Payments may be made by paying to the parties above designated in person or by mailing the Scurlock Oil Company check therefor to the address of the parties designated to receive same, as given above. Provided, however, at the option of the Scurlock Oil Company, that no payments shall be made to individual interest holders until the sum due on account of such interest shall amount to \$5.00 or more. Orders transferring interests, supported by certified copy of deed, assignments, or other legal documents, should be in our hands by the 20th of the month in which the transfer becomes effective, it being understood that transfers of interests are effective on the first of any current month.

4. Quantities are to be computed from regularly compiled tank tables, or other methods of computation, the oil owner to have the privilege of witnessing the gauge tickets; and in addition to the deduction of the tank tables, correction shall be made for temperature and impurities according to the rules and regulations as prescribed by the Commission or other legal authority of the State in which wells are located. The oil shall be steamed, when necessary, to render it merchantable.

5. This contract shall continue in force for thirty days and thereafter, until terminated upon notice in accordance with this paragraph. It is agreed that after the expiration of said thirty days from date hereof, this contract may be terminated by the Scurlock Oil Company, the Purchaser, by its giving notice of its purpose so to terminate; and that any of the owners of said well interest may, by similar notice to the Scurlock Oil Company terminate this contract as to his interest, without, however, affecting the same as to the interest of the other parties.

6. Sellers severally agree to notify the Scurlock Oil Company of any change in ownership, it being understood that any vendee or assignee of said wells or the production thereof shall take the same, subject to the terms hereof.

7. Satisfactory abstracts or other evidence of title will be furnished to you at any time on demand. In the event of a failure to so furnish such evidence of title, or in the event of an adverse claim or dispute at any time concerning title, you may hold the proceeds of all oil received and run without being liable for interest on the amount retained, until indemnity satisfactory to you has been furnished, and in the event of 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 party against whom action is commenced, stating the court in which same is filed and the title of such action or suit; and you and/or any carrier transporting oil for your account shall be held harmless from any judgment rendered in such suit, insofar as same adversely affects the interest in said property owned by the undersigned and/or all reasonable costs and expenses incurred in defending against such claim insofar as same adversely affect the interest of the undersigned, whether in your defense or in the defense of the carrier transporting the oil for your account, and the undersigned agree to pay said judgment and said costs and expenses in the proportion and to the extent that same affect the interest owned by the undersigned.

8. Where, under the foregoing provision, the purchase price of any oil is retained, owners agree to indemnify and hold the Scurlock Oil Company harmless from any liability for any tax proposed or assessed against or paid on account of said retained purchase price, together with penalties incident thereto; and the Scurlock Oil Company may deduct same from any amount owing by it to owners.

9. The undersigned each agrees that any person, partnership or corporation to whom you may sell all or any part of the oil which you purchase hereunder may make payment to you for all of said oil purchased from you, and agrees to look solely to Scurlock Oil Company for payment of his interest in the oil which Scurlock Oil Company is purchasing from him hereunder. The undersigned each agrees, insofar as his interest is concerned, to hold harmless any purchaser from Scurlock Oil Company against any claim of any nature in connection with the purchase of such oil from Scurlock Oil Company and payment therefor.

10. 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 or not any other of the above named owners have so signed.

11. This division order supersedes all former division orders given on the property described above.

12. Where the term "oil" is used herein, it is intended to include "distillate or condensate."

Witness the signatures of the parties the day and year above written.

WITNESS:

SIGNATURE OF INTEREST OWNER

SOCIAL SECURITY OR
TAX ACCOUNT NUMBER

YOU MAY
KEEP THIS COPY FOR
YOUR RECORDS

SHOW YOUR ADDRESS and social security or tax account number. Failure to do so may delay payment.
Signature must be witnessed.

LEASE NO. 20075

CFFjr/dd

CREDIT TO	DIVISION OF INTEREST	P. O. ADDRESS
MOHALL DEVELOPMENT CO.	.101562 WI	
JOHN L. MAY	.062500 OR	
F. B. ROOKE & SONS	.076172 WI	
COMMISSIONER GENERAL LAND OFFICE STATE OF TEXAS	.062500 RI	
TRINITY EXPLORATION CORPORATION	<u>.162500 WI</u>	
	1.000000	

RECEIVED
OCT 12 1974
General Land Office



October 23, 1974

Scurlock Oil Company
1501 Houston Club Building
Houston, Texas 77002

RE: State Lease No. M-67636
Custer Oil Company - Operator
Bollinger Lease
W/2, Sec. 16, Blk. 56, T-3, Abstract 5314
Reeves County, Texas; Division Order No. 20075 (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 Division to execute your division order and thereby attempt to bind the State by the provisions contained therein.

This Division, 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,

Lanvil Gilbert, Senior Attorney
Finance, Audit and Investment
Telephone No. 512-475-6749
Enclosure

BF/glc

ADMISSION ORDER

M. F.

CORRESPONDENCE FILE

٥٧٠

From

Dated _____

10-23-74 gr

To Saurlok lil

67636

12

RAILROAD COMMISSION OF TEXAS

FORM W-1
(2-1-73)API Well REEVES • DIST. 8
API NO. 42 389 30294

OIL AND GAS DIVISION

SPS

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

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

MAY - 8 1974

1. Operator CUSTER OIL COMPANY	4. Lease Name Bollinger	7. RRC District 8
2. Address (including City and Zip Code) P.O. Box 953 Midland, Texas 79701	5. Location (Sec., Blk., Survey) Sec. 16, Blk. 56, Twp. 3, T&P RR Co. Survey	8. County Reeves
3. Is Form P-5 (Organization Report) in Exact Operator Name Filed? YES ☒ NO ☐	6. This well is to be located 7 miles SE Direction from Orla Nearest Post Office or Town.	9. Well Number 1
		10. Number of Acres in Lease 320
		11. Distance from Proposed Location to Nearest Property or Lease Line (ft.) 330'

EACH PROPOSED COMPLETION

12. FIELD NAME (Exactly as shown on R. R. C. Production Schedule including Reservoir if applicable.) If Wildcat, so state below.	13. Completion Depth	14. RRC Lease or ID Number (If applicable)	15. Field Rule Spacing Pattern (Distance to lease line & distance between wells. If no special rules indicate Rule 37.)	16. Field Rule Proration Unit Pattern (Acres if no special rules indicate Rule 38.)	17. Number of Acres in Drilling Unit for this Well	18. Is this acreage presently assigned to another well in same field? (Yes or No. If yes, explain in remarks.)	19. Distance from proposed location to nearest drilling completed or applied for well in same reservoir on same lease (ft.)	20. Is this a Regular Location? (Yes or No)	21. Oil, Gas, or other Type Well (Specify)	22. Number of Wells or Permitted Locations on this Lease in same Reservoir for which this Permit is Requested.
KEN REGAN (Belaware)	3500		330/990	40 ac.	40	No	1st well	yes	oil	none

NOTICE

NO ALLOWABLE WILL BE ASSIGNED to any well which does not have sufficient surface casing to protect all fresh water sands. Where Commission rules do not specify surface casing requirements, it will be necessary to contact Texas Water Development Board, Austin, Texas, to ascertain the depth to which fresh water sands must be protected.

REMARKS:

Comp: 9/2/74 (PI)
OH: 3441-52
1PF: 69 BORD + 137 BW, 16/64 CK,
Gr. 38.8, GoR: 1375-1, CP: PKF
TD: 3452

CERTIFICATE

I declare under penalties prescribed in Article 6036c, R. C. 6., that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

Signature

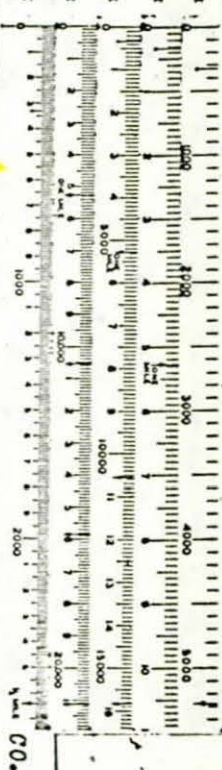
Agent

Date April 15, 1974

Telephone: Area Code 915 684-6381

SCALE 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

STATE
A.W. NORCOP

FEE-TIL

LOCATION PLAT

CUSTER OIL COMPANY
BOLLINGER LEASE
1/2 SECTION 16, BLOCK 56
Twp. 3, T & P. RR. CO.
REEVES COUNTY, TEXAS

FEE
TIL.

22 21

BOLLINGER

TEXACO, INC.

BOLLINGER

20

RECEIVED
APR 15 1974
R.R.C. OF TEXAS

STATE
FEE
TEXACO, INC.

12 11

CUSTER OIL COMPANY

40 AC.

M-67686

FL 2886

M-35707

JACK HAY

16 17

10

Statewide PLAT SERVICE

4-17-74

INSPECTOR'S WELL STATUS REPORT

OPERATOR Custer Oil Co.

LEASE Bollinger

WELL NO. 1 FIELD Ken Regan Delaware

COUNTY Reeves

SPUD DATE 7-18-74 DRILLING DEPTH _____

CORE DEPTH _____ LOGS (DEPTH) _____

COMPLETION DATE _____ PERFS Unkown

POTENTIAL None as yet T. D. 3452 feet

IS THIS THE FIRST REPORT ON THIS WELL? 5 th

REMARKS They had a well service rig unit on this location but
the operator of the unit said I would have to see the company
man and I never did see him this date ???

JMH/jr

3-21-60


INSPECTOR
DATE August 14, 1974

INSPECTOR'S WELL STATUS REPORT

OPERATOR Custer Oil Co.

LEASE Bollinger

WELL NO. 1 FIELD Ken Regan Delaware

COUNTY Reeves

SPUD DATE 7-18-74

DRILLING DEPTH _____

CORE DEPTH _____

LOGS (DEPTH) _____

COMPLETION DATE _____

PERFS Unkown

POTENTIAL None as yet ?

T. D. 3452 feet

IS THIS THE FIRST REPORT ON THIS WELL? 6 th

REMARKS I was told this date that this well was pumping: 15-bbls
of oil, plus 230-bbls of water. They also said the oil was going
down each day and the water produced was coming up ? They frac
in to this water zone and if its enough it will all go to water ???

JMH/jr

3-21-60


INSPECTOR

DATE Sept 18, 1974

INSPECTOR'S WELL STATUS REPORT

OPERATOR Custer Oil Co.

LEASE Bollinger

WELL NO. 1 FIELD Ken Regan Delaware

COUNTY Reeves

SPUD DATE 7-18-74 DRILLING DEPTH _____

CORE DEPTH _____ LOGS (DEPTH) _____

COMPLETION DATE _____ PERFS Same as other Ken Regan Delaware well's

POTENTIAL 100-bbls of oil T. D. 3452 feet

Plus 272-bbls of water
IS THIS THE FIRST REPORT ON THIS WELL? 7 th

REMARKS The well is still flowing and making: 50-55-bbls of oil plus
100-110-bbls of water and its making some gas. This flowing well
had 400# of pressure on the gauge this date ?

JMH/jr

3-21-60


INSPECTOR
DATE Oct 9, 1974

13

M. F. 67636

APPLICATION TO DRILL

WELL # 1

FILED 10-23 1974

BOB ARMSTRONG, COMMISSIONER

BY: MHD

MAR 15 1975

General Land Office

FILE NO. 4170

GETTY OIL COMPANY TO ALLIED CHEMICAL CORPORATION

T 404768&404769
SSN:ms 10/18/74CORRECTION OF PARTIAL ASSIGNMENT
OF OIL AND GAS LEASES

STATE OF TEXAS X
COUNTY OF REEVES X

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, under the date of July 16, 1974, Getty Oil Company executed a partial assignment of oil and gas leases to Union Texas Petroleum and Champlin Petroleum Company, said partial assignment being recorded in Vol. 331, page 744 of the O & G Records of Reeves County, Texas; and

WHEREAS, as a result of a mistake between the parties, Allied Chemical Corporation was incorrectly referred to as Union Texas Petroleum; and

WHEREAS, the parties hereto recognize that Union Texas Petroleum is not a legal entity but is instead a division and part of Allied Chemical Corporation; and

WHEREAS, Getty Oil Company and Allied Chemical Corporation desire to amend said partial assignment as herein-after set forth.

NOW, THEREFORE, in consideration of the sum of Ten and No/100 Dollars (\$10.00), and other good and valuable consideration to Getty Oil Company in hand paid by Allied Chemical Corporation, the receipt and sufficiency of which is hereby acknowledged, Getty Oil Company, a Delaware corporation, and Allied Chemical Corporation, a New York corporation, do hereby amend the above described partial assignment by the deletion of the words "Union Texas Petroleum" wherever such words appear in said assignment, and by inserting in lieu thereof the words "Allied Chemical Corporation".

VOL 333 PAGE 409

And, for the same consideration, Getty Oil Company does hereby grant, bargain, sell, assign, transfer and convey unto Allied Chemical Corporation, its successors and assigns, an undivided one-third (1/3) interest in and to the following described oil and gas leases, to wit:

Lease dated October 17, 1972, from Evelyn C. Bolinger, Individually and as Agent for the State of Texas, as party of the first part, to John L. May, as party of the second part, recorded in Volume 315, page 208, of the Oil & Gas Lease Records of Reeves County, Texas;

Lease dated October 17, 1972, from Evelyn C. Bolinger, Individually and as Agent for the State of Texas, as party of the first part, to John L. May, as party of the second part, recorded in Volume 315, page 212, of the Oil & Gas Lease Records of Reeves County, Texas,

INSOFAR and ONLY INSOFAR as said leases cover and affect the depths below three thousand five hundred and fifty feet (3,550') from the surface of the lands described in said leases. The leases insofar as they affect the depths above three thousand five hundred and fifty feet (3,550') from the surface are not affected by this assignment.

It is the intent of the parties hereto that, as a result of the above described partial assignment dated July 16, 1974 and this correction of partial assignment, the above described oil and gas leases shall be owned in the proportions of an undivided one-third (1/3) by Getty Oil Company, an undivided one-third (1/3) by Allied Chemical Corporation, and an undivided one-third (1/3) by Champlin Petroleum Company.

This correction of partial assignment is hereby expressly made subject to the reservations and covenants contained in that certain assignment dated May 31, 1974, from John L. May, as Assignor, to Getty Oil Company, as Assignee, such assignment being recorded in Volume 331, page 742, of the Oil & Gas Lease Records of Reeves

RECEIVED

MAR 15 1975

General Land Office

County, Texas, reference to which is hereby made for all purposes.

IN WITNESS WHEREOF, this instrument is executed this
the 12 day of November, 1974.

GETTY OIL COMPANY

By

T.L. Roberts
Attorney-in-Fact

ALLIED CHEMICAL CORPORATION

By

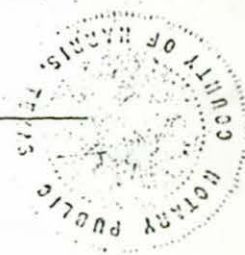
Roger H. Stoddard
Attorney-in-Fact

STATE OF TEXAS X
 X SS.
COUNTY OF HARRIS X

BEFORE ME, the undersigned authority, a Notary Public
in and for said County and State, on this day personally appeared
T.L. Roberts, Attorney-in-Fact
of GETTY OIL COMPANY, known to me to be the person whose name is
subscribed to the foregoing instrument and acknowledged to me
that the same was the act of the said GETTY OIL COMPANY, a corpora-
tion, that he was duly authorized to perform the same by appropriate
resolution of the Board of Directors of such corporation and that
he executed the same as the act of such corporation for the pur-
poses and consideration therein expressed, and in the capacity
therein stated.

GIVEN under my hand and seal of office this the 12
day of November, 1974.

Doraine Fredwood
NOTARY PUBLIC IN AND FOR
HARRIS COUNTY, TEXAS.
DORALINE FREDWOOD
Notary Public in and for Harris County, Texas
My Commission Expires June 1, 1975



Vol 333 PAGE 411

STATE OF TEXAS X
COUNTY OF HARRIS X SS.

BEFORE ME, the undersigned authority, a Notary Public
in and for said county and state, on this day personally appeared
Reginald Stenclunier, Attorney-in-Fact
of ALLIED CHEMICAL CORPORATION, known to me to be the person
whose name is subscribed to the foregoing instrument and acknowl-
edged to me that the same was the act of the said ALLIED CHEMICAL
CORPORATION, a corporation, that he was duly authorized to perform
the same by appropriate resolution of the Board of Directors of
such corporation and that he executed the same as the act of
such corporation for the purposes and consideration therein ex-
pressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 12th
day of December, 1974.



Linda Lou Harrison
NOTARY PUBLIC IN AND FOR
HARRIS COUNTY,
TEXAS

Filed for record on the 26th day of December A.D. 1974 at

1:00 P. M. Duly recorded on the 27th day of December A.D. 1974
at 11:00 A. M.

By Linda Jo Guzman DEPUTY

CATHERINE ASHLEY, County Clerk,
Reeves County, Texas.

(14)

67636
Assignment
File Dated 3-15-75
Bob Armstrong, Commissioner

RECEIVED AS STATED

\$ 3.00

DATE 4-28-75

Reg. No. FF-823

GENERAL LAND OFFICE

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 CORRECTION OF PARTIAL ASSIGNMENT OF
OIL AND GAS LEASES FROM GETTY OIL COMPANY TO ALLIED CHEMICAL CORPORATION

as the same appears of record in my office in book 333 page 408 O & G LEASE RECORDS

Given under my Hand and Seal of said Court, at office in Pecos, Texas
this 10th day of March 19 75

CATHERINE ASHLEY Clerk,

By Juana Jaquez Deputy.



SP

Getty Oil Company

P.O. Box 1231, Midland, Texas 79701 • Telephone (915) 683-6301

Mid-Continent Exploration and Production Division

March 11, 1975

RECEIVED

MAR 15 1975

General Land Office

171

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

Re: Getty Title Nos. 404768-000
and 404769-000
State #67636 & #67637
Reeves County, Texas

Dear Sir:

Enclosed please find certified copies of the following Correction of Partial Assignment which we request be filed in your office:

Correction of Partial Assignment of Oil and Gas Leases
executed November 12, 1974 by Getty Oil Company and Allied
Chemical Corporation.

Please charge our Account No. 12 for the filing fee for this transfer.

Yours very truly,

GETTY OIL COMPANY

Ronald C. Jackson
Ronald C. Jackson

bn

Enclosures (2)

cc: Allied Chemical Corporation
1300 Wilco Building
Midland, Texas 79701
Attn: Mr. Larry Pridgeon

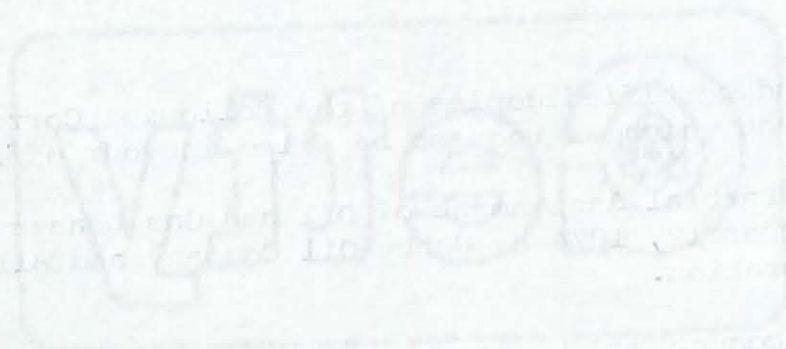
15

M. F. 67636

CORRESPONDENCE FILE

~~X~~ Getty Oil Co.
From

Dated 3-11-75



April 28, 1975

Getty Oil Company
P. O. Box 1231
Midland, Texas 79701

Attention: Ronald C. Jackson

Re: Assignments of State Lease Nos. M-67636 and M-67637
Reeves County, Texas

Gentlemen:

The certified copies of the Oil and Gas Lease Assignments affecting the above captioned tract have been filed in our records.

We have charged your Account No. 12 with \$6.00 to cover the filing fee due on the Assignments and our Invoice No. FF-823 showing this charge, is enclosed herewith.

Sincerely yours,

Bob Armstrong

By:

Lewis J. Bundrant, Attorney

LJB/tb

encl.

16

M. F. 67636

CORRESPONDENCE FILE

To Letty and Co.

FROM

Dated 4-28-75

67284

TITLE NUMBER	LEASE DATED			RECORDED IN RECORDS OF							PERIOD		
	MO.	DAY	YR.	COUNTY OR PARISH	STATE	ENTRY NO.	BOOK	PAGE	TYPE RECORD	NO. MOS.	MO.	DAY	YR.
404768-000	10	17	72	REEVES	TEX		0315	0208	066	12	10	17	75

LESSOR

EVELYN C. BOLINGER

LESSEE

JOHN L. MAY

DESCRIPTION AND FOR CREDIT OF

W/2 SEC. 16, BLK. 56, T-3, T&P RR CO. SUR.

STATE OF TEXAS LEASE NO. M-67636

AMOUNT

160.00

160.00

DUPLICATE

PLEASE RETAIN THIS COPY

RECEIVED

SEP 6 1975

General Land Office

*Refund request for 128.00
overpayment of ~~rent~~
re ~~rent~~ cleared 32.00*

PAYMENT MADE FOR (IF NOTHING IS SHOWN, PAYMENT IS SOLELY FOR GETTY OIL COMPANY)

GETTY OIL COMPANY
ALLIED CHEMICAL CORP.
CHAMP IN PETROLEUM COMPANY
CLUSTER OIL COMPANY

INTEREST

AMOUNT

.1666667	26.66
.1666667	26.67
.1666667	26.67
.5000000	80.00

Getty Oil Company

HOUSTON, TEXAS

1013

PAY
TO THE
ORDER OF

COMMISSIONER OF THE GENERAL
LAND OFFICE
STATE OF TEXAS
AUSTIN, TEXAS 78711

67284
CHECK NO.

404768-000
(TITLE NO.)

9 5 75
MO DAY YR

PAY EXACTLY

\$*****160.00

GETTY OIL COMPANY HAS THIS DAY PAID THE SUM SHOWN ABOVE FOR CREDIT OF PERSONS NAMED ABOVE IN PAYMENT OF RENTAL UNDER TERMS OF LEASE REFERRED TO ABOVE.

SIGN HERE

IF BANK BY

PRESIDENT-CASHIER

DATE CHECK
FIRST RECEIVED

THIS COPY MAY BE RETAINED BY
BANK OR SENT TO PERSONS TO BE CREDITED.

(17) M.F. 67636

Rental Payment

Filed 9-6 1975
BOB ARMSTRONG, COMMISSIONER

RS
Clerk

*Refund request for 100.00
overpayment of
March 1975*

WELL STATUS REPORT

OPERATOR Custer Oil Co.

STATE LEASE NO. M-67636 FEE _____ R.A.L. Yes FREE ROYALTY _____

OFFSET, APPROX. _____ FT. FROM STATE LEASE _____

LEASE Bollinger WELL NO. 3

FIELD NAME Ken Regan Delaware WILDCAT _____ COUNTY Reeves

REPORT NO. 6 SPUD DATE _____ DRILLING DEPTH _____

COMPLETION DATE _____ TOTAL DEPTH _____

PERFS _____ 1ST COMPLETION: YES _____ NO _____

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

REMARKS: They have this location ready and the Tom Brown Drg Co. rig from
TXL-Armstrong is to drill it in the next few days ?

BA/jmh/gs

2-25-75


INSPECTOR

DATE Oct 22, 1975

WELL STATUS REPORT

OPERATOR Custer Oil Co.

STATE LEASE NO. M-67636 FEE R.A.L. Yes FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE Bollinger WELL NO. 3

FIELD NAME Ken Regan Delaware WILDCAT COUNTY Reeves

REPORT NO. 7 SPUD DATE Unkown DRILLING DEPTH

COMPLETION DATE TOTAL DEPTH 3450 feet

PERFS 1ST COMPLETION: YES NO

POTENTIAL/TEST: OIL GAS D&A

REMARKS: Tom Brown Drg Co. Rig #14 drilled this location logged & ran pipe
and moved over on John May-Bollinger #8 location. Nothing else has been done
to this location.

BA/jmh/gs

2-25-75


INSPECTOR

DATE Nov 12, 1975

WELL STATUS REPORT

OPERATOR Custer Oil Co.

STATE LEASE NO. M-67636 FEE _____ R.A.L. Yes FREE ROYALTY _____

OFFSET, APPROX. _____ FT. FROM STATE LEASE _____

LEASE Bollinger WELL NO. 3

FIELD NAME Ken Regan Delaware WILDCAT _____ COUNTY Reeves

REPORT NO. 8 SPUD DATE Unkown DRILLING DEPTH _____

COMPLETION DATE None as yet TOTAL DEPTH 3450 feet

PERFS Unkown 1ST COMPLETION: YES _____ NO Yes

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

REMARKS: They have this location flowing on 100# tubing prssure but its making almost solid water but they say its making some oil also ? They are going to try to get a Potential Test this coming week. They have a big truck hauling water all day long from this lease now ?

BA/jmh/gs

2-25-75


INSPECTOR

DATE Dec 2, 1975

18

M. F. 67636

APPLICATION TO DRILL

WELL # 3

FILED 12-23 1975

BOB ARMSTRONG, COMMISSIONER

BY: MHS

ON 11-67636 (102)

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

APR 21 1975
42 349 30339

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK
JAN 29 1975

SPS

1. Operator
CUSTER OIL COMPANY
2. Address (including City and Zip Code)
P.O. Box 1123
Kermit, Texas 79745
3. Is Form P-3 (Organization Report) in Exact Operation Name Filled?
YES ☒ NO ☐

4. Lease Name
BOLLINGER
5. Location (City, Co., Sec., Twp., Range)
W/2 Sec. 16, Blk. 56, Twp. 3, T & P. RR. Co. Sur.
6. This well is to be located _____ miles S.W. of _____
Direction from _____
Nearest Post Office or Town _____

7. ABC District
8. County
9. Well Number
10. Number of Acres in Lease
11. Distance from Proposed Location to Nearest Property or Lease Line (ft.)
12. Number of Wells or Permitted Locations on this Lease in accordance with this Permit is requested.

13. Field Name (Exactly as shown on R. C. Production Schedule including Reserve if applicable) If omitted, so state below.
14. RRC Lease or ID Number (if applicable)
15. Completion Depth
16. Field Rule (Leave line to Unit Payable)
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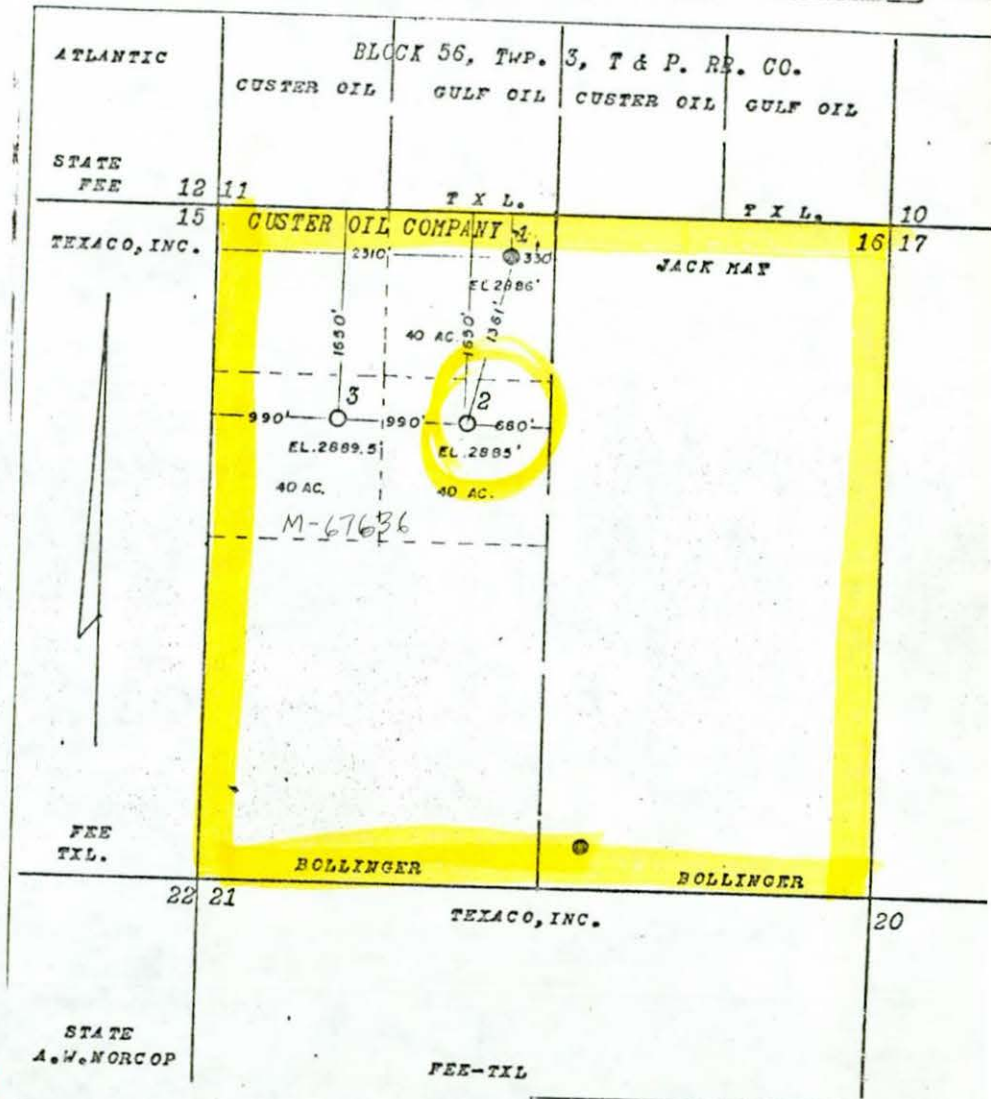
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Standard PLAY SERVICE
P. O. DRAWER 1667, AUSTIN, TEXAS 78767

1-24-75



I, JOS. W. LUCHINI, CERTIFY THAT THIS SURVEY WAS MADE BY ME ON THE GROUND AND THAT THIS PLAT IS TRUE AND CORRECT.
MAR. 20, 1974
DEC. 18, 1974

LOCATION PLAT
CUSTER OIL COMPANY
BOLLINGER LEASE
W/2 SECTION 16, BLOCK 56
TWP. 3, T & P. RR. CO.
REEVES COUNTY, TEXAS

Comp: 7/16/76 (PT)
PPL: 3350-70
PP: 28 BOPD + 325 BW
GOR: 11011, Cr. 37.5
TD: 3393

- OVER -

WELL STATUS REPORT

OPERATOR Custer Oil Co.

STATE LEASE NO. M-67636 FEE R.A.L. Yes FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE Bollinger WELL NO. 2

FIELD NAME Ken Reagan Delaware WILDCAT COUNTY Reeves

REPORT NO. 5 SPUD DATE 8-14-75 DRILLING DEPTH 1274 feet

COMPLETION DATE TOTAL DEPTH

PERFS 1ST COMPLETION: YES NO

POTENTIAL/TEST: OIL GAS D&A

REMARKS: The Bollinger #3 is staked but they will drill it after drilling
drilling Bollinger #2 ?

BA/jmh/gs

2-25-75


INSPECTOR

DATE Sept 23, 1975

WELL STATUS REPORT

OPERATOR Custer Oil Co.

STATE LEASE NO. M-67636 FEE R.A.L. Yes FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE Bollinger WELL NO. 2

FIELD NAME Ken Regan Delaware WILDCAT COUNTY Reeves

REPORT NO. 6 SPUD DATE 8-14-75 DRILLING DEPTH 2735 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 Oct 22, 1975

WELL STATUS REPORT

OPERATOR Custer Oil Co.

STATE LEASE NO. M-67636 FEE _____ R.A.L. Yes FREE ROYALTY _____

OFFSET, APPROX. _____ FT. FROM STATE LEASE _____

LEASE Bollinger WELL NO. 2

FIELD NAME Ken Regan Delaware WILDCAT _____ COUNTY Reeves

REPORT NO. 7 SPUD DATE 8-14-75 DRILLING DEPTH _____

COMPLETION DATE _____ TOTAL DEPTH 3393 feet

PERFS _____ 1ST COMPLETION: YES _____ NO _____

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

REMARKS: They were fixing to run pipe this morning and the cable tool rig had
oil all over the side of it and almost on top of the crown or derrick today.

They think they have a real good oil well in this location and they have 2000
feet of oil in the hole this date ?

BA/jmh/gs

2-25-75


INSPECTOR

DATE Nov 12, 1975

WELL STATUS REPORT

OPERATOR Custer Oil Co.

STATE LEASE NO. M-67636 FEE R.A.L. Yes FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE Bollinger WELL NO. 2

FIELD NAME Ken Regan Delaware WILDCAT COUNTY Reeves

REPORT NO. 8 SPUD DATE 8-14-75 DRILLING DEPTH

COMPLETION DATE None as yet TOTAL DEPTH 3393 feet

PERFS Unkown 1ST COMPLETION: YES NO Right

POTENTIAL/TEST: OIL GAS D&A

REMARKS: Pete: This is a durn good oil well but they say they have not taken a
Potential Test as yet. This well location blow out getting oil over all the
derrick on the cable tool rig before they ever moved it off the location ?
They could run the bailer and recover about 75 to 80-bbls of oil beofore they
ever rigged it as flowing well ? The well's the rotary rig drilled are making
a 2½ inch pipe flowing full of pure water this date ?

BA/jmh/gs

2-25-75


INSPECTOR

DATE Dec 2, 1975

19

M. F. 67636

APPLICATION TO DRILL

WELL # 2

2-16 1976

FILED

BOB ARMSTRONG, COMMISSIONER

BY:

MHV

Getty Oil Company

LEASE RENTAL CHECK

TW-486-E

THE AMOUNT OF THIS CHECK IS IN PAYMENT DUE PARTY OR PARTIES UNDER LEASE DESCRIBED BELOW:

15609

TITLE NUMBER	LEASE DATED			RECORDED IN RECORDS OF							PERIOD		
	MO.	DAY	YR.	COUNTY OR PARISH	STATE	ENTRY NO.	BOOK	PAGE	TYPE RECORD	NO. MOS.	MO.	DAY	YR.
404768-000	10	17	72	Reeves	TX		315	208	O&G	12	10	17	76

LESSOR

Evelyn C. Bolinger

LESSEE

John L. May

DESCRIPTION AND FOR CREDIT OF

AMOUNT

W/2 Sec. 16, Blk. 56, T-3, T&P Ry. Co. Sy.

State of Texas Lease

No. M-67636

\$32.00*

DUPLICATE

PLEASE RETAIN THIS COPY

RECEIVED

SEP 10 1976

General Land Office

4-41

PAYMENT MADE FOR (IF NOTHING IS SHOWN, PAYMENT IS SOLELY FOR GETTY OIL COMPANY)

INTEREST

AMOUNT

Getty Oil Company

.166667

\$ 5.34

Allied Chemical Corp.

.166667

5.33

Champlin Petroleum Company

.166666

5.33

Custer Oil Company

.500000

16.00

Getty Oil Company

HOUSTON, TEXAS

1531

15609

CHECK NO.

404768

TITLE NO.

9 9 76

MO DAY YR

PAY EXACTLY

\$ *****32.00*

PAY
TO THE
ORDER OF

Commissioner of the General
Land Office
State of Texas
Austin, Texas 78711

GETTY OIL COMPANY HAS THIS DAY PAID THE SUM SHOWN ABOVE FOR
CREDIT OF PERSONS NAMED ABOVE IN PAYMENT OF RENTAL UNDER TERMS
OF LEASE REFERRED TO ABOVE.

SIGN HERE _____

IF BANK BY _____

PRESIDENT-CASHIER

DATE CHECK
FIRST RECEIVED

THIS COPY MAY BE RETAINED BY
BANK OR SENT TO PERSONS TO BE CREDITED.

(20) M-67636
Rental Payment
9-10-76

13.		14.	15.	16.	17.	18.	19.	20.	21.	22.	23.	
FIELD NAME (Exactly as shown on R.R.C. Location Schedule including Reservoir if applicable.) If Wilco, no state below.		Completion Depth	All Prior Rule 37 Case Numbers for this well (If none, state None).	Applicable Field Rule Number (If none, state None).	Applicable Field Rule Number (If none, state None).	Number of Acres in Drilling Unit (for this Well) AND DESIGNATE ON PLAT.	Is this acreage presently assigned to another well in same field? (Yes or No. If yes explain in remarks.)	Distance from proposed location to nearest drilling completed or applied for well in same reservoir or same lease (ft.)	Is this a 1. Regular or 2. Rule 37 Location? Check the appropriate box.	Oil, Gas, or other Type Well (Specify)	OIL	GAS
KEN REGAN (Deleware)		3500'	none	330/990	40ac	40ac	No	990	Regular 1 X Rule 37 2 Rule 37 2 Rule 37 2 Rule 37 2 Rule 37 2	oil	3	none

24. PERPENDICULAR LOCATION FROM TWO DESIGNATED LEASE LINES AND SURVEY LINES AND DISTANCE AND DIRECTION TO NEAREST WELL IN SAME FIELD.

330' FNL 1310' FWL and 990' to well #1

NOTICE

NO ALLOWABLE WILL BE ASSIGNED TO any well which does not have sufficient surface casing to protect all fresh water sands. Where Commission rules do not specify surface casing requirements, it will be necessary to contact Texas Water Development Board, Austin, Texas, to ascertain the depth to which fresh water sands must be protected.

1976
O. G.
HALL, TEXAS

CERTIFICATE
I declare under penalties prescribed in Article 6036e, N. C. S., that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

REMARKS:

Abin'd Loc. 11-1-76 (P-1)

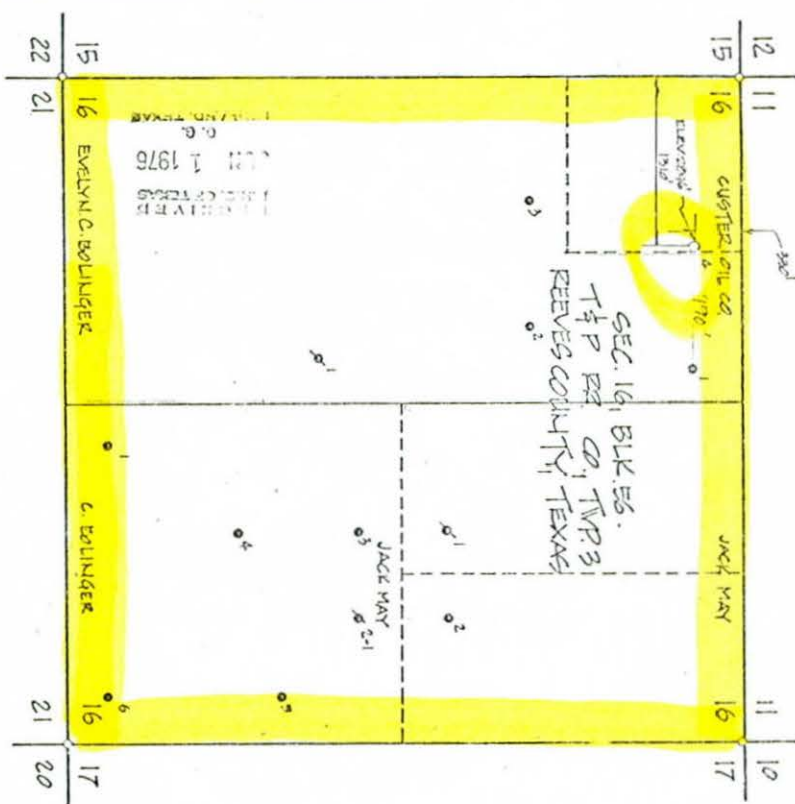
Jo Sledge (Mrs) Jo Sledge

Signature _____
Production clerk

Title
May 24, 1976

Telephone: Area Code 915 , 586-6709

READ INSTRUCTIONS ON BACK SIDE AND FURNISH COMPLETE DATA.



PLAT OF CUSTER OIL COMPANY'S NO. 4 BOLINGER, LOCATED
330' FROM THE NORTH LINE AND 1310' FROM THE WEST LINE OF
SEC. 16, BLK. 56, T-3, R-3, REEVES COUNTY, TEXAS

SCALE: 1" = 1000'

DATE: MAY 20, 1976

The foregoing plat represents a survey as made by me on the ground, this date, according to law.

REGISTERED PUBLIC SURVEYOR



X. Reeves ✓

WELL STATUS REPORT

OPERATOR Custer Oil Co.

STATE LEASE NO. M-67636 FEE _____ R.A.L. Yes FREE ROYALTY _____

OFFSET, APPROX. _____ FT. FROM STATE LEASE _____

LEASE Bollinger 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 this location staked but have not drilled it yet. The company
said they would not drill this location for some time yet. He also said they
would not drill the Armstrong-TXL #4 location for several months also ?

BA/jmh/gs

2-25-75


INSPECTOR

DATE June 9, 1976

OPERATOR Custer Oil Co.

WELL STATUS REPORT

STATE LEASE NO. M-67636 FEE _____ R.A.L. X FREE ROYALTY _____

OFFSET, APPROX. _____ FT. FROM STATE LEASE _____

LEASE Bollinger WELL NO. 4

FIELD NAME Ken Regan Delaware WILDCAT _____ COUNTY Reeves

REPORT NO. 2 SPUD DATE _____ DRILLING DEPTH _____

COMPLETION DATE _____ TOTAL DEPTH _____

PERFS _____ 1ST COMPLETION, YES _____ NO _____

POTENTIAL/TEST OIL _____ GAS _____ D&A _____

REMARKS: They have not drilled this location ?

BA/jmh/gs

1-24-75



INSPECTOR

July 28, 1976

DATE _____

WELL STATUS REPORT

OPERATOR Custer Oil Co.

STATE LEASE NO. M-67636 FEE R.A.L. Yes FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE Bollinger WELL NO. 4

FIELD NAME Ken Regan Delaware WILDCAT COUNTY Reeves

REPORT NO. 3rd SPUD DATE DRILLING DEPTH

COMPLETION DATE TOTAL DEPTH

PERFS 1ST COMPLETION: YES NO

POTENTIAL/TEST: OIL GAS D&A

REMARKS: Pete: They have not drilled this location ?

BA/jmh/gs

2-25-75


INSPECTOR

DATE Sept 15, 1976

WELL STATUS REPORT

OPERATOR Custer Oil Co.

STATE LEASE NO. M-67636 FEE R.A.L. Yes FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE Bollinger WELL NO. 4

FIELD NAME Ken Regan Delaware WILDCAT COUNTY Reeves

REPORT NO. 4th SPUD DATE DRILLING DEPTH

COMPLETION DATE TOTAL DEPTH

PERFS 1ST COMPLETION: YES NO

POTENTIAL/TEST: OIL GAS D&A

REMARKS: They have not drilled this location ?

BA/jmh/gs

2-25-75


INSPECTOR

DATE Oct 6, 1976

21

M. F. 67636

APPLICATION TO DRILL

WELL # 4

FILED 11-1 1976

BOB ARMSTRONG, COMMISSIONER

BY: MHJ

[Faint signature]

FILE NO. 4167

JOHN L. MAY TO CUSTER OIL COMPANY

ASSIGNMENT OF OIL AND GAS LEASES

THE STATE OF TEXAS :
COUNTY OF REEVES : KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, Evelyn C. Bolinger, (also known as Mrs. M. R. Bolinger) individually and as agent for the State of Texas, as Lessor, executed and delivered to John L. May, as Lessee, an Oil and Gas Lease dated October 17, 1972, recorded in Volume 315, Page 208, Oil and Gas Records, Reeves County, Texas covering 320 acres of land, more or less, in Reeves County, Texas, therein described as the West Half (W/2) of Section 16, Block 56, Township 3, T & P RR Co. Survey, to which lease and the record thereof reference is hereby made for further description and all other purposes; and

WHEREAS, Evelyn C. Bolinger, (also known as Mrs. M. R. Bolinger) individually and as agent for the State of Texas, as Lessor, executed and delivered to John L. May, as Lessee, an Oil and Gas Lease dated October 17, 1972, recorded in Volume 315, Page 212, Oil and Gas Records, Reeves County, Texas covering 160 acres of land, more or less, in Reeves County, Texas, therein described as the Southwest Quarter (SW/4) of Section 6, Block 56, Township 3, T & P RR Co. Survey, to which lease and the record thereof reference is hereby made for further description and all other purposes;

NOW, THEREFORE, I, John L. May of the County of Pecos, State of Texas, the Assignor herein, for and in consideration of the sum of TEN and NO/100 DOLLARS (\$10.00) cash to me in hand paid by the Custer Oil Company of Travis County, Texas, receipt of which is hereby acknowledged, and in consideration of the overriding royalty reserved as hereinafter set out, have GRANTED, SOLD, TRANSFERRED and ASSIGNED, and do hereby GRANT, SELL, TRANSFER and ASSIGN except as hereinafter set out, unto Custer Oil Company, the Assignee herein, the Oil and Gas Leases above mentioned, and all personal property, machinery and equipment located thereon, together with all leasehold and other rights, titles and interest that I have by virtue of said leases in and to the land covered thereby and all rights, titles and interest purported to be created by such leases insofar as it covers the oil, gas and other minerals from the surface down to a depth of 3550 feet in and to the above described lands;

There is excepted from this assignment and the Assignor herein, John L. May, expressly reserves to himself, his heirs and assigns forever a royalty equal to one-sixteenth (1/16th) of eight-eighths (8/8) part, being a one-sixteenth (1/16th) overriding royalty of all oil, gas and all other minerals which may be produced and saved by the said Custer Oil Company., its successors and assigns, from the land affected hereby under and by virtue of the leases above mentioned, delivery of such oil to be made free of cost to the credit of the Assignor into storage tanks by him provided, or into the pipe line to which the wells on said premises or the land with which said premises may be pooled with may be connected;

Assignor agrees that if lessor in the above mentioned leases own an interest in the premises covered thereby, less than the entire and undivided fee, then the overriding royalty herein reserved shall be payable to assignor in the proportion which the interest of the lessor in said land bears to the entire and undivided fee;

TO HAVE AND TO HOLD unto the said Custer Oil Company, its successors and assigns, forever, in accordance with the terms and provisions of said leases;

And I do hereby, for myself, my heirs, executors and administrators, covenant and warrant that I am the owner of said leases, and all of the leasehold rights which said leases purport to create, with full right to convey same; that said leases are now unencumbered, valid and in full force and effect in accordance with their terms, subject, however, to the depth limitation and to the overriding royalty herein reserved.

In testimony whereof, witness my hand this 16th day of August, A.D. 1973.

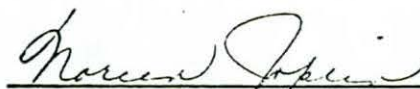

John L. May

THE STATE OF TEXAS :
COUNTY OF PECOS :

BEFORE ME, the undersigned authority, a Notary Public in and for said County, Texas, on this day personally appeared John L. May, 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 therein expressed.

GIVEN under my hand and seal of office, this 16th day of August, A.D. 1973.




Notary Public in and for
Pecos County, Texas

Notary Public

Filed for record on the 10th day of October A.D. 1973 at 1:00 P.M.

Duly recorded on the 11th day of October A.D. 1973 at 2:00 P.M.

By  DEPUTY

CATHERINE ASHLEY, County Clerk,
Reeves County, Texas.

(22)

M-67636
Assignment
File dated 12-10-76
Bob Armstrong, Commissioner

M-67636
RECEIVED AS STATED
\$5.00

DATE 12-30-76
Reg. No. FF 1166

GENERAL LAND OFFICE

M-67637
RECEIVED AS STATED
\$15.00

DATE 12-30-76
Reg. No. 1=F 1166

GENERAL LAND OFFICE

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~~ ASSIGNMENT OF OIL & GAS LEASE from
JOHN L. MAY to CUSTER OIL COMPANY

as the same appears of record in my office in book 326 page 267 - O&GL RECORDS
Given under my Hand and Seal of said Court, at office in Pecos, Texas
this 18th day of November 19 76
Catherine Ashley Clerk,
By *Mona Jaquez* Deputy.

RECEIVED
DEC 10 1976
General Land Office

ASSIGNMENT OF OIL AND GAS LEASES

331 PAGE 317

STATE OF TEXAS X

COUNTY OF REEVES X

KNOW ALL MEN BY THESE PRESENTS:

THAT THE UNDERSIGNED, CUSTER OIL COMPANY, a Texas corporation, (hereinafter called Assignor), for and in consideration of Ten Dollars (\$10.00), the receipt whereof is hereby acknowledged, does hereby sell, assign, transfer and set over unto (a) COCHRAN COMPANY, a Texas limited partnership of which F. B. Cochran, Jr., is sole General Partner, and unto (b) HAWN BROTHERS, a partnership composed solely and only of George S. Hawn Interests, a Texas limited partnership of which George S. Hawn is sole General Partner, and of John D. Hawn, and unto (c) F. B. ROOKE & SONS, a Texas limited partnership of which Frank J. Scanio, Jr., is Managing General Partner, (hereinafter called Assignees), undivided interests in the proportions of (a) 1/8 of 3/4 or 9.375% to COCHRAN COMPANY and (b) 1/4 of 3/4 or 18.75% to HAWN BROTHERS and (c) 1/8 of 3/4 or 9.375% to F. B. ROOKE & SONS, respectively, in and to the following oil and gas leases and leasehold estates in Reeves County, Texas, to-wit:

1. Oil and Gas Lease dated October 17, 1972, recorded in Vol. 315, p. 208, Oil and Gas Records, Reeves County, Texas, between Evelyn C. Bolinger (also known as Mrs. M. R. Bolinger), individually and as agent for the State of Texas, and John C. May as Lessee, covering the following lands:

320 acres, more or less, being the West one-half (W/2) of Sec. 16, Block 56, Township 3, T&P Ry. Survey, TO A DEPTH OF 3,550 FEET BELOW THE SURFACE, to which lease and the record thereof reference is hereby made for further description and all other purposes,

2. Oil and Gas Lease dated October 17, 1972, recorded in Vol. 315, p. 212, Oil and Gas Records, Reeves County, Texas, between Evelyn C. Bolinger (also known as Mrs. M. R. Bolinger), individually and as agent for the State of Texas, as Lessor, and John C. May as Lessee, covering the following lands:

m-67636

160 acres, more or less, being the Southwest Quarter (SW/4) of Section 6, Block 56, Township 3, T&P Ry. Survey, TO A DEPTH OF 3,550 FEET BELOW THE SURFACE, to which lease and the record thereof reference is hereby made for further description and all other purposes,

m-67637

together with a like undivided interest in and to all personal property and equipment therein or thereon or used or obtained in connection therewith.

It is understood and agreed that this assignment is made subject to a 1/16 or 8/8 overriding royalty burden previously reserved.

THIS ASSIGNMENT is made without warranty of title, express or implied, except as to claims by, through or under Assignor.

IN WITNESS WHEREOF this Assignment is executed this 26th day of August, 1974, but effective June 1, 1974.

ATTEST:

CUSTER OIL COMPANY

Walter C. Beardsley
Secretary

By Donald M. Oliver
Donald M. Oliver, President

STATE OF TEXAS X
COUNTY OF TRAVIS X

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.



ALTER C. BEARDSLEY

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 26th day of August, 1974.

Walter C. Beardsley
Notary Public in and for Travis County, Texas

Filed for record on the 29th day of August A.D. 1974 at 1:00 P. M. Duly recorded on the 29th day of August A.D. 1974 at 4:30 P. M.

CATHERINE ASHLEY, County Clerk,
Reeves County, Texas.

By Bessie Jo Lumm DEPUTY

M 67636

Assignment

File Dated 12-10-76
Bob Armstrong, Commissioner

RECEIVED AS STATED
\$ 5.00

DATE 12-30-76
Reg. No. FF 1166

GENERAL LAND OFFICE

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 ASSIGNMENT OF OIL & GAS LEASE from
CUSTER OIL COMPANY to COCHRAN COMPANY, ET AL

as the same appears of record in my office in book 331 page 317 O&GL RECORDS
Pecos, Texas

Given under my Hand and Seal of said Court, at office in
this 18th day of November 19 76

Catherine Ashley Clerk,

By Juana Jazquez Deputy.

RECEIVED
DEC 10 1976
General Land Office

FILE NO. 2675

CUSTER OIL COMPANY TO TRINITY EXPLORATION CO., ET AL

ASSIGNMENT OF OIL AND GAS LEASES

STATE OF TEXAS

COUNTY OF REEVES

KNOW ALL MEN BY THESE PRESENTS:

THAT THE UNDERSIGNED, CUSTER OIL COMPANY, a Texas corporation, (hereinafter called Assignor), for and in consideration of Ten Dollars (\$10.00) the receipt whereof is hereby acknowledged, does hereby sell, assign, transfer and set over unto TRINITY EXPLORATION COMPANY, a Texas corporation, and to THOMAS C. CARLSON, (hereinafter called Assignees), undivided interests in the proportions of 20.00 percent and 5.00 percent, respectively, in and to the following oil and gas leases and leasehold estates in Reeves County, Texas, to-wit:

1. Oil and Gas Lease dated October 17, 1972, recorded in Volume 315, Page 208, Oil and Gas Records, Reeves County, Texas, between Evelyn C. Bolinger (also known as Mrs. M. R. Bolinger), individually and as agent for the State of Texas, and John C. May as Lessee, covering the following lands:

320 acres, more or less, being the West Half (W/2) of Section 16, Block 56, Township 3, T & P RR Survey, TO A DEPTH OF 3550' BELOW THE SURFACE, to which lease and the record thereof reference is hereby made for further description and all other purposes,

2. Oil and Gas Lease dated October 17, 1972, recorded in Volume 315, Page 212, Oil and Gas Records, Reeves County, Texas between Evelyn C. Bolinger (also known as Mrs. M. R. Bolinger), individually and as agent for the State of Texas as Lessor, and John C. May as Lessee, covering the following lands:

160 acres, more or less, being the Southwest Quarter (SW $\frac{1}{4}$) of Section 6, Block 56, Township 3, T & P RR Survey, TO A DEPTH OF 3550' BELOW THE SURFACE, to which lease and the record thereof reference is hereby made for further description and all other purposes,

together with a like undivided interest in and to all personal property and equipment therein or thereon or used or obtained in connection therewith.

It is understood and agreed that this assignment is made subject to a 1/16 of 8/8 overriding royalty burden previously reserved.

THIS ASSIGNMENT is made without warranty of title, express or implied, except as to claims by, through or under Assignor.

IN WITNESS WHEREOF, this Assignment is executed this
12th day of August, 1974, but effective
 June 1, 1974.

ATTEST:

CUSTER OIL COMPANY

Walter Beardsley
 Secretary

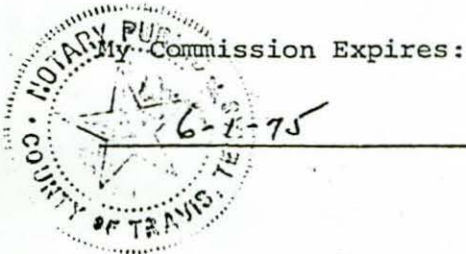
By: Donald M. Oliver
 President

STATE OF TEXAS)
)
 COUNTY OF TRAVIS) SS.

Before me, Virginia L. Jones on this day
 personally appeared DONALD M. OLIVER known to me
 to be the person whose name is subscribed to the foregoing instru-
 ment, and known to me to be the President
 of CUSTER OIL COMPANY, a corporation,
 and acknowledged to me that he executed said instrument for the
 purposes and consideration therein expressed, and as the act of
 said corporation.

Given under my hand and seal of office this 12th day
 of August, 1974.

Virginia L. Jones
 Notary Public
 Travis County, Texas



Filed for record on the 14th day of August A.D. 1974 at
1:00 P. M. Duly recorded on the 14th day of August A.D. 1974
 at 4:00 P. M.

By Quinn Jo Freeman DEPUTY

CATHERINE ASHLEY, County Clerk,
 Reeves County, Texas.

(24)

M. 67636
Assignment
File Dated 12-10-76
Bob Armstrong, Commissioner

M-67636
RECEIVED AS STATED
\$5.00

DATE 12-30-76
Reg. No. FF 1166

GENERAL LAND OFFICE

M-67637
RECEIVED AS STATED
\$5.00

DATE 12-30-76
Reg. No. FF 1166

GENERAL LAND OFFICE

E 503—CERTIFICATE OF TRUE COPY OF PAPERS RECORDED—Class 1. (Arts. 6600-6625-6634, 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~~ ASSIGNMENT OF OIL & GAS LEASE from
CUSTER OIL COMAPNY to TRINITY EXPLORATION CO., ET AL

as the same appears of record in my office in book 331 page 99 - O&G L RECORDS

Given under my Hand and Seal of said Court, at office in Pecos, Texas
this 18th day of November 19 76

Catherine Ashley Clerk,

By Juana Jaques Deputy.

General Land Office

DEC 10 1976

RECEIVED

121

HANOVER MANAGEMENT COMPANY

2001 BRYAN TOWER, SUITE 1100

DALLAS, TEXAS 75201

(214) 742-1681

TO ALL INTERESTED PARTIES:

According to our records you own an interest in production attributable to the property covered by the enclosed Division Order.

Please examine the interest credited to you and if you are in agreement, sign the Division Order and return one (1) copy to us. The remaining copy may be retained for your files.

Upon receipt of the Division Order, properly signed in accordance with the instructions noted below, the interest credited to you will be placed in line for payment at such time as we receive the proceeds from the purchaser of production.

INSTRUCTIONS FOR EXECUTION OF DIVISION ORDERS

1. Please sign your name as shown on the division order.
2. 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".
3. Division Orders for corporations must be executed by an authorized officer, attested by the secretary or the assistant secretary and the corporate seal affixed thereto.
4. Division Orders for partnerships must be executed by all partners or by an authorized partner.
5. All signatures other than those for corporations must be witnessed by at least two persons not related to the party signing.
6. Federal regulations require that we report payments of this nature to the Internal Revenue Service. Therefore be certain to clearly indicate your Social Security or Taxpayer's Identification Number by your signature.
7. Please be sure that your correct mailing address including your zip code number is shown in order that you will be assured of receiving checks addressed to you.

HANOVER MANAGEMENT COMPANY
GAS DIVISION ORDER NO. 091350

Effective 7 a.m. FIRST RUNS, 1977

TO: HANOVER MANAGEMENT COMPANY
Suite 1100, 2001 Bryan Tower
Dallas, Texas 75201

.....: Each of the undersigned represents that he is the owner of the interest set out below opposite his name in the oil and gas (defined herein to include all substances contained in such oil and gas) produced from or allocated to the land described hereinafter; and until further written notice, hereby authorizes you or your designated agent to receive and measure such production in accordance with applicable governmental rules and regulations, giving credit as directed below. The land is located in Reeves County, Texas, is known as Bolinger, and is described as follows:

u/s Block 56, Township 3, T & P Ry. Survey,
Section 16, Reeves County, Texas.

to a depth of 3550'
as per my telephone conversation
with Wanda Santos on 2-10-77
Gray

OWNER	INTEREST
Thomas C. Carlson	.04062500 WI
Cochran Company	.07617200 WI
Custer Oil Company	.30468700 WI
Hawn Brothers	.15234400 WI
F. B. Rooke & Sons	.07617200 WI
Trinity Exploration Company	.16250000 WI
J. D. Chandler	.03125000 ORRI
John Douglas May	.00781250 ORRI
John L. May	.01562500 ORRI
Judith Ann May	.00781250 ORRI
B. Leroy Foster, Agent & Attorney-In-Fact for Evelyn C. Bolinger	.06250000 RI
Commissioner of General Land Office in the State of Texas	.06250000 RI



February 16, 1977

Hanover Management Company
2001 Bryan Tower, Suite 1100
Dallas, Texas 75201

RE: State Lease M-67636
Bolinger Lease
W/2 Sec. 16, Blk 56, T-3, T & P Ry. Co. Survey
Reeves County, Texas
Gas Division Order No. 091350

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 Division to execute your division order and thereby attempt to bind the State by the provisions contained therein.

This Division, 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.

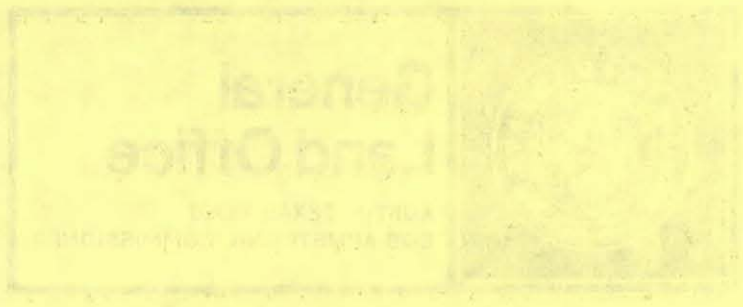
Very truly yours,

Barbara Fry, Attorney
Energy Resources
Phone: 512-475-6749
Enclosure

M.F. 67636
CORRESPONDENCE FILE

To Hanover

Dated 2-16-77



[The body of the letter contains several paragraphs of extremely faint, illegible text. The text appears to be a formal correspondence, possibly a letter of transmittal or a report, but the specific details cannot be discerned due to the low contrast and quality of the scan.]

HANOVER MANAGEMENT COMPANY

2001 BRYAN TOWER, SUITE 1100

DALLAS, TEXAS 75201

(214) 742-1681

February 10, 1977

TO ALL THE OWNERS -

Re: Bolinger Lease
Reeves County, Texas

Gentlemen:

We recently furnished you with two copies of our division order number 091350 covering the captioned property.

Please change the description on this division order to read as follows:

The West one-half (W $\frac{1}{2}$) of Section 16, Abstract No. 5314, Block 56, T-3, Reeves County, Texas, FROM THE SURFACE OF THE GROUND TO A DEPTH OF 3550 FEET ONLY.

We apologize for this error and trust that it has not been too much of an inconvenience.

Very truly yours,

HANOVER MANAGEMENT COMPANY

W. Gantos
W. Gantos

WG:cca

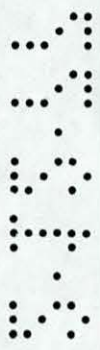
12
B
FILE
m-67636

29

M. F. 67636
CORRESPONDENCE FILE

To Handover Manager
From OO. J
Dated 2-10-77 159

HANOVER MANAGEMENT COMPANY
1000 NORTH WASHINGTON STREET
WASHINGTON, D.C. 20004
(202) 462-1000



RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISIONFORM W-1
(12-22-75)

API Well No. **REEVES**
Instruction 1 (a) on back

42 389 30455

1. Operator
HANOVER MANAGEMENT COMPANY

2. Address (Including City and Zip Code)
**2001 Bryan Tower, Suite 1100
Dallas, TX 75201**

3. Is Form P-5 (Organization Report) in Exact Operator Name Filed?
YES ☒ NO ☐ (Instruction (2) on back side.)

4. Lease Name
BOLLINGER

5. Location (Sec., Blk., Survey)
**330' FNL & 660' FWL of
Sec. 16, Block 56 T-3 T&P RR Survey**

6. This well is to be located 7 miles SW
Direction from Orla
Nearest Post Office or Town.

7. RRC District
8

8. County
Reeves

9. Well Number
4

10. Number of Acres in Lease
320

11. Distance from Proposed Location to Nearest Property of Lease Lessor (ft.)
330

12. Total Depth
3500'

EACH PROPOSED COMPLETION

REFER TO INSTRUCTIONS ON BACK SIDE. READ CAREFULLY AND FURNISH COMPLETE DATA.

13.	14.	15.	16.	17.	18.	19.	20.	21.	22.	23.
FIELD NAME (Exactly as shown on R.R.C. Promotion Schedule including Reservoir if applicable. If Wildcat, so state below.)	Completion Depth	All Prior Rule 37 Case Numbers for this wellbore. If none, State None.	Applicable Field Rules Spacing Pattern. If none, State None.	Applicable Field Rules Density Pattern. If none, State None.	Number of Acres in Drilling Unit for this Well AND DESIGNATE ON PLAT.	Is this acreage presently assigned to another well in same field? (Yes or No. If yes explain in remarks.)	Distance from proposed location to nearest drilling completed well in same lease (ft.)	Is this a 1. Regular or 2. Rule 37 Location? Check the appropriate box.	Oil, Gas, or other Type Well (Specify)	Number of Wells or Permitted Locations on this Lease in same Reservoir for which this Permit is Requested?
Ken Regan (Delaware)	3500'	None	330/990'	40 ac.	40 ac.	No	1350	Regular ☒ Rule 37 ☐	Oil	3
24. PERPENDICULAR LOCATION FROM TWO DESIGNATED LEASE LINES AND SURVEY LINES AND DISTANCE AND DIRECTION TO NEAREST WELL IN SAME FIELD. 330' FNL 660' FWL and 1320' S 330' E to #3 (1350' S SE to #3)										

NOTICE

NO ALLOWABLE WILL BE ASSIGNED to any well which does not have sufficient surface casing to protect all fresh water sands. Where Commission rules do not specify surface casing requirements, it will be necessary to contact Texas Water Development Board, Austin, Texas, to ascertain the depth to which fresh water sands must be protected.

REMARKS:

Comp: 1-11-77 (JCF)
P to: 3316-38
Rat: 12 BOPD, NOW
TD: 3400

CERTIFICATE

I declare under penalties prescribed in Article 6036c, N.C.S., that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

Signature

Raymond Price, Vice President

Title

October 19, 1976

Date

Telephone: Area Code

214

742-1681

READ INSTRUCTIONS ON BACK SIDE AND FURNISH COMPLETE DATA.

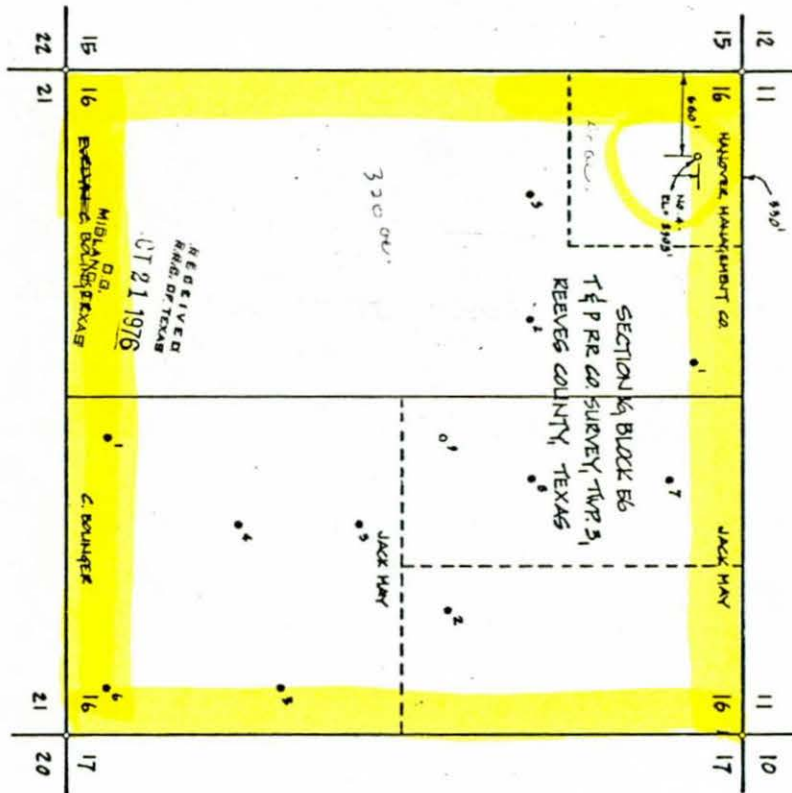
FRED P. ARMSTRONG
REGISTERED PUBLIC SURVEYOR

PLAT OF HANOVER MANAGEMENT CO.'S NO. 4 BOLLINGER, LOCATED 330' FNL AND 660' FWL OF SECTION 16, BLOCK 56, T-3, T & P RR CO. SURVEY, REEVES COUNTY, TEXAS.

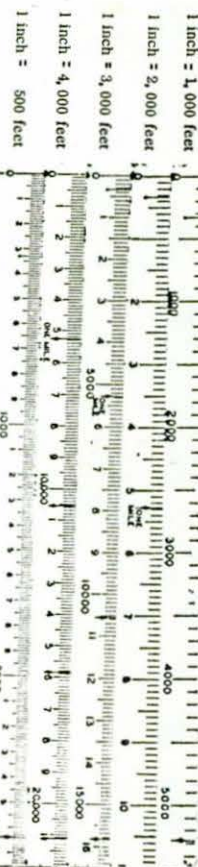
Scale: 1" = 1000'

Date: October 14, 1976

I, Fred P. Armstrong, a Registered Public Surveyor of the State of Texas do hereby certify that the foregoing plat represents a survey as made by me on the ground this date, according to law.



SCALE OF MAP

STATEWIDE PLAT SERVICE
P.O. DRAWER 1887, AUSTIN, TEXAS 78717

10-25-76

N.R. ✓

WELL STATUS REPORT

OPERATOR Hanover Management Co-New Name(Old Name-Custer Oil Co.)

STATE LEASE NO. M-67636 FEE R.A.L. Yes FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE Bollinger WELL NO. 4

FIELD NAME Ken Regan Delaware WILDCAT COUNTY Reeves

REPORT NO. 5th SPUD DATE 11-30-76 DRILLING DEPTH 1125 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 Hanover Management Co.

STATE LEASE NO. M-67636 FEE R.A.L. Yes FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE Bollinger WELL NO. 4

FIELD NAME Ken Reagan Delaware WILDCAT COUNTY Reeves

REPORT NO. 2nd SPUD DATE 11-30-76 DRILLING DEPTH

COMPLETION DATE Unkown TOTAL DEPTH 3400 feet

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

POTENTIAL/TEST: OIL GAS D&A

REMARKS: I am told this date that this well was a gas well and it made around
1,050,000 M.C.F/D of gas on open flow ???

BA/jmh/gs

2-25-75


INSPECTOR

DATE Jan 19, 1977

WELL STATUS REPORT

OPERATOR Hanover Management Co.

STATE LEASE NO. M-67636 FEE R.A.L. Yes FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE Bollinger WELL NO. 4

FIELD NAME Ken Regan Delaware WILDCAT COUNTY Reeves

REPORT NO. 4th SPUD DATE 11-30-76 DRILLING DEPTH

COMPLETION DATE 1-11-77 TOTAL DEPTH 3400 feet

PERFS 3326-3338 feet 1ST COMPLETION: YES ?? NO ??

POTENTIAL/TEST: OIL 12-bbls GAS 417,000 Cubic feet of gas D&A

REMARKS: Plus NO WATER, GOR-34,750-1, Gravity of oil-36.7, Flowed on 12/64
choke, P.B. Depth-3352-feet.

BA/jmh/gs

2-25-75


INSPECTOR

DATE Feb 23, 1977

(30)

M. F. 67636

APPLICATION TO DRILL

WELL # 4

FILED 1-11-1977

BOB ARMSTRONG, COMMISSIONER

BY: *MHS*

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Check one: ☒ DRILL ☐ DEEPEN (Below Casing) ☐ DEEPEN (Within Casing) ☐ PLUG BACK ☐ OTHER (Specify)

If Amended Application, explain fully in Remarks or Attach Separate Page.

1. Operator
Hanover Management Company

2. Address (Including City and Zip Code)
2001 Bryan Tower, Suite 1100
Dallas, Texas 75201

3. Is Form P-5 (Organization Report) in Exact Operator Name Filed?
YES ☒ NO ☐ (Instruction (2) on back side.)

4. Lease Name
Bollinger (23315)

5. Location (Sec., Blk., Survey)
990' FWL & 2310' FSL
Sec. 16, Blk. 56, T-3, T&P RR Co. Survey

6. This well is to be located _____ miles SW
Direction from _____
Nearest Post Office or Town.

7. R.R.C. District
8
8. County
Reeves
9. Well Number
5
10. Number of Acres in Lease
360
11. Distance from Proposed Location
to Nearest Property or Lease Line
990
12. Total Depth
3500'

J9.
6/8/77

SPS

EACH PROPOSED COMPLETION

REFER TO INSTRUCTIONS ON BACK SIDE. READ CAREFULLY AND FURNISH COMPLETE DATA.

13.	14.	15.	16.	17.	18.	19.	20.	21.	22.	23.
FIELD NAME (Exactly as shown on R.R.C. Permit Schedule including Reservoir if applicable.) If Wildcat, so state below.	Completion Depth	All Prior Rule 37 Case Numbers for this wellbore. State None.	Applicable Field Rules Spacing Pattern, If no Rules, State 467-1200. (ft.)	Applicable Field Rules Density Pattern, If no Rules, State 40. (acres)	Number of Acres in Drilling Unit for this Well AND DESIGNATE ON PLAT.	Is this acreage presently assigned to another well in same field? (Yes or No. If yes explain in remarks.)	Distance from proposed location to nearest drilling completed or applied for well in same reservoir on same lease (ft.)	Is this a 1. Regular or 2. Rule 37 Location? Check the appropriate box.	Oil, Gas, or other Type Well (Specify)	Number of Wells or Permitted Locations on this Lease in same Reservoir for which this Permit is Required. OIL GAS
48754500 Ken Regan (Delaware)	3500	None	330/660	40	40	No	1320 1320	Regular ☒ Rule 37 ☐ Regular ☐ Rule 37 ☐ Regular ☐ Rule 37 ☐ Regular ☐ Rule 37 ☐	Oil	3 0

24. PERPENDICULAR LOCATION FROM TWO DESIGNATED LEASE LINES AND SURVEY LINES AND DISTANCE AND DIRECTION TO NEAREST WELL IN SAME FIELD
990' FWL & 2310' FSL of Lease, 11,550' FWL & 14,850' FNL of Block 56, T-3, T&P RR Co. Survey, 3300' S of Bollinger #3 Well on same lease.

NOTICE
NO ALLOWABLE WILL BE ASSIGNED TO any well which does not have sufficient surface casing to protect all fresh water sands. Where Commission rules do not specify surface casing requirements, it will be necessary to contact Texas Water Development Board, Austin, Texas, to ascertain the depth to which fresh water sands must be protected.

REMARKS: Comp: 7-15-77 (W-2)
pfs: 3298-3308
1 PF: 31 BOPD + 70 BW, 14/64 CK
TD: 3390

CERTIFICATE
I declare under penalties prescribed in Article 6036c, M. C. S., that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct and complete, to the best of my knowledge.

Signature
Robert H. Vick, Consultant

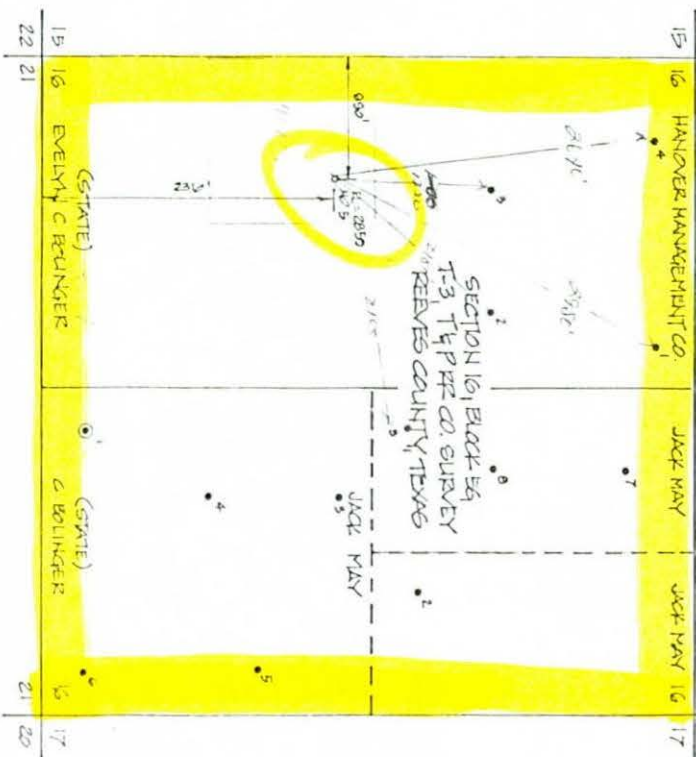
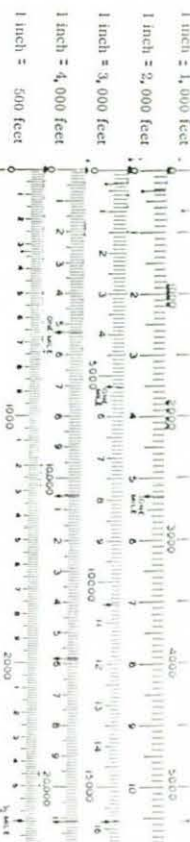
Title
5-18-77

Date
Telephone: Area Code 214 742-1681

Statewide
PLAT SERVICE
P. O. DRAWER 1867, AUSTIN, TEXAS 78767

READ INSTRUCTIONS ON BACK SIDE AND FURNISH COMPLETE DATA.

SCALE OF MAP



PLAT OF HANOVER MANagements CO.'S NO. 5 BOLLINGER, LOCATED 990' FWL AND 2310' FSL OF SECTION 16, BLOCK 56, T-3, T & P RR CO. SURVEY, REEVES COUNTY, TEXAS.

Scale: 1" = 1000'

Date: May 16, 1977

I, Fred P. Armstrong, a Registered Public Surveyor of the State of Texas do hereby certify that the foregoing plat represents a survey as made by me on the ground this date, according to law.

Fred P. Armstrong
REGISTERED PUBLIC SURVEYOR
JUN 2 1977
D.G.
MIDLAND, TEXAS



RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISIONFORM W-1
(12-22-75)API Well No. 42
Instruction (7a & b) on back side.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

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

If Amended Application, explain fully in Remarks or Attach Separate Page.

1. Operator Hanover Management Company	4. Lease Name Bollinger	7. RRC District 8
2. Address (Including City and Zip Code) 2001 Bryan Tower, Suite 1100 Dallas, Texas 75201	5. Location (Sec., Blk., Survey) 990' FWL & 2310' FSL Sec. 16, Blk. 56, T-3, T&P RR Co. Survey	8. County Reeves
3. Is Form P-5 (Organization Report) in Exact Operator Name Filed? YES ☒ NO ☐ (Instruction (2) on back side.)	6. This well is to be located <u>7</u> miles <u>SW</u> Direction from <u>Orla</u> Nearest Post Office or Town.	9. Well Number 5
		10. Number of Acres in Lease 160
		11. Distance from Proposed Location to Nearest Property or Lease Line 990
		12. Total Depth 3500'

EACH PROPOSED COMPLETION

REFER TO INSTRUCTIONS ON BACK SIDE. READ CAREFULLY AND FURNISH COMPLETE DATA.

13.	14.	15.	16.	17.	18.	19.	20.	21.	22.	23.	
FIELD NAME (Exactly as shown on R. R. C. Promotion Schedule including Reservoir if applicable.) If Wildcat, so state below.	Completion Depth	All Prior Rule 37 Case Numbers for this wellbore. If none, State None.	Applicable Field Rules Spacing Pattern. If no Rules, State 467-1200. (ft.)	Applicable Field Rules Density Pattern. If no Rules, State 40. (acres)	Number of Acres in Drilling Unit for this Well AND DESIGNATE ON PLAT.	Is this acreage presently assigned to another well in same field? (Yes or No. If yes explain in remarks.)	Distance from proposed location to nearest drilling or completed well in same reservoir on same lease (ft.)	Is this a 1. Regular or 2. Rule 37 Location? Check the appropriate box.	Oil, Gas, or other Type Well (Specify)	Number of Wells or Permitted locations on this Lease in same Reservoir for which this Permit is Requested?	
										OIL	GAS
Ken Regan (Delaware)	3500	None	330/660	40	40	40	1300	Regular ☒ Rule 37 ☐	0	3	0
								Regular ☐ Rule 37 ☐			
								Regular ☐ Rule 37 ☐			
								Regular ☐ Rule 37 ☐			

24. PERPENDICULAR LOCATION FROM TWO DESIGNATED LEASE LINES AND SURVEY LINES AND DISTANCE AND DIRECTION TO NEAREST WELL IN SAME FIELD.

990' FWL & 2310' FSL of Lease. 11,550' FWL & 14,850' FNL of Block 56, T-3, T&P RR Co. Survey, 1300' S of Bollinger #3 Well on same lease.

NOTICE

NO ALLOWABLE WILL BE ASSIGNED to any well which does not have sufficient surface casing to protect all fresh water sands. Where Commission rules do not specify surface casing requirements, it will be necessary to contact Texas Water Development Board, Austin, Texas, to ascertain the depth to which fresh water sands must be protected.

REMARKS: _____

CERTIFICATE

I declare under penalties prescribed in Article 6036c, R. C. S., that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct and complete, to the best of my knowledge.

Signature

Robert H. Vick, Consultant

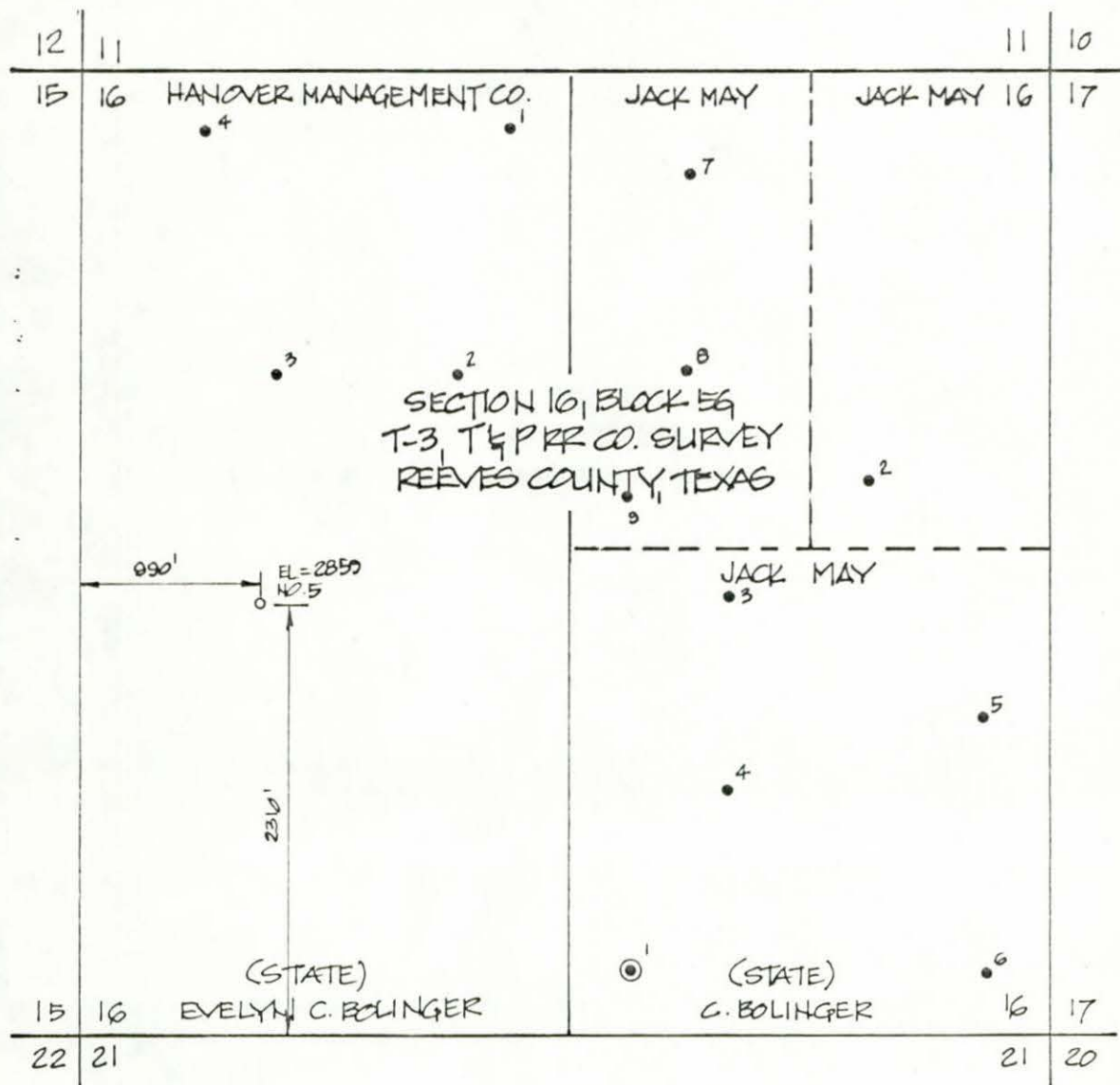
Title

5-18-77

Date

Telephone: Area Code 214 742-1681

READ INSTRUCTIONS ON BACK SIDE AND FURNISH COMPLETE DATA.



PLAT OF HANOVER MANagements CO.'S NO. 5 BOLINGER, LOCATED 990' FWL AND 2310' FSL OF SECTION 16, BLOCK 56, T-3, T & P RR CO. SURVEY, REEVES COUNTY, TEXAS.

Scale: 1" = 1000'

Date: May 16, 1977

I, Fred P. Armstrong, a Registered Public Surveyor of the State of Texas do hereby certify that the foregoing plat represents a survey as made by me on the ground this date, according to law.

Fred P. Armstrong
REGISTERED PUBLIC SURVEYOR



WELL STATUS REPORT

OPERATOR Hanover Management Co.

STATE LEASE NO. M-67636 FEE R.A.L. Yes FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE .Bollinger WELL NO. 5

FIELD NAME Ken Regan Delaware WILDCAT COUNTY Reeves

REPORT NO. 1st SPUD DATE DRILLING DEPTH

COMPLETION DATE TOTAL DEPTH

PERFS 1ST COMPLETION: YES NO

POTENTIAL/TEST: OIL GAS D&A

REMARKS: They have not drilled this location but the location is all ready
for a rotary rig ?

BA/jmh/gs

2-25-75


INSPECTOR

June 20, 1977

DATE

WELL STATUS REPORT

OPERATOR Hanover Management Co.

STATE LEASE NO. M-67636 FEE R.A.L. Yes FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE Bollinger WELL NO. 5

FIELD NAME Ken Regan Delaware WILDCAT COUNTY Reeves

REPORT NO. 2nd SPUD DATE Unkown DRILLING DEPTH

COMPLETION DATE TOTAL DEPTH 3370 feet

PERFS 3298-3308 feet 1ST COMPLETION: YES NO

POTENTIAL/TEST: OIL GAS D&A

REMARKS: They are trying to get it tested now ?

BA/jmh/gs

2-25-75


INSPECTOR

DATE July 21, 1977

31

M. F. 67636

APPLICATION TO DRILL

WELL # 5

FILED 2-15 1977

BOB ARMSTRONG, COMMISSIONER

BY: MMH

HANOVER MANAGEMENT COMPANY

2001 BRYAN TOWER, SUITE 1100

DALLAS, TEXAS 75201

(214) 742-1681

July 28, 1977

Railroad Commission of Texas
District 8
Box 2110
Midland, Texas 79701

m-67636
Re: Bollinger #5
Section 15, Block 56, T-3
T&P RR Co. Survey
Reeves County, Texas

Gentlemen:

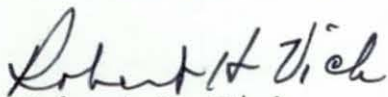
Attached are the following forms relative to completion on the above well.

1. Form P-15 "Statement of Productive Acreage Assigned to Production Units", and copy of plat.
2. Form W-2 "Oil Well Potential Test Completion Report".
3. Form W-12 "Inclination Report" is not included since the drilling contractor has signed the W-2 Form.
4. Form W-15 "Cementing Affidavit" for surface and production casing.

If additional data is required, please inform Hanover Management Company.

Yours very truly,

HANOVER MANAGEMENT COMPANY



Robert H. Vick
Consultant

RHV:lem
Encls.

bc: Mr.. C. Beardsley (with enclosures)
P. O. Box 2286
Austin, Texas 78768

✓ General Land Office (with enclosures)
1700 North Congress Ave.
Austin, Texas 78711

STATEMENT OF PRODUCTIVITY OF ACREAGE
ASSIGNED TO PRORATION UNITS

Form P-15
(5-5-71)

The undersigned states that he is authorized to make this statement; that he has knowledge of the facts concerning the Hanover Management Company,
OPERATOR
BOLLINGER LEASE, No. 5 WELL; that such well is completed in the Ken Regan (Delaware) Field, Reeves County, Texas and that the acreage claimed, and assigned to such well for proration purposes as authorized by special rule and as shown on the attached certified plat embraces 40 acres which can reasonably be considered to be productive of hydrocarbons.

- CERTIFICATE -

I declare under penalties prescribed in Article 6036c, R. C. S., that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

Date July 22, 1977 Signature Robert H. Vink

Telephone 214 742-1681 Title Consultant
AREA CODE

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISIONForm W-2
Rev. 6/30/75OIL WELL POTENTIAL TEST
COMPLETION OR RECOMPLETION REPORT AND LOG

1. FIELD NAME (as per RRC Records or Wildcat) Ken Regan (Delaware)		2. LEASE NAME BOLLINGER	7. RRC District 8
3. OPERATOR Hanover Management Company			8. RRC Lease Number
4. ADDRESS 2001 Bryan Tower, Suite 1100, Dallas, TX 75201			9. Well Number 5
5. If Operator has changed within last 60 Days -- Give former Operator			10. County REEVES
6a. LOCATION (Section, Block, and Survey) Sec. 16, Blk. 56, T-3, T&P RR Co.		6b. Distance and Direction to nearest town in this county.	11. Purpose of Test Initial Potential ☒ Retest ☐ Reclass ☐
12. If Workover -- Give former Field (with Reservoir) -		13. Type of Electric or other Log run Sonic - DLL	14. Completion Date 7-15-77

Section I

POTENTIAL TEST DATA

15. Date of Test 7-22-77	16. No. of Hours Tested 24	17. Production Method (Flowing, Gas Lift, Jetting, Pumping - Size & Type of Pump) Flowing			18. Choke Size 14/64
19. Production During Test Period Oil - BBLs 31.0 Gas - MCF 24.03 Water - BBLs 20 Gas - Oil Ratio 775	Flowing Tubing Pressure 200 PSI				
20. Calculated 24 Hour Rate Oil - BBLs 31.0 Gas - MCF 24.03 Water - BBLs 20 Oil Gravity - API - 60° 22	Casing Pressure Pkr. PSI				
21. Was Swab or Artificial Flowing Device Used During this Test? Yes ☐ No ☒		22. Oil Produced Prior to Test (New & Reworked Wells) 135 BO		23. Injection Gas-Oil Ratio -	

NOTE: TEST SHOULD BE FOR 24 HOURS UNLESS OTHERWISE SPECIFIED IN FIELD RULES

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 District Office. This Ten-Day provision shall govern regardless of whether the potential test is taken during the month in which it is received in the District Office or any prior month. Fill in only the front of this Form when reporting only a potential test; if well is newly completed or recompleted, fill in reverse side also.

EACH WITNESS MUST PERSONALLY SIGN.

We, the undersigned, witnessed this test, by observation of meter readings, or the top and bottom gauges of each tank, whichever is applicable, into which production was run during duration of this test.

Robert H. Vick Robert H. Vick

Signature: REPRESENTATIVE OF COMPANY MAKING TEST

List of Offset Operators Notified and Date Notified:

Signature: REPRESENTATIVE OF RAILROAD COMMISSION

List of Offset Operators Notified and Date Notified:

An inclination survey has been run in accordance with Statewide Rule 11 and the results are available upon request. Maximum horizontal displacement was 62.54 feet at a measured depth of 3370 feet.

Signature of Authorized Representative

Lana Rapp Lana Rapp

ROY H. SMITH DRILLING COMPANY

Name of Company Conducting Survey

I have knowledge that the cementing operations, as reflected by the information found on the reverse side of this form, were performed as indicated by such information.

W-15 Forms Attached

Halliburton Company

Signature of Cementer or Authorized Representative

Name of Cementing Company

CERTIFICATE:

I declare under penalties prescribed in Article 6036c, R.C.S., that I am authorized to make this report, that this report was prepared by me or under my supervision and direction and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

Robert H. Vick
REPRESENTATIVE OF COMPANY

Robert H. Vick, Consultant

TITLE

7-25-77

DATE

SECTION II DATA ON WELL COMPLETION AND LOG (Not Required on Retest)

24. Type of Completion: New Well ☒ Deepening ☐ Plug Back ☐ Other ☐ 25. Date Permit Issued 6-3-77

26. Notice of Intention to Drill this Well was filed in Name of Hanover Management Company 27. If Special Permit, Give Permit Number

28. Number of Producing Wells on this Lease in This Field (Reservoir) including this Well 5 29. Total Number of Acres in this Lease 320

30. Date Plug Back, Deepening, Work Over or Drilling Operations: Commenced 6-24-77 Completed 7-15-77 31. Distance to Nearest Well, Same Lease & Reservoir 1320

32. Location of Well, Relative to Nearest Lease Boundaries of Lease on which this Well is Located 990 Feet From West Line And 2310 Feet From South Line of The BOLLINGER

33. Elevation (DF, RKB, RT, GR, ETC) 2868' KB, 2859 GR 34. Was Directional Survey Made Yes ☒ No ☐

35. Top of Pay 36. Total Depth 3390 37. P.B. Depth 3347 FC 38. Surface Casing Determined By: Recommendation of Texas Water Development Board ☐ Field Rules ☐ Railroad Commission (Special) ☐

39. Is Well Multiple Completion? Yes ☐ No ☒ 40. If Multiple Completion List All Reservoir Names (Completions in this Well) - 41. Intervals Drilled By: Rotary Tools ☒ Cable Tools ☐

42. Name of Drilling Contractor Roy H. Smith - Wichita Falls, TX 43. Is Cementing Affidavit Attached? Yes ☒ No ☐

44. CASING RECORD (Report All Strings Set in Well)

CASING SIZE	WT #/ FT.	DEPTH SET	MULTI STAGE TOOL DEPTH	TYPE & AMOUNT CEMENT (Sacks)	HOLE SIZE	TOP OF CEMENT	SLURRY VOL. cu. ft.
7"	20	1459	-	600 sx HLC	11	Circ.	990
4-1/2"	10.5	3386	-	100 Sx C	6-1/4	2300	132

45. LINER RECORD

Size	Top	Bottom	Sacks Cement	Screen

46. TUBING RECORD

Size	Depth Set	Packer Set	Producing Interval (this completion) indicate Depth of Perforations or Open Hole
2-3/8"	3241	3209	From 3298 To 3308
			From To
			From To
			From To

48. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

Depth Interval	Amount and Kind of Material Used
3298 - 3308	250 Gal BDA Acid + 3000 Gal. Gelled oil with 3500# 20/40 Sand

49. FORMATION RECORD (LIST DEPTHS OF PRINCIPAL GEOLOGICAL MARKERS AND FORMATION TOPS)

Formations	Depth	Formations	Depth
Base of Salt	3060		
Lamar Ls.	3228		
Delaware Sd.	3298		

REMARKS

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

Form W-15
(Rev. 11-1-69)

CEMENTING REPORT

241932

*1. Field Name (as per RRC Records or Wildcat) Ken Regan (Delaware)	*2. RRC District 8
*3. Operator HANOVER MANAGEMENT CO.	*4. County REEVES
*5. Lease Name(s) and RRC Lease Number(s) or I. D. Number(s) BOLLINGER	*6. Well Number #5
*7. Location (Section, Block, and Survey) Sec. 16, Blk. 56, T-3, T&P RR Co.	

CASING CEMENTING DATA:	SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
			Single String	Multiple Parallel Strings	Tool	Shoe
8. Cementing Date			7/1/77			
*9. (a) Size of Drill Bit (inches)			6 1/4"			
... (b) Estimated % Wash or Hole Enlargement Used in Calculations.						
... Size of Casing (inches O.D.)			4 1/2"			
... Top of Liner (if liner used) (ft.)						
*12. Setting Depth of Casing (ft.)			3,373			
*13. *Type API Class Cement & Amount of Additives Used: (a) In First (Lead) or Only Slurry (If additional space is needed, use "REMARKS" on reverse side.)			CLASS C 2% CC			
(b) In Second Slurry						
(c) In Third Slurry						
14. Sacks of Cement Used: (a) In First (Lead) or Only Slurry			100			
(b) In Second Slurry						
(c) In Third Slurry						
(d) Total Sacks of Cement Used			100			
15. Slurry Volume per Sack (cu.ft./sack): (a) In First (Lead) or Only Slurry			1.32			
(b) In Second Slurry						
(c) In Third Slurry						
16. Volume of Slurry Pumped (cu.ft.) (Item 14 x Item 15) (a) In First (Lead) or Only Slurry			132			
(b) In Second Slurry						
(c) In Third Slurry						
(d) Total Slurry Volume Pumped (cu.ft.)			132			
17. Calculated Annular Height of Cement Slurry behind Pipe (ft.)			1,286			
18. Was cement circulated to ground surface (or bottom of cellar) outside casing? (Yes or No)						
CEMENTING TO PLUG AND ABANDON DATA:	PLUG NO. 1	PLUG NO. 2	PLUG NO. 3	PLUG NO. 4	PLUG NO. 5	PLUG NO. 6
19. Cementing Date						
*20. Size of Hole or Pipe in which Plug Placed (inches)						
*21. Depth to Bottom of Tubing or Drill Pipe (ft.)						
22. Sacks of Cement Used (each plug)						
23. Slurry Volume Pumped (cu. ft.)						
24. Calculated Top of Plug (ft.)						
*25. Measured Top of Plug (if tagged) (ft.)						

(CEMENTING COMPANY AND OPERATOR MUST COMPLY WITH THE INSTRUCTIONS ON REVERSE SIDE HEREOF.)

- OVER -

* Designates items to be completed by Operator. Items not so designated shall be completed by Cementing Company.

26. Remarks:

* 27. Remarks:

CEMENTING COMPANY

I declare under penalties prescribed in Article 6036c, R. C. S., that I am authorized to make this certification, that the cementing of casing and/or the placing of cement plugs in this well as shown in the report was performed by me or under my supervision, and that the cementing data and facts presented on both sides of this form are true, correct, and complete to the best of my knowledge. This certification covers cementing data only.

Signature of Cementer or Authorized Representative

J. MARK MCCOY, CEMENTER

Name of Person and Title (type or print)

HALLIBURTON SERVICES

Cementing Company

DRAWER "Y"

Street Address or P.O. Box

MONAHANS, TEXAS 79756

City, State

Zip Code

Telephone

915

943-2721

Area Code

7/1/77

Date

*** OPERATOR**

I declare under penalties prescribed in Article 6036c, R. C. S., that I am authorized to make this certification, that I have knowledge of the well data and information presented in this report, and that data and facts presented on both sides of this form are true, correct, and complete to the best of my knowledge. This certification covers all well data and information presented herein.

*Signature of Operator or Authorized Representative

Robert H. Vick

*Name of Person and Title (type or print)

Hanover Management Company

*Operator

2001 Bryan Tower, Suite 1100

*Street Address or P.O. Box

Dallas, Texas 75201

*City, State

Zip Code

*Telephone

214

742-1681

Area Code

7-22-77

*Date

INSTRUCTIONS

1. A. This form shall be filed by the operator in the RRC District Office with:
 - (1) Each copy of an initial Form G-1 or W-2 if a cementing report is required by Statewide or Special Rules, or if exception is needed to cementing requirements in Statewide or Special Rules;
 - (2) Each copy of Form W-3;
 - (3) Each copy of Form W-4 if a multiple parallel casing completion.
- B. At least an original and one copy of this form shall be filed for each cementing company used on a well.
- C. The cementing of different casing strings on a well by one cementing company may be consolidated on one form (to be filed in duplicate).
2. Cementing Company and Operator shall comply with the applicable portions of Statewide Rules 8, 13, and 14. For offshore operations, Cementing Company and Operator shall comply with Statewide Rule 13(E).
3. If setting FULL AMOUNT OF SURFACE CASING:
 - A. Depth to protect fresh water determined by:
 - (1) Field Rule
 - (2) Texas Water Development Board, if no Field Rule
 - B. Set surface casing below depth to be protected and cement from casing shoe to ground surface.
4. IF SETTING ANYTHING OTHER THAN THE FULL AMOUNT OF SURFACE CASING, PERMISSION SHALL BE OBTAINED FROM THE RAILROAD COMMISSION.
5. If setting NO SURFACE CASING (See Item 4 above.):
 - A. If no multi-stage tool is used, the next deeper casing string shall be cemented from the casing shoe to the surface.
 - B. If using the multi-stage tool on the next deeper string, cement from the depth that protects fresh water sands to the surface.
6. If setting SHORT SURFACE CASING (See Item 4 above.):
 - A. Cement short surface casing from the shoe to the surface.
 - B. Whether the multi-stage tool is or is not used on the next deeper casing string, cement from the depth that protects fresh water sands to:
 - (1) the surface, or
 - (2) a point midway between shoe of surface string and the surface. Compliance will be considered if a temperature survey shows that the top of the cement is at least one-third of the distance from the shoe of the surface string to the surface.
7. Setting PRODUCTION STRING of Casing: (Statewide Rules; Special Rules may vary.)
 - A. Cement to a point at least 600 feet above the casing shoe.
 - B. When 3,000 feet or more of pipe is set for the production or protecting string, a minimum of 30 feet of cement shall be left inside the pipe.
8. PLUGGING and ABANDONING:
 - A. Cement plugs shall be placed in the well bore as required by Rules and Regulations of the Commission plus any additional plugs as may be specified by the RRC District Director.
 - B. The minimum amount of cement normally used in each plug shall be a slurry volume equal to the amount necessary to fill the calculated volume of 100 feet of the hole in which the plug is placed.
 - C. A 10 foot cement plug is required to be placed in the top of the well.

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

Form W-15
(Rev. 11-1-69)

CEMENTING REPORT

ATTN: Bob Vick

*1. Field Name (as per RRC Records or Wildcat) Ken Regan (Delaware)	*2. RRC District 8
*3. Operator Hanover Mgt. Co.	*4. County Reeves
*5. Lease Name(s) and RRC Lease Number(s) or I. D. Number(s) Bollinger	*6. Well Number 5
*7. Location (Section, Block, and Survey) Sec. 16, Blk. 56, T-3, T&P RR Co. Survey, Reeves Co., TX	

CASING CEMENTING DATA:	SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
			Single String	Multiple Parallel Strings	Tool	Shoe
8. Cementing Date	6-27-77					
*9. (a) Size of Drill Bit (inches)	11"					
... (b) Estimated % Wash or Hole Enlargement Used in Calculations.						
*10. Size of Casing (inches O.D.)	7"					
*11. Top of Liner (if liner used) (ft.)						
*12. Setting Depth of Casing (ft.)	1462					
*13. Type API Class Cement & Amount of Additives Used: ... (a) In First (Lead) or Only Slurry (If additional space is needed, use "REMARKS" on reverse side.)	See Remarks					
... (b) In Second Slurry						
... (c) In Third Slurry						
14. Sacks of Cement Used: ... (a) In First (Lead) or Only Slurry	500					
... (b) In Second Slurry	100					
... (c) In Third Slurry						
... (d) Total Sacks of Cement Used	600					
15. Slurry Volume per Sack of Cement (cu.ft./sack): ... (a) In First (Lead) or Only Slurry	1.97					
... (b) In Second Slurry	1.32					
... (c) In Third Slurry						
16. Volume of Slurry Pumped; (cu.ft.) (Item 14 x Item 15) ... (a) In First (Lead) or Only Slurry	985					
... (b) In Second Slurry	132					
... (c) In Third Slurry						
... (d) Total Slurry Volume Pumped (cu.ft.)	1117					
17. Calculated Annular Height of Cement Slurry behind Pipe (ft.)	Surface					
18. Was cement circulated to ground surface (or bottom of cellar) outside casing? (Yes or No)	Yes					
CEMENTING TO PLUG AND ABANDON DATA:	PLUG NO. 1	PLUG NO. 2	PLUG NO. 3	PLUG NO. 4	PLUG NO. 5	PLUG NO. 6
19. Cementing Date						
*20. Size of Hole or Pipe in which Plug Placed (inches)						
*21. Depth to Bottom of Tubing or Drill Pipe (ft.)						
22. Sacks of Cement Used (each plug)						
23. Slurry Volume Pumped (cu. ft.)						
24. Calculated Top of Plug (ft.)						
*25. Measured Top of Plug (if tagged) (ft.)						

(CEMENTING COMPANY AND OPERATOR MUST COMPLY WITH THE INSTRUCTIONS ON REVERSE SIDE HEREOF.)

- OVER -

* Designates items to be completed by Operator. Items not so designated shall be completed by Cementing Company.

26. Remarks:

13 A: Class C - 3# Salt, 1/4# F.C.

*27. Remarks:

CEMENTING COMPANY

I declare under penalties prescribed in Article 6036c, R. C. S., that I am authorized to make this certification, that the cementing of casing and/or the placing of cement plugs in this well as shown in the report was performed by me or under my supervision, and that the cementing data and facts presented on both sides of this form are true, correct, and complete to the best of my knowledge. This certification covers cementing data only.

Paul Holbrook

Signature of Cementer or Authorized Representative

Paul Holbrook, Cementer

Name of Person and Title (type or print)

Halliburton Services

Cementing Company

Drawer 3746

Street Address or P.O. Box

Odessa Texas 79760

City, State Zip Code

Telephone 915 381-2040

Area Code

6-27-77

Date

*** OPERATOR**

I declare under penalties prescribed in Article 6036c, R. C. S., that I am authorized to make this certification, that I have knowledge of the well data and information presented in this report, and that data and facts presented on both sides of this form are true, correct, and complete to the best of my knowledge. This certification covers all well data and information presented herein.

Robert H. Vick

*Signature of Operator or Authorized Representative

Robert H. Vick, Consultant

*Name of Person and Title (type or print)

Hanover Management Company

*Operator

2001 Bryan Tower, Suite 1100

*Street Address or P.O. Box

Dallas, TX 75201

*City, State Zip Code

Telephone 214 742-1681

Area Code

*Date

INSTRUCTIONS

1. A. This form shall be filed by the operator in the RRC District Office with:
 - (1) Each copy of an initial Form G-1 or W-2 if a cementing report is required by Statewide or Special Rules, or if exception is needed to cementing requirements in Statewide or Special Rules;
 - (2) Each copy of Form W-3;
 - (3) Each copy of Form W-4 if a multiple parallel casing completion.
- B. At least an original and one copy of this form shall be filed for each cementing company used on a well.
- C. The cementing of different casing strings on a well by one cementing company may be consolidated on one form (to be filed in duplicate).
2. Cementing Company and Operator shall comply with the applicable portions of Statewide Rules 8, 13, and 14. For offshore operations, Cementing Company and Operator shall comply with Statewide Rule 13(E).
3. If setting **FULL AMOUNT OF SURFACE CASING**:
 - A. Depth to protect fresh water determined by:
 - (1) Field Rule
 - (2) Texas Water Development Board, if no Field Rule
 - B. Set surface casing below depth to be protected and cement from casing shoe to ground surface.
4. IF SETTING ANYTHING OTHER THAN THE FULL AMOUNT OF SURFACE CASING, PERMISSION SHALL BE OBTAINED FROM THE RAILROAD COMMISSION.
5. If setting **NO SURFACE CASING** (See Item 4 above.):
 - A. If no multi-stage tool is used, the next deeper casing string shall be cemented from the casing shoe to the surface.
 - B. If using the multi-stage tool on the next deeper string, cement from the depth that protects fresh water sands to the surface.
6. If setting **SHORT SURFACE CASING** (See Item 4 above.):
 - A. Cement short surface casing from the shoe to the surface.
 - B. Whether the multi-stage tool is, or is not used on the next deeper casing string, cement from the depth that protects fresh water sands to:
 - (1) the surface, or
 - (2) a point midway between shoe of surface string and the surface. Compliance will be considered if a temperature survey shows that the top of the cement is at least one-third of the distance from the shoe of the surface string to the surface.
7. Setting **PRODUCTION STRING** of Casing: (Statewide Rules; Special Rules may vary.)
 - A. Cement to a point at least 600 feet above the casing shoe.
 - B. When 3,000 feet or more of pipe is set for the production or protecting string, a minimum of 30 feet of cement shall be left inside the pipe.
8. **PLUGGING and ABANDONING**:
 - A. Cement plugs shall be placed in the well bore as required by Rules and Regulations of the Commission plus any additional plugs as may be specified by the RRC District Director.
 - B. The minimum amount of cement normally used in each plug shall be a slurry volume equal to the amount necessary to fill the calculated volume of 100 feet of the hole in which the plug is placed.
 - C. A 10 foot cement plug is required to be placed in the top of the well.

32

M. F. 67636
WELL # 5 COMPLETION REPORT
BOB ARMSTRONG, COMMISSIONER
FILED 7-30-77 BY MMH

2002

IMPORTANT: RETAIN WHITE COPY AND
RETURN YELLOW COPY WITH
REQUESTED DOCUMENTS.

February 17, 1978

Hanover Management Company
2001 Bryan Tower, Suite 1100
Dallas, Texas 75201

ATTENTION: ACCOUNTING MANAGER

RE: State Lease M-67636
Bolinger Lease
Ken Regan Field
Reeves County, Texas

Gentlemen:

An audit of the subject lease for the month of January, 1977 indicates a price of 1.30¢/MCF for gas sold.

The gas purchase contract between Hanover Management Company as seller and Lo Vaca and Texas Utilities as buyers on file in this office indicates a price of 1.75¢/MCF. Please explain the reason for this difference.

If the above price difference is due to BTU adjustment, please submit BTU statements for all reports submitted beginning with January, 1977 and monthly thereafter.

Sincerely yours,

George A. Clark, Supervisor
Resource Accounting
Telephone No. 512-475-2858
LY/glc

TITLE NUMBER	LEASE DATED			RECORDED IN RECORDS OF							PERIOD		
	MO.	DAY	YR.	COUNTY OR PARISH	STATE	ENTRY NO.	BOOK	PAGE	TYPE RECORD	NO. MOS.	BEGINNING		
											MO.	DAY	YR.
404768-000	10	17	72	Reeves	TX		315	208	O&G	12	10	17	77

LESSOR

Evelyn C. Bolinger

LESSEE

John L. May

DESCRIPTION AND FOR CREDIT OF

AMOUNT

W/2 Sec. 16, Blk. 56, T-3, T&P Ry. Co. Sy.

State of Texas Lease

No. M-67636

\$32.00**

DUPLICATE

PLEASE RETAIN THIS COPY

PAYMENT MADE FOR (IF NOTHING IS SHOWN, PAYMENT IS SOLELY FOR GETTY OIL COMPANY)

INTEREST

AMOUNT

Getty Oil Company
Allied Chemical Corp.
Hamplin Petroleum Company
Custer Oil Company

166667	\$ 5.34
166667	5.33
166666	5.33
500000	16.00

Getty Oil Company

HOUSTON, TEXAS

1576

PAY
TO THE
ORDER OF

16326

CHECK NO.

404768-000

TITLE NO.

9 5 77
MO DAY YR

PAY EXACTLY

\$ *****\$32.00

Commissioner of the General
Land Office
State of Texas
Austin, Texas, 78711

GETTY OIL COMPANY HAS THIS DAY PAID THE SUM SHOWN ABOVE FOR CREDIT OF PERSONS NAMED ABOVE IN PAYMENT OF RENTAL UNDER TERMS OF LEASE REFERRED TO ABOVE.

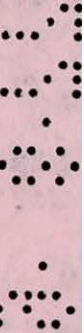
SIGN HERE _____

IF BANK BY _____

PRESIDENT-CASHIER

DATE CHECK
FIRST RECEIVED _____THIS COPY MAY BE RETAINED BY
BANK OR SENT TO PERSONS TO BE CREDITED.

(B4) M-67636
Rental Payment
9-8-77



TITLE NUMBER	LEASE DATED			RECORDED IN RECORDS OF					PERIOD			
	MO.	DAY	YR.	COUNTY OR PARISH	STATE	ENTRY NO.	BOOK	PAGE	TYPE RECORD	NO. MOS.	BEGINNING	MO. DAY YR.
404768-000	10	17	72	Reeves	TX		315	208	O&G	12	10	17 78

LESSOR

Evelyn C. Bolinger

LESSEE

John L. May

DESCRIPTION AND FOR CREDIT OF

N/2, Sec. 16, Blk. 56, T-3, T&P RR Co. Survey

State of Texas Lease No. M-67636

\$32.00**

DUPLICATE

PLEASE RETAIN THIS COPY

2-41

PAYMENT MADE FOR (IF NOTHING IS SHOWN, PAYMENT IS SOLELY FOR GETTY OIL COMPANY)

Getty Oil Company
Allied Chemical Corp.
Champlin Petroleum Company
Custer Oil Company

INTEREST	AMOUNT
.166667	\$ 5.34
.166667	5.33
.166666	5.33
.500000	16.00
1.000000	\$32.00*

Getty Oil Company

HOUSTON, TEXAS

4491

PAY
TO THE
ORDER OF

Commissioner of the General
Land Office
State of Texas
Austin, Texas 78711

17590

CHECK NO.

404768-000

TITLE NO.

9 14 78

MO. DAY YR.

PAY EXACTLY

\$**32.00*****

GETTY OIL COMPANY HAS THIS DAY PAID THE SUM SHOWN ABOVE FOR CREDIT OF PERSONS NAMED ABOVE IN PAYMENT OF RENTAL UNDER TERMS OF LEASE REFERRED TO ABOVE.

SIGN HERE

IF BANK BY

PRESIDENT-CASHIER

(36) M-67636
Rental Payment
9-16-78



A

ACCOUNTING MEMO

SS BB
RE: STATE Leases M- 31461, M- 43061, M- 67636, &
M- 74593

The above state leases are involved in a legal
dispute over the price of gas sold to Hanover
Gas Systems, Inc.

See Lanvil Gilbert for details.

TOTAL ROYALTY & PENALTY

FOR

STATE LEASE

M67636

BOLLINGER

	Initials	Date
Prepared By	EB	11/3/78
Approved By		

COLUMN WRITE ®		1	2	3	4	5	6	
	PERIOD	ADDITIONAL ROYALTY DUE	PENALTY DUE	TOTALS				
1	12/75	1776	586	2362				1
2								2
3	12/76 THRU 6/78	728430	86445	814875				3
4								4
5	7/78 THRU 8/78	38011	631	38642				5
6		768217	87662	855879				6
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County:
REEVES

STATE LEASE M 67636
BOLLINGER

OPERATOR
CUSTER OIL COMPANY

WRITE	1		2		3		4		5		6	
	MONTH	NCF	GROSS VALUE	ROYALTY DUE	ROYALTY PAID	ADDITIONAL ROYALTY DUE	ACCUMULATED SHORTAGE	PENALTY DUE AT 1% PER MONTH				
1	12/75	2104	31560	1973	197	1776	1776	.18				
2			31560	1973	197	1776						
3												
4	1% PER MONTH PENALTY ON \$17.76 COMPUTED											
5	FROM 3/76 TO 10/78											
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LEASE:
M-67636
BOLLINGER

Prepared By	Initials	Date
Approved By		11/3/78

COUNTY: REEVES

OPERATOR: HANNOVER MANAGEMENT CO.

MONTH	1 USED ON LEASE MCF	2 FLARED MCF	3 SALES MCF	4 TOTAL MCF	5 PRICE PER MCF	6 GROSS VALUE	7 ROYALTY DUE @ .0625	8 ROYALTY PAID	9 ADDITIONAL ROYALTY DUE	10 ACCUMULATED SHORTAGE	11 PENALTY DUE @ 1% PER MONTH	12	13
12/76			401	401	\$ 1.75 (*)	701.75	43.86	32.58	11.28	11.28	.11		
1/77	411	1178	9963	11552	✓	20216.00	1263.50	938.60	32490	336.18	336		
2/77	739		17210	17949	✓	31410.75	1963.17	1458.36	50481	840.99	841		
3/77	1315		14880	16195	✓	28341.25	1771.33	1315.84	45549	1296.48	1296		
4/77	1602		19338	20940	✓	36646.00	2290.31	1701.37	58894	1885.42	1885		
5/77	1271	3021	13190	17482	✓	30593.50	1912.09	1420.41	49168	2377.10	2377		
6/77	1258	738	9281	11277	✓	19734.75	1233.42	916.25	31717	2694.27	2694		
7/77	942	961	6258	8161	✓	14281.75	892.61	663.08	22953	2923.80	2924		
8/77	1040	640	8506	10186	✓	17825.50	1114.09	827.61	28648	3210.28	3210		
9/77	1299	2076	16079	19454	✓	34044.50	2127.78	1580.64	54714	3757.42	3757		
10/77	828	2190	12623	15641	✓	27371.75	1710.73	1270.83	43790	4197.32	4197		
11/77	1120	873	12405	14398	✓	25196.50	1574.78	1169.84	404.94	4602.26	4602		
12/77	1163	661	14091	15915	✓	27851.25	1740.70	1293.09	447.61	5049.87	5050		
1/78	967	583	10015	11565	2.033332	23515.48	1469.72	939.66	53006	5579.93	5580		
2/78	837	345	7137	8319	✓	16915.29	1057.21	675.92	38129	5961.22	5961		
3/78	643	1780	3714	6137	✓	12478.56	779.91	498.63	28128	6242.50	6243		
4/78	866	224	7578	8668	✓	17624.92	1101.56	704.27	39729	6639.79	6640		
5/78	810	318	6468	7596	✓	15445.19	965.32	617.17	34815	6987.94	6988		
6/78	700	867	4899	6466	✓	13147.52	821.72	525.36	29636	7284.30	7284		
	17811	16455	194036	228302		413341.21	25833.81	18549.51	7284.30		71876		
											1% PER MONTH PENALTY ON \$ 7284.30 COMPUTED FROM 9/78 - 10/78		
											14569		
											86445		
(*) CONTRACT PRICE \$1.75 EFFECTIVE 12-31-76 & \$2.033332 EFFECTIVE 1-1-78.													

LEASE:
M67636

BOLLINGER

COUNTY: REEVES

OPERATOR: SLEDGE OIL & GAS, INC.

Prepared By	Initials	Date
Approved By		

WRITE

MONTH	1 MCF USED ON LEASE	2 MCF USED OFF LEASE	3 TOTAL USED	4 GROSS VALUE @ 2.033332	5 ROYALTY DUE @ .0625	6 ROYALTY PAID (SLEDGE)	7 ADDITIONAL ROYALTY ON USED	8 SALES MCF	9 GROSS VALUE @ 2.033332	10 ROYALTY DUE @ .0625	11 ROYALTY PAID (HANKOVER)	12 ADDITIONAL ROYALTY ON SALE	13 TOTAL ADDITIONAL ROYALTY DUE
7/78	100	270	370	752.33	47.02	3006	1696	5107	10384.23	649.01	414.94	234.07	251.03
8/78	254	-0-	254	516.47	32.28	2063	1165	2562	5209.40	325.59	208.16	117.43	129.08
	354	270	624	1268.80	79.30	5069	2861	7669	15593.63	974.60	623.10	351.50	380.11
	ACCUMULATED PENALTY DUE SHORTAGE @ 1% PER MONTH												
	251.03				2.51								
	380.11				3.80								
					6.31								

(*) CONTRACT PRICE EFFECTIVE 1-1-78.

© WILSON JONES COMPANY U.S.A. • "COLUMN WRITE" G7613C PADDED WG7613C "WYRING" BOUND

Ken Regan (Delaware) Field Reeves County

M-74593

Arco - State Lease

Sledge Oil & Gas Inc. - Operator

Month	1 MCF USED ON LEASE	2 MCF USED OFF LEASE	3 TOTAL USED	4 * Gross Value at 2.033332	5 Royalty Due at .125	6 Royalty Paid by Sledge	7 Additional Royalty on Used	8 Sales MCF	9 Gross Value at 2.033332	10 Royalty Due at .125	11 Royalty Paid by Hanover	12 Additional Royalty on Sales	13 Total Additional Royalty Due	14
7/78	100	165	265	\$ 538.83	67.35	\$ 43.06	\$ 24.29	970	\$ 1972.33	\$ 246.54	\$ 157.62	\$ 88.92	\$ 113.21	1
8/78	126	0	126	256.20	32.02	20.47	11.55	708	1439.60	179.95	115.05	64.90	76.45	2
	226	165	391	\$ 795.03	99.37	\$ 63.53	\$ 35.84	1678	\$ 3411.93	\$ 426.49	\$ 272.67	\$ 153.82	\$ 189.66	3
														4
														5
														6
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														24
														25
														26
														27
														28
														29
														30

Accumulated Penalty Due
Shortage @ 19¢/Month
\$ 113.21 \$ 113
189.66 190
\$ 303

\$ 1231.74 Additional Royalty Due for 3/77 through 8/78
96.37 Total Penalty Due for period 3/77 through 8/78
\$ 1328.11 Total Amount Due for period 3/77 through 8/78

* Contract Price effective 11/1/78



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

November 9, 1978

Sledge Oil and Gas, Inc.
P. O. Box 1123
Kermit, Texas 79745

ATTENTION: ACCOUNTING MANAGER

RE: State Leases M-67636 and M-74593
Bollinger and Arco State Leases
Ken Regan (Delaware) Field
Reeves County, Texas

Gentlemen:

A recent audit of the captioned oil and gas leases indicates that since the inception of gas sales in December, 1976 for the Bollinger lease and March, 1977 for the Arco State Lease, the accounting concept of these leases has resulted in the underpayment of royalties to the State of Texas. Additional royalties are due in accordance with the attached schedules of deficiencies.

These royalty deficiencies are the result of a sales arrangement which, in effect, is tantamount to an unauthorized deduction for the gathering, treating, and transporting of the lease product. (See enclosed copy of letter dated March 7, 1975.) The gas from these leases is sold by the operator, Sledge Oil and Gas, Inc., to Hanover Gas Systems, Inc., who then sells it to Lo Vaca-Texas Utilities at a price which is enhanced by an amount which the parties have deemed to be the cost of gathering, treating, and transporting the gas. The State's royalty has heretofore been calculated on the price paid by Hanover Gas Systems, Inc. (\$1.30) rather than that paid by Lo Vaca-Texas Utilities. (\$1.75 and 2.033332.)

It is the position of this office that the resale to Lo Vaca - Texas Utilities is in substance the sale contemplated by the lease, and that the royalty to the State must be based on the price paid by Lo Vaca-Texas Utilities. To regard the initial sale from Sledge Oil and Gas, Inc. to Hanover Gas Systems, Inc. as the principal sale contemplated by the lease would in effect permit a gathering, treating and transporting deduction which is contrary to an expressed provision of the lease and to the deliberate policy of the School Land Board. The State's royalty

Sledge Oil and Gas, Inc.
November 9, 1978 - Page 2

must be paid on the full market value of the gas, and such price is not to be diminished by the deductions previously enumerated, but must be free of all costs as provided by paragraph one (1) of the Bollinger lease and paragraph 3b and 5 of the Arco State Lease. The gas contract prices as provided to this Department are \$1.75 effective December 31, 1976 and \$2.033332 effective January 1, 1978.

The General Land Office realizes that Sledge Oil and Gas, Inc. was not the operator during the majority of the period in question, but the General Land Office must look to the current operator who is responsible for the payment or to make arrangements for the payment of these deficiencies.

The attached schedules indicate a sum total due of \$9,886.90 which is to pay the \$7,682.17 additional royalty due for the Bollinger lease and \$1,231.74 additional royalty due for the Arco State Lease. Also included in this sum is a required statutory delinquency penalty of \$876.62 for the Bollinger lease and a delinquency penalty of \$96.37 for the Arco State lease. Please give this matter your immediate attention and remit your check for \$9,886.90

Sincerely yours,

George A. Clark, Supervisor
Resource Accounting
Telephone No. 512-475-2858
PEB/glc
Enclosures

(31)

M. F. 67636

CORRESPONDENCE FILE

To

Hedge Oil & Gas

From

Dated 11-9-78gc

ENERGY RESOURCES

Information Services Request Form

To: B.F. UNDERWOOD Room # _____
 From: PETE BRADY Room # _____
 Date: 11-16-78 Priority Yes ☐ No ☒

Nature of Information Requested Gas used on lease and gas produced

Name of Producer HANDOVER MANAGEMENT COMPANY (R)
 Railroad Commission District No. 8 County REEVES
 Lease Name BOLLINGER Field KEN REGAN (DELAWARE)
 Designated Oil or Gas Well OIL Mineral File # 67636
 Railroad Commission Lease No. or Well I.D. No. 23315
 Well Number 5 wells
 Month & Year of First Production 9/74 Last Production current
 Period for which Information is Requested 1/75 to 2/77

Check Applicable Blocks Below

- ☐ Crude Oil Production
- ☐ Crude Oil Runs
- ☐ Casinghead Gas Sales
- ☐ Gas Well Gas Production
- ☐ Gas Well Gas Sales
- ☐ Condensate Production
- ☐ Condensate Runs
- ☐ Scrubber Oil Charged Back
- ☐ Tank Cleaning Permit (ES-A)
- ☐ Allowable
- ☐ Plugging Report
- ☐ Copy of P-1 (Producers' Monthly Report of Oil Wells)
- ☐ Copy of P-2 (Producers' Monthly Report of Gas Wells)
- ☐ Copy of P-4 (Producers' Certificate of Compliance and Authorization)
- ☐ Copy of P-5 (Organization Report)
- ☐ Copy of W-1 (Application For Permit to Drill, Deepen, or Plug Back)
- ☐ Other _____

(*) SLUDGE OIL & GAS AS OF 7/78

Operator: Custer Oil Co.
 Old: Ken Regan (Delaware)
 Lease: Bollinger Leas #23315

Lu LLC

			1	2	3	4
			CH Gas Production mcz			
1	1 well	1/75	1886			
2	✓	2	1219			
3	✓	3	1443			
4	✓	4	1422			
5	✓	5	1692			
6	✓	6	1567			
7	✓	7	2224			
8	✓	8	1202			
9	✓	9	1532			
10	✓	10	1604			
11	✓	11	1670			
12	✓	12	2104			
13	2 wells	1/76	1957			
14	3 wells	2	2294			
15	✓	3	2509			
16	✓	4	2166			
17	✓	5	1915			
18	✓	6	1661			
19	✓	7	1710			
20	✓	8 *	2302			
21	✓	9	1977			
22	✓	10	2768			
23	✓	11	3161			
24	✓	12	1799	✓		
25	4 wells	1/77	11552	✓		
26	✓	2	17949	✓		
27	✓	3	16195	✓		
28	✓	4	20940	✓		
29	✓	5	17482	✓		
30	✓	6	11277	✓		
31	5 wells	7	8161	✓		
32						
33						
34						
35						
36						
37						
38						
39	* Operator change to Hanover Mgmt Co.					
40						
41						
42						
43						
44						

Reported OK

PRODUCER'S MONTHLY REPORT
OF GAS DISPOSITION

☒ Casinghead and Gas Lift Gas from Oil Wells
☐ Gas Well Gas from Gas Wells

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

CORRECTED
REPORT ☐

FORM P-1A & 2A
(Rev. 5-17-68)

Operator Hanover Management Company
Address 2001 Bryan Tower, Suite 1100, Dallas, TX 75201

Month JULY 19 77
Page Number 1

RAILROAD COMMISSION DISTRICT FIELD 1	Lease & Field Fuel Systems 2	Gas Lift 3	Repurchase and Pressure Maintenance 4	Transmission Lines 5	Processing Plant 6	Carbon Black 7	Under- ground Storage 8	vented or Flared 9	Field Separation Equipment Loss -- Gas Wells Only 10	TOTAL PRODUCTION 11
<u>DISTRICT 8</u> Ken Regan Field	V 1,756			8,380				1,959		12,095

See reverse side
for instructions --
Please read carefully

CERTIFICATE: I declare under penalties prescribed in Article 8035c, R. C. S., that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

Signature
Date 8-23-77

Lallie McGuire
Title

Lallie McGuire
Production Clerk

(38)

M-67636

RRC Information

11-17-78

PRODUCER'S MONTHLY REPORT
OF GAS DISPOSITION

☒ Casinghead and Gas Lift Gas from Oil Wells
☐ Gas Well Gas from Gas Wells

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

CORRECTED
REPORT ☐

FORM P-1A & 2A
(Rev. 9-19-68)

Operator Hanover Management Company

Address 2001 Bryan Tower, Suite 1100, Dallas, TX 75201

Month JUNE, 19 77

Page Number 1

RAILROAD COMMISSION DISTRICT FIELD 1	Lease & Field Fuel Systems 2	Gas Lift 3	Repurchase and Pressure Maintenance 4	Transmission Line 5	Processing Plant 6	Carbon Black 7	Under- ground Storage 8	Vented or Flared 9	Field Separation Extraction Loss -- Gas Wells Only 10	TOTAL PRODUCTION 11
<u>DISTRICT 8</u> Ken Regan Field	V 2,233			12,214				1,887		16,334

See reverse side
for instructions . .
Please read carefully

CERTIFICATE: I declare under penalties prescribed in Article 6036c, E. C. S., that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

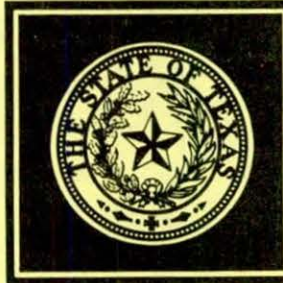
Signature Lallie McGuire Lallie McGuire
Date 6-18-77 Title Production Clerk

38

M-67636

RRC INFO.

11-12-78



General Land Office

AUSTIN, TEXAS 78701
BOB ARMSTRONG, COMMISSIONER

1-3-79
~~December 28, 1978~~

Sledge Oil and Gas, Inc.
P. O. Box 1123
Kermit, Texas 79745

SECOND REQUEST

ATTENTION: ACCOUNTING MANAGER

RE: State Leases M-67636 and M-74593
Bollinger and Arco State Leases
Ken Regan (Delaware) Field
Redves County, Texas

Gentlemen:

Enclosed is a copy of our letter to you dated **November 9, 1978** and as of this date we have not received a reply to this letter.

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

Your prompt attention to this matter is requested.

Sincerely yours,

George A. Clark, Supervisor
Resource Accounting
Telephone No 512-475-2858
Enclosure
PEB/glc

39

M. F. 67636

CORRESPONDENCE FILE

To

Sledge Oil & Gas

From

Dated 12-28-78



GENERAL LAND OFFICE LEASE NUMBER _____

Description of Area from which following production secured:

PART OR AREA	SECTION OR TRACT	BLOCK	GRANTEE	ACRES	COUNTY
--------------	------------------	-------	---------	-------	--------

Name of Operator _____ Name of Field _____
 Address _____ Name of Lease _____
 Report For _____ 19____

GAS REPORT

Gas is being produced from _____ Oil Well(s) and _____ Gas Well(s)

Processed Gas

Gas Processed By: _____ Meter No. _____
 G.P.M. _____ MCF to Processing Plant (State Standard) _____
 GASOLINE: State Royalty Settlement Value _____ \$ _____
 BUTANE - PROPANE: State Royalty Settlement Value _____ \$ _____

RESIDUE:

_____ M. C. F. sold by Plant and Credited to this Lease ... Value \$ _____
 _____ M. C. F. returned to lease and Sold ... Value _____
 _____ M. C. F. returned to lease and Used on Lease ... Value _____
 _____ M. C. F. returned to lease and Used off Lease ... Value _____
 _____ M. C. F. returned to lease and Flared ... Value _____
 _____ M. C. F. returned to lease and _____ Value _____
 _____ Total M. C. F. Residue Available _____ Total Residue Value _____
 _____ Total Royalty Value due Lease _____ \$ _____

Royalty: _____ % due State \$ _____

SULPHUR: Value due lease \$ _____ Royalty _____ % \$ _____ (2)

Non-Processed Gas

Sold: M. C. F. _____ Price/M. C. F. _____ ¢ Value \$ _____ Royalty \$ _____ (3)
 Used: M. C. F. _____ Price/M. C. F. _____ ¢ Value \$ _____ Royalty \$ _____ (4)
 Flared: M. C. F. _____ Price/M. C. F. _____ ¢ Value \$ _____ Royalty \$ _____ (5)

F.P.C. Suspended Rate Data

M. C. F. _____ SUSPENDED RATE _____ ¢ Value \$ _____ Royalty \$ _____ 13

REMARKS:

I certify that this is a true and correct statement of the production and disposition thereof for the period indicated.

By: _____
 Title: _____

Sworn and subscribed to before me the undersigned authority, on this _____ day
 of _____, 19____.

 Notary Public in and for

 County, State of _____

LAND OFFICE USE ONLY

RECEIVING STAMP

IMPORTANT: Be sure to give
 General Land Office Lease Num-
 ber above.

67636
M.F.
CORRESPONDENCE FILE
ACTION REQUEST

From
Dated 2-6-79
mpe

Mineral Accounting Legal Section

Routine Action Request

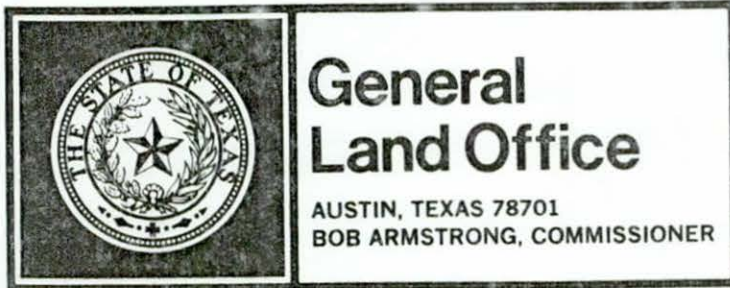
Date: 2-6-79 SLEDGE OIL & GAS
From: PETE BRADY M 47636 & 74593
REEVES CO.

Explanation of Problem: Have not paid
underpayment of \$8913.91 royalty oil
\$972.99 penalty. Total 9886.90.

Original letter sent 11/9/78
Follow-up sent 1-3-79

Final Disposition: 4-18-79
wrote Sledge & HG
MM

Returned to: _____ Date: _____



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

April 18, 1979

Sledge Oil and Gas
P. O. Box 1123
Kermit, Texas 79745

ATTENTION: ACCOUNTING MANAGER

RE: State Leases M-67636 & M-74593
Bollinger & Arco State Leases
Ken Regan (Delaware) Field
Reeves County, Texas

Gentlemen:

The above captioned oil and gas leases have been brought to my attention by our Accounting Division regarding underpayment of gas royalty totalling \$8913.91. Please refer to the enclosed copies of the letters and schedules previously sent to you in this matter.

To date we have received no response to our letters and these leases have been referred to the Legal Division for appropriate action.

As pointed out in our previous letters, the State's royalty must be paid on the gross value of the gas and oil without deductions. Accordingly please remit your check for \$9886.90 to pay the royalty due and the required statutory delinquency penalty.

Please note that failure to pay royalties timely and in full subjects the leases to forfeiture.

Your immediate attention to correct this royalty underpayment is requested to avoid forfeiture of the leases.

Yours truly,

Bob Armstrong

By: Max J. Werkenthin, Attorney
Energy Resources
Phone: 512 475-6749
Enclosures

48

M. F. 67636
CORRESPONDENCE FILE

To Sledge Club
From 4-18-79
Dated 4-18-79

*Info. copy of ltr.
dated 11-12-79
(UN-NUMBERED "A3-A" REFERENCE ON
M-67636 Index)*

IMPORTANT: RETAIN WHITE COPY AND
RETURN YELLOW COPY WITH
REQUESTED DOCUMENTS.

November 12, 1979

Sledge Oil & Gas, Inc.
P. O. Box 1123
Kermit, Texas 79745

ATTENTION: Mrs. Jo Sledge *B*

RE: State Leases M-31461, M-56068, M-67636, and M-74593
A. W. Norcop DX, Pierce, Bollinger, and Arco-State Leases
Ken Regan (Del) Field
Reeves County, Texas

Per Duke Martin and Billy Lancaster's letters of September 13, 1979 we reminded you these leases are not University Leases.

These production reports were incorrectly completed on Forms UT-1 and UT-2 and mailed to the University Lands Accounting Office.

We request you please resubmit August, 1979's production on General Land Office Forms MA-1 and MA-2.

Please mail August, 1979 reports and all future production reports on the subject lease to the General Land Office.

If you have any questions, please contact us.

Sincerely yours,

Paul R. Adkins, Unit Supervisor
Resource Accounting
Telephone No. 512-475-5679

PRA/lsg
Enclosures

67636 42

110 21

*Info copy of
ltr. dated 9-13-79
(#42 ON M-67636 INDEX)*

September 13, 1979

Sledge Oil & Gas, Inc.
P. O. Box 1123
Kermit, Texas 79745

ATTENTION: Jo Sledge

RE: State Leases M-31461, M-56068, M-67636 and M-74593
A. W. Norcop DX, Pierce, Bollinger and Arco State Leases
Ken Regan Delaware Field
Reeves County, Texas

Dear Mrs. Sledge:

Our records reveal your Oil and Condensate Reports for July, 1979 on the subject leases were submitted incorrectly. These reports were mailed to the University Lands Accounting Office. Please mail future reports to the General Land Office.

Sincerely yours,

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

BRL/lsg

43-A"
67636

TITLE NUMBER	LEASE DATED			RECORDED IN RECORDS OF							PERIOD		
	MO.	DAY	YR.	COUNTY OR PARISH	STATE	ENTRY NO.	BOOK	PAGE	TYPE RECORD	NO. MOS.	MO.	DAY	YR.
404768-000	10	17	72	REEVES	TEX		0315	0208	06G	12	10	17	79

LESSOR
EVELYN C. BOLINGER

LESSEE
JOHN L. MAY

DESCRIPTION AND FOR CREDIT OF	AMOUNT
1/2 SEC. 16, BLK. 56, T-3, T&P RR CO. SUR.	
STATE OF TEXAS LEASE NO. M-67636	
	32.00
	32.00

DUPLICATE
PLEASE RETAIN THIS COPY

PAYMENT MADE FOR (IF NOTHING IS SHOWN, PAYMENT IS SOLELY FOR GETTY OIL COMPANY)	INTEREST	AMOUNT
GETTY OIL COMPANY	.1666670	5.33
ALLIED CHEMICAL CORP.	.1666670	5.33
CHAMPLIN PETROLEUM COMPANY	.1666660	5.34
CUSTER OIL COMPANY	.5000000	16.00
	1.0000000	32.00

Getty Oil Company
HOUSTON, TEXAS

3088

27093

35-60
1130

PAY
TO THE
ORDER OF

27093

CHECK NO.

404768-000

TITLE NO.

9 5 79

MO. DAY YR.

PAY EXACTLY

\$ *****32.00

COMMISSIONER OF THE GENERAL
LAND OFFICE
STATE OF TEXAS
AUSTIN, TEXAS 78711

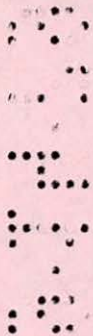
GETTY OIL COMPANY HAS THIS DAY PAID THE SUM SHOWN
ABOVE FOR CREDIT OF PERSONS NAMED ABOVE IN PAYMENT
OF RENTAL UNDER TERMS OF LEASE REFERRED TO ABOVE.

SIGN HERE _____

IF BANK BY _____ PRESIDENT-CASHIER

DATE CHECK
FIRST RECEIVED _____

(43) M-67636
Rental Payment
9-14-79



PROF.

IMPORTANT: RETAIN WHITE COPY AND
RETURN YELLOW COPY WITH
REQUESTED DOCUMENTS.

February 14, 1980

Sledge Oil & Gas, Inc.
P. O. Box 1123
Kermit, Texas 79745

ATTENTION: Accounting Manager

RE: State Lease M-67636
Bollinger Lease
Ken Regan (Del) Field
Reeves County, Texas

Gentlemen:

Examination of your account on the subject lease shows discrepancies in the amount of oil royalty reported and paid for the month of July, 1979. (See enclosed photocopies of Scurlock remittances and your MA-1 Reports.) It appears that Scurlock Oil Company is making a value adjustment for June, 1979. Please review the enclosed and at an early date, advise this office regarding these differences along with the necessary supporting documentation.

Sincerely yours,

Del West, Unit Supervisor
Resource Accounting
Telephone No. 512-475-4524

JB/lsg
Enclosure

44

M.F. 67636

CORRESPONDENCE FILE

To *Sledge Dill*
From *Geo*

Dated 2-14-80

February 13, 1980

George H. Lee, Jr.
P.O. Box 112
Smith, Texas 75786

ATTENTION: Accounting Dept.

Mr. Lee: Please advise me of the status of your account on the subject of the above mentioned matter. I have been waiting for your reply since the month of July, 1979. I have also received a letter from you dated August 1, 1979, but have not received a reply to it. Please advise me of the status of your account and of any other matters which may be of interest to me. I am sure that you will be able to provide me with the information I need.

Sincerely yours,

W. Lee, Jr., Vice President
George H. Lee, Jr.
P.O. Box 112
Smith, Texas 75786

TITLE NUMBER	LEASE DATED			RECORDED IN RECORDS OF									
	MO.	DAY	YR.	COUNTY OR PARISH	STATE	ENTRY NO.	BOOK	PAGE	TYPE RECORD	NO. MOS.	PERIOD BEGINNING		
404768-000	10	17	72	REEVES	TEX		0315	0208	06G	12	10	17	80
LESSOR EVELYN C. BOLINGER					LESSEE JOHN L. MAY								

DESCRIPTION AND FOR CREDIT OF	AMOUNT
1/2 SEC. 16, BLK. 56, T-3, T&P RR CO. SUR. STATE OF TEXAS LEASE NO. M-67636	32.00 32.00
DUPLICATE PLEASE RETAIN THIS COPY <i>Rec. mailed</i> 1834	

PAYMENT MADE FOR (IF NOTHING IS SHOWN, PAYMENT IS SOLELY FOR GETTY OIL COMPANY)	INTEREST	AMOUNT
GETTY OIL COMPANY	.1666670	5.33
ALLIED CHEMICAL CORP.	.1666670	5.33
CHAMPLIN PETROLEUM COMPANY	.1666660	5.34
CUSTER OIL COMPANY	.5000000	16.00
	1.0000000	32.00

Getty Oil Company
HOUSTON, TEXAS

46331 35-60
1130

PAY TO THE ORDER OF COMMISSIONER OF THE GENERAL LAND OFFICE STATE OF TEXAS AUSTIN, TEXAS 78711	CHECK NO.	TITLE NO.	MO.	DAY	YR.	PAY EXACTLY
	46331	404768-000	9	5	80	\$*****32.00

GETTY OIL COMPANY HAS THIS DAY PAID THE SUM SHOWN ABOVE FOR CREDIT OF PERSONS NAMED ABOVE IN PAYMENT OF RENTAL UNDER TERMS OF LEASE REFERRED TO ABOVE.

SIGN HERE _____

IF BANK BY _____ PRESIDENT-CASHIER

DATE CHECK FIRST RECEIVED _____

(45)

M-67636

Rental Payment

9-10-80



TITLE NUMBER	LEASE DATED			RECORDED IN RECORDS OF							PERIOD		
	MO.	DAY	YR.	COUNTY OR PARISH	STATE	ENTRY NO.	BOOK	PAGE	TYPE RECORD	NO. MOS.	MO.	DAY	YR.
404768-000	10	17	72	REEVES	TEX		0315	0208	0&G	12	10	17	81

LESSOR EVELYN C. BOLINGER	LESSEE JOHN L. MAY
------------------------------	-----------------------

DESCRIPTION AND FOR CREDIT OF	AMOUNT
1/2 SEC. 16, BLK. 56, T-3, T&P RR CO. SUR. STATE OF TEXAS LEASE NO. M-67636	32.00 32.00*

DUPLICATE
PLEASE RETAIN THIS COPY

PAYMENT MADE FOR (IF NOTHING IS SHOWN, PAYMENT IS SOLELY FOR GETTY OIL COMPANY)	INTEREST	AMOUNT
GETTY OIL COMPANY	.1666670	5.33
ALLIED CHEMICAL CORP.	.1666670	5.33
CHAMPLIN PETROLEUM COMPANY	.1666660	5.34
CUSTER OIL COMPANY	.5000000	16.00
	1.0000000	32.00*

1923

Getty Oil Company
HOUSTON, TEXAS

70309

35-60
1130

PAY
TO THE
ORDER OF

COMMISSIONER OF THE GENERAL
LAND OFFICE
STATE OF TEXAS
AUSTIN, TEXAS 78711

70309

CHECK NO.

404768-000

(TITLE NO.)

9

MO.

5

DAY

81

YR.

PAY EXACTLY

\$*****32.00

GETTY OIL COMPANY HAS THIS DAY PAID THE SUM SHOWN
ABOVE FOR CREDIT OF PERSONS NAMED ABOVE IN PAYMENT
OF RENTAL UNDER TERMS OF LEASE REFERRED TO ABOVE.

SIGN HERE _____

IF BANK BY _____
PRESIDENT-CASHIER

DATE CHECK _____
FIRST RECEIVED _____

THIS COPY MAY BE RETAINED BY
BANK OR SENT TO PERSONS TO BE CREDITED

(46) M-67636
Rental Payment
9-9-81



1001

RECEIVED
10-10-81



121

THE PERMIAN CORPORATION ✓

2000 POST OAK BOULEVARD 713/840-7530
P. O. BOX 1183 HOUSTON, TEXAS 77001

TWX: 910-881-1675
"OXYCHEM HOU #2"

September 24, 1981

Re: Lease No. 475527 - Sledge Oil & Gas, Inc. - Bollinger

Dear Interest Owner:

This is to advise that effective September 1, 1981, you will receive payment for your interest in the captioned lease directly from The Permian Corporation.

In this connection, we are enclosing The Permian Corporation's form of Division Order. If this instrument meets with your approval, please execute in accordance with the attached instructions and return to this office for further handling.

Thank you for your cooperation in this matter, if we can be of any further service, please advise.

Your very truly,

THE PERMIAN CORPORATION

Ruby Vincent
RV/lan
enclosure

INSTRUCTIONS TO ALL INTEREST OWNERS

Read Carefully Before Signing The Instrument

This instrument should not be altered in any way unless accompanied by documentary evidence to support the change.

If your name and interest are correctly shown:

Signature:

Sign name as shown on the instrument. Have your signature witnessed by at least one person not related to the party signing.

If signing for a corporation, signature must be attested, corporate seal affixed, and title of signatory party shown. If not previously furnished, a certified copy of authority of executing officer must be submitted.

If signed for a partnership, all partners must sign unless signed by an authorized partner and we are furnished a certified copy of his authority.

**Signature by
Second Party:**

If the instrument is signed by agent, attorney-in-fact, guardian, estate representative, trustee or any party other than the named interest owner, we must have evidence of the rights vested in the signatory party.

**Taxpayers Identification
Number or Social
Security Number:**

Insert your number in the space provided.

Mailing Address:

Indicate, in the space provided, the address to which checks are to be mailed. Print or type. Do not abbreviate. If you are already receiving checks from this company, be sure to use the same address to which we are now mailing checks.

Lease Number:

On the third line of the instrument you will find the number assigned to this lease. This number will appear on the statement attached to your check and should always be used when corresponding with this company.

Change of Address:

You should notify us promptly of any change in your mailing address. This notice must be over your own signature, or the signature of your appointed agent. Always include your Owner Number (which appears on your check from this company) and your old address, then state your new address with zip code.

RETURN THE EXECUTED INSTRUMENT WITHOUT DELAY TO THE ADDRESS BELOW. KEEP ONE COPY FOR YOUR RECORDS.

The Permian Corporation
Attention: Division Order Department
P.O. Box 1183
Houston, Texas 77001

THE PERMIAN CORPORATION

DIVISION ORDER

Lease No. 475527

September 24, 1981

TO THE PERMIAN CORPORATION, P. O. BOX 1481, HOUSTON, TEXAS 77001

The undersigned, and each of us, certify and warrant 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 _____

Sledge Oil & Gas, Inc. - Bollinger

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

W/2 of Section 16, Abstract 5314, Block 56, T-3, Reeves County, Texas;

LIMITED from the surface of the ground to a depth of 3,550 feet only

and commencing at 7 A.M., the 1st day of September, 1981, 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>		
Alton R. Foster, Jr.	.0208333 R.I.	GENERAL LAND OFFICE STEPHEN F. AUSTIN BUILDING 1700 NORTH CONGRESS AVENUE AUSTIN, TEXAS 78701 TAX I.D. #74-6000-108
B. Leroy Foster	.0208333 R.I.	
James B. Foster	.0208334 R.I.	
Commissioner General Land Office State of Texas	.0625000 R.I.	
<u>OVERRIDING ROYALTY INTEREST</u>		
J. D. Chandler	.0312500 O.R.I.	
John Douglas May	.0078125 O.R.I.	
John L. May	.0156250 O.R.I.	
Judith Ann May	.0078125 O.R.I.	
<u>WORKING INTEREST</u>		
Carlson Petroleum	.1625000 W.I.	
Thomas C. Carlson	.0406250 W.I.	
Cochran Co.	.0761720 W.I.	
Custer Oil Co.	.2666010 W.I.	
Hawn Brothers	.1523440 W.I.	
F. B. Rooke & Sons	.0761720 W.I.	
Marcell Sledge	.0380860 W.I.	

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.

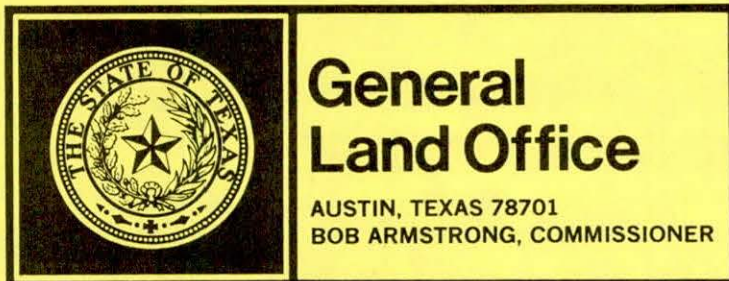
IN ACCORDANCE WITH FEDERAL LAW, PLEASE INDICIATE YOUR SOCIAL SECURITY OR IDENTIFICATION NUMBER BELOW:

WITNESS OF SIGNATURES

OWNERS SIGN BELOW



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



October 26, 1981

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

Attention: Division Order Dept.

RE: ~~State Lease~~ M-67636
Sledge Oil & Gas, Inc. - Bollinger
W/2 of Sec. 16, Abst. 5314, Blk. 56, T-3
Reeves County, Texas
011 DO #475527

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 Division to execute your division order and thereby attempt to bind the State by the provisions contained therein.

This Division, 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.

Very truly yours,

Max J. Werkenthin, Attorney

Energy Resources
Phone: 512-475-6749
Enclosure

47

M.F. 67636

CORRESPONDENCE FILE

To Division Order

From

Dated 10-26-81

General
Office



Getty Oil Company
Property Control
Post Office Box 3000
Tulsa, Oklahoma 74102



Getty Oil Company ✓

TW 1725

THIS CHECK IS IN PAYMENT OF RENT DUE TO THE PARTY OR PARTIES UNDER LEASE DESCRIBED BELOW.

Houston ✓

121

LEASE RENTAL CHECK

00356

TITLE NUMBER	LEASE DATED			COUNTY OR PARISH	STATE	ENTRY NO.	BOOK	PAGE	TYPE RECORD	NO. MOS.	PERIOD BEGINNING		
	MO.	DAY	YR.								MO.	DAY	YR.
404768-000	10	17	72	REEVES	TEX		0315	0208	O&G	12	10	17	82
LESSOR EVELYN C. BOLINGER						LESSEE JOHN L. MAY							

DESCRIPTION AND FOR CREDIT OF

W/2 SEC. 16, BLK. 56, T-3, T&P RR CO. SUR.

STATE OF TEXAS LEASE NO. M-67636

32.00
X 32.00*

05127

PAYMENT MADE FOR (IF NOTHING IS SHOWN, PAYMENT IS SOLELY FOR GETTY OIL COMPANY)

GETTY OIL COMPANY
ALLIED CHEMICAL CORP
CHAMPLIN PETROLEUM COMPANY
SLEDGE OIL & GAS, INC.

INTEREST	AMOUNT
.1666670	5.33
.1666670	5.33
.1666660	5.34
.5000000	16.00
1.0000000	32.00*

00356

TITLE NUMBER	LEASE DATED			RECORDED IN RECORDS OF								PERIOD		
	MO.	DAY	YR.	COUNTY OR PARISH	STATE	ENTRY NO.	BOOK	PAGE	TYPE RECORD	NO. MOS.		MO.	DAY	YR.
404768-000	10	17	72	REEVES	TEX		0315	0208	0&G	12		10	17	82

SSOR

EVELYN C. BOLINGER

LESSEE

JOHN L. MAY

SCRIPTION AND FOR CREDIT OF

72 SEC. 16, BLK. 56, T-3, T&P RR CO. SUR.

T&P OF TEXAS LEASE NO. M-67636

AMOUNT

32.00

32.00

05127

DUPLICATE
PLEASE RETAIN THIS COPY

YMENT MADE FOR (IF NOTHING IS SHOWN, PAYMENT IS SOLELY FOR GETTY OIL COMPANY)

INTEREST

AMOUNT

GETTY OIL COMPANY
ALLIED CHEMICAL CORP
CHAMPLIN PETROLEUM COMPANY
SLEDGE OIL & GAS, INC.

.1666670 5.33
.1666670 5.33
.1666660 5.34
.5000000 16.00
1.0000000 32.00

Getty Oil Company

TULSA, OKLAHOMA

00356

35-60
1130

PAY
TO THE
ORDER OF

356
CHECK NO.

404768-000
(TITLE NO.)

9 5 82
MO. DAY YR.

PAY EXACTLY

\$*****32.00

COMMISSIONER OF THE GENERAL
LAND OFFICE
STATE OF TEXAS
AUSTIN, TEXAS 78711

GETTY OIL COMPANY HAS THIS DAY PAID THE SUM SHOWN
ABOVE FOR CREDIT OF PERSONS NAMED ABOVE IN PAYMENT
OF RENTAL UNDER TERMS OF LEASE REFERRED TO ABOVE.

SIGN HERE _____

IF BANK BY _____
PRESIDENT-CASHIER

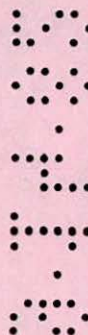
DATE CHECK _____
FIRST RECEIVED _____

THIS COPY MAY BE RETAINED BY
BANK OR SENT TO PERSONS TO BE CREDITED

(49) M-67636

Rental Payment

9-14-82



M-67636 Bollinger Lease, Ken Regan (Del)

month	Price	Used Volume	Used Value	used Royalty Due	used Royalty Paid	additional Roy. Due - used	Sales Volume	Sales Value	Sales Royalty Due	Sales Royalty Paid	additional Roy. Due - Sales	accumulated shortage - total	Penalty @ 1% per month
3-79	1.70	831	1412.70	88.29	67.52	20.77	5046	8578.20	536.14	536.14	-0-	20.77	21
4-79	✓	700	1190.00	74.38	56.88	17.50	3499	5948.30	371.77	371.77	-0-	38.27	38
5-79	✓	547	929.90	58.12	75.62	<17.50>	3185	5414.50	338.41	338.41	-0-	20.77	21
6-79	✓	100	170.00	10.63	10.63	-0- *	1878	3192.60	199.54	-0-	199.54	220.31	220
7-79	✓	376	639.20	39.95	34.78	5.17	1621	2755.70	172.23	164.60	7.63	233.11	233
8-79	✓	569	967.30	60.46	52.63	7.83	2379	4044.30	252.77	220.06	32.71	273.65	274
9-79	✓	655	1113.50	69.59	60.59	9.00	3234	5497.80	343.61	299.14	44.47	327.12	327
10-79	✓	586	996.20	62.26	54.21	8.05	2649	4503.30	281.46	245.03	36.43	371.60	372
11-79	✓	576	979.20	61.20	53.28	7.92	2270	3859.00	241.19	209.97	31.22	410.74	411
12-79	✓	616	1047.20	65.45	56.98	8.47	2314	3933.80	245.86	214.04	31.82	451.03	451
1-80	1.884	463	872.29	54.52	47.00	7.52	1246	2347.46	146.72	126.47	20.25	478.80	479
2-80	✓	393	740.41	46.28	39.88	6.40	742	1397.93	87.37	75.31	12.06	497.26	497
3-80	✓	600	1130.40	70.65	60.90	9.75	2539	4783.48	298.97	257.71	41.26	548.27	548
4-80	✓	485	913.74	57.11	49.22	7.89	1859	3562.36	218.90	188.69	30.21	586.37	586
5-80	✓	552	1039.97	65.00	56.02	8.98	2130	4012.92	250.81	216.19	34.62	629.97	630
6-80	✓	540	1017.36	63.59	54.81	8.78	1949	3671.92	229.50	197.82	31.68	670.43	670
7-80	✓	522	983.45	61.47	52.99	8.48	1841	3468.44	216.78	186.86	29.92	708.83	709
8-80	✓	429	808.24	50.52	43.54	6.98	1749	3295.12	205.95	177.52	28.43	744.24	744
9-80	✓	604	1137.94	71.12	61.83	9.29	2461	4636.52	289.78	252.65	37.13	790.66	791
10-80	✓	667	1256.63	78.54	68.28	10.26	2545	4794.78	299.67	260.55	39.12	840.04	840
11-80	✓	572	1077.65	67.35	58.55	8.80	1709	3219.76	201.24	174.95	26.29	875.13	875
12-80	✓	511	962.72	60.17	52.31	7.86	1688	3180.19	198.76	172.81	25.95	908.94	909
				1336.65	1168.45	168.20			5627.43	4886.69	740.74		1064.6

* - no sales 6-79.
1878 mcf rented
or flared

1% per month penalty on \$908.94
calculated from March, 1981 thru
Oct., 1982
Total Penalty Due

181.79
288.25

M. 67636 Bollinger Lease, New Regan (Del)

	Month	additional Royalty Due	Penalty 1% Per Month	accumulated Shortage Total	
1	3/79	2077	21	2098	1
2	4/79	-	21	2119	2
3	5/79	-	21	2140	3
4	6/79 Vented FLARE	19954	221	22315	4
5	7/79	-	223	22538	5
6	8/79	-	225	22763	6
7	9/79	-	228	22991	7
8	10/79	-	230	23221	8
9	11/79	-	232	23453	9
10	12/79	-	235	23688	10
11	1/80	-	237	23925	11
12	2/80	-	239	24164	12
13	3/80	-	242	24406	13
14	4/80	-	244	24650	14
15	5/80	-	247	24897	15
16	6/80	-	249	25146	16
17	7/80	-	251	25397	17
18	8/80	-	254	25651	18
19	9/80	-	257	25908	19
20	10/80	-	259	26167	20
21	11/80	-	262	26429	21
22	12/80	-	264	26693	22
23		22031	4662		23
24					24
25					25
26					26
27					27
28					28
29					29
30					30
31					31
32					32
33					33
34					34
35					35
36					36
37					37
38					38
39					39
40					40

1% per month penalty on 266.93 calculated from March, 1981 thru Oct. 1982 = \$53.40

additional Royalty 22031
penalty 3/79 thru 12/80 4662
penalty 3/81 thru 10/82 5340
TOTAL DUE 32633 ✓

48323

* figures calculated on the price Sledge Oil & Gas was paid

M-67636 Bollinger Lease, Ken Regan (Del)

Prepared By: JID 11-29

Penalty - 24 + Royalty due from Sledge oil & Gas @ 1.70 + 1.884

month	Price	Used Volume	Used Value	used Royalty Due	used Royalty Paid	additional Roy. Due - used	Sales Volume	Sales Value	Sales Royalty Due	Sales Royalty Paid	additional Roy. Due - Sales	accumulated shortage total	Penalty @ 1% per month
1.30 3-79	1.70	831	1412.70	88.29	67.52	20.77	5046	8578.20	536.14	536.14	-0-	20.77	21
1.30 4-79	1.70	700	1190.00	74.38	56.88	17.50	3499	5948.30	371.77	371.77	-0-	38.27	38
1.70 5-79	1.70	547	929.90	58.12	75.62	(17.50)	3185	5414.50	338.41	338.41	-0-	20.77	21
1.70 6-79	1.70	100	170.00	10.63	10.63	-8.27	1878	3192.60	199.54	-0-	199.54	220.31	220
1.48 7-79	1.48	376	639.20	39.95	34.78	5.17	1621	2755.70	172.23	164.60	7.63	225.48	233
1.48 8-79	1.48	569	967.30	60.46	52.63	7.83	2379	4044.30	252.77	220.06	32.71	233.31	233
1.48 9-79	1.48	655	1113.50	69.59	60.59	9.00	3234	5497.80	343.61	299.14	44.47	244.31	242
1.48 10-79	1.48	586	996.20	62.26	54.21	8.05	2649	4503.30	281.46	245.03	36.43	250.36	250
1.48 11-79	1.48	576	979.20	61.20	53.28	7.92	2270	3859.00	241.19	209.97	31.22	259.28	258
1.48 12-79	1.48	616	1047.20	65.45	56.98	8.47	2314	3933.80	245.86	214.04	31.82	266.25	267
1.624 1-80	1.624	463	872.29	54.52	47.00	7.52	1246	2347.46	146.72	126.47	20.25	274.27	274
1.624 2-80	1.624	393	740.41	46.28	39.88	6.40	742	1397.93	87.37	75.31	12.06	280.67	281
1.624 3-80	1.624	600	1130.40	70.65	60.70	9.95	2539	4783.48	298.97	257.71	41.26	299.42	299
1.624 4-80	1.624	485	913.74	57.11	49.22	7.89	1859	3562.36	218.90	188.69	30.21	299.31	298
1.624 5-80	1.624	552	1039.97	65.00	56.02	8.98	2130	4012.92	250.81	216.19	34.62	309.29	309
1.624 6-80	1.624	540	1017.36	63.59	54.81	8.78	1949	3671.92	229.50	197.82	31.68	316.07	316
1.624 7-80	1.624	522	983.45	61.47	52.99	8.48	1841	3468.44	216.78	186.86	29.92	324.55	325
1.624 8-80	1.624	429	808.24	50.52	43.54	6.98	1749	3295.12	205.95	177.52	28.43	331.53	332
1.638 9-80	1.638	604	1137.94	71.12	61.83	9.29	2461	4636.52	289.78	252.65	37.13	340.82	341
1.638 10-80	1.638	667	1256.63	78.54	68.28	10.26	2545	4794.78	299.67	260.55	39.12	351.08	351
1.638 11-80	1.638	572	1077.65	67.35	58.55	8.80	1709	3219.76	201.24	174.95	26.29	359.88	360
1.638 12-80	1.638	511	962.72	60.17	52.31	7.86	1688	3180.19	198.76	172.81	25.95	362.74	362
				336.65	116.845	168.20			562.743	488.669	74.074		561.8

* - no sales 6-79.
1878 mcy vented
or flared

* See attached schedule:
payment made on ck# 3990
Calculated on amount of
payment received.

* 367.74 additional Royalty due @ 1.70 + 1.884
561.8 penalty due March 79 thru Dec 80
7360 penalty due March 81 thru Oct 82
497.52 TOTAL Due From Sledge oil & Gas
@ 1.70 and 1.884
170 per month penalty on \$90894
calculated from March, 1981 thru
Oct, 1982
Total Penalty Due

181.79

288.25



General Land Office

AUSTIN, TEXAS 78701
BOB ARMSTRONG, COMMISSIONER

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

November 30, 1982

Sledge Oil and Gas Company
Star Route Box 1123
Kermit, Texas 79745

ATTENTION: ACCOUNTING MANAGER

RE: State Lease M-67636
Bollinger Lease
Ken Reagan (Del.) Field
Reeves County, Texas

Gentlemen:

Examination of your Gas Reports (Form MA-2), Hanover Gas Systems, Inc.'s gas purchase statements, and both Sledge's and Hanover's royalty payments received for the subject lease indicates for the period March, 1979 through December, 1980, gas royalty has been underpaid \$908.94. (See attached schedule.)

This shortage is the result of gas royalty payments not reflecting the terms of the Gas Purchase Contract between Sledge and Hanover, and the second sale contract between Hanover and LoVaca and Texas Utilities. The records in this office indicate that gas pricing should be as follows: Hanover will pay Sledge \$1.30 per MCF until Hanover is able to recover its investment in the gathering system. After payout, Hanover will pay Sledge 145/175 (82.857%) of the second sale price to LoVaca and Texas Utilities. Starting January 1, 1981, Hanover will pay Sledge 105/175 (60%) of the second sale price. The second sale prices are as follows:

January 1, 1978 - December 31, 1978	\$2.033332
January 1, 1979 - December 31, 1979	\$2.056
January 1, 1980 - December 31, 1980	\$2.274
January 1, 1981 - December 31, 1981	\$2.614
January 1, 1982 - December 31, 1982	\$2.940

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 or make arrangement for payment of \$1197.19 which includes \$908.94 additional royalty and the required statutory delinquency penalty of

Sledge Oil and Gas Company
November 30, 1982 - Page 2

\$288.25 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 May, 1979 through October, 1982.

Sincerely yours,

Billy Lancaster, Administrative Supervisor
Resource Accounting
Telephone No. 512-475-2858
JJD/hlm
Enclosure

cc: Hanover Gas Systems, Inc.
2001 Bryan Tower
Suite 1100
Dallas, Texas 75201

30

M. F. 62636

CORRESPONDENCE FILE

To

Sledge Oil & Gas

From

Dated 11-30-82

MEMORANDUM

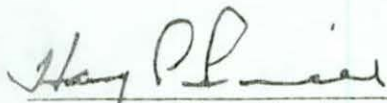
TO: Lanvil Gilbert
FROM: Harry T. Finnell
DATE: March 31, 1978
SUBJECT: Deductions for Compression, Dehydration and Treating
(GLO Contract No. 1001)

Hanover Management is the operator of Lease M-67636 and 74593, Jack May operating is the operator of Lease M-43061. Both sell to Hanover Gas Systems, Incorporated who are deducting 45¢/MCF until it has received an amount equal to its investment in the Gathering System. Thereafter, they will pay 145/175 of the Contract Price to Lo Vaca and Texas Utilities. Paragraph 7c and d of the attached letter dated October 11, 1976 applies to leases M-43061, 67636 and 74593.

The Contract between Hanover Gas Systems and Lo Vaca - Texas Utilities specifies a price of \$1.75 effective December 31, 1976 and \$2.033332 effective January 1, 1978. They paid \$1.30/MCF through December 1977.

Hanover Management and Hanover Gas Systems have the same address.

Please advise me and George Clark of action taken.


Harry T. Finnell, Supervisor
Resource Accounting
Phone: 512 475-4541
HF/lg
Enclosure

cc: George Clark

lt sent 11-6-78 in regard to additional royalty due.

MEMORANDUM

TO: M-31461, M-43061, M-67636, M-74533
FROM: L. Gilbert

DATE: Dec. 21, 1982

SUBJECT: Gathering System - Hanover Gas System
Ken Regan Field -

On March 23, 1979, Mr. Walter Reahey, Attorney with Stullman, McRae & al (Austin Office) submitted documentary proof that the operators within the Ken Regan Field Gas System had no gas gathering system within the field until 1976, and that they accepted the most favorable of 3 offers to install a system. Had they not accepted the most favorable offer of the 3 (Hanover), there would have been no facilities for gathering. Under the most favorable offer available, the operators sold to Hanover, who in turn sold to Dallas - Texas Utilities at a price which was enhanced by gathering cost.

Having reviewed the material, I agree that the operators accepted their most favorable option [after due diligence in soliciting three offers] and that the first sale (from the operators to Hanover) is the sale upon which we should receive our royalty, and that the producers are receiving market value from Hanover and that the operators are paying the proper royalty if paying the State's prescribed royalty on the price received from Hanover. For royalty calculation, we should disregard the second sale from Hanover to FOVaca -

This involves at least the following parties: Jack May, Hanover firm, Austin oil, Dodge Oil & Gas, & Donald Mc Oliver, & Thomas C. Carlson.

David Hueston, GLO, Attorney

M 67636

Memo

File Dated 12-21-82

Bob Armstrong, Commissioner, 9

HANOVER GAS SYSTEMS, INC.

2001 BRYAN TOWER, SUITE 1100

DALLAS, TEXAS 75201

(214) 742-1681

December 13, 1982

Bill

121
file

Glo 1001

General Land Office
Resource Accounting
Austin, Texas 78701

m-67636

Glo 1001

Attn: Jeff Dusenbury

Re: Amendment On Bollinger Lease
Reeves County, Texas

Gentlemen:

Pursuant to your request, Hanover Gas Systems is sending a copy of the 1/7/79 amendment which changed the price paid for gas. All Sellers signed this same amendment.

Very truly yours,

HANOVER GAS SYSTEMS



Robert W. Jack
Resident Counsel

RWJ:lm
Encl.



(53)

M. F. 67636

CORRESPONDENCE FILE

TO

Hanover Gas Sup.

FROM

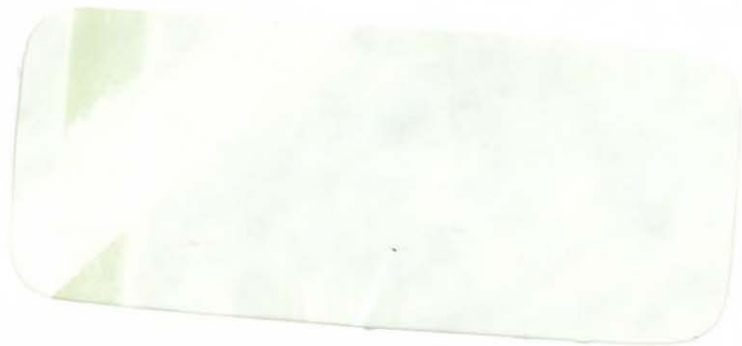
DATED *12-13-82*

HANOVER GAS SUPPLY CO. INC.
2000 W. 10TH AVE. S.W.
MINNEAPOLIS, MN 55420
TEL: 621-1111

12.13.82



Getty Oil Company
Property Control
Post Office Box 3000
Tulsa, Oklahoma 74102



007326

TITLE NUMBER	LEASE DATED			RECORDED IN RECORDS OF								PERIOD		
	MO.	DAY	YR.	COUNTY OR PARISH	STATE	ENTRY NO.	BOOK	PAGE	TYPE RECORD	NO. MOS.		MO.	DAY	YR.

404768-000	10	17	72	REEVES	TEX		0315	0208	0&G	12		10	17	83
------------	----	----	----	--------	-----	--	------	------	-----	----	--	----	----	----

SSOR

LESSEE

EVELYN C. BOLINGER

JOHN L. MAY

SCRIPTION AND FOR CREDIT OF

AMOUNT

1/2 SEC. 16, BLK. 56, T-3, T&P RR CO. SUR.

STATE OF TEXAS LEASE NO. M-67636

32.00

32.00

DUPLICATE
PLEASE RETAIN THIS COPY

02305

YMENT MADE FOR (IF NOTHING IS SHOWN, PAYMENT IS SOLELY FOR GETTY OIL COMPANY)

INTEREST

AMOUNT

GETTY OIL COMPANY
ALLIED CHEMICAL CORP
CHAMPLIN PETROLEUM COMPANY
SLUDGE OIL & GAS, INC.

1666670	5.33
1666670	5.33
1666660	5.34
5000000	16.00
1.0000000	32.00

Getty Oil Company

TULSA, OKLAHOMA

07326

35-60
1130PAY
TO THE
ORDER OF

PAY EXACTLY

\$ *****32.00

7326

CHECK NO.

404768-000

TITLE NO.

9 5 83

MO. DAY YR.

COMMISSIONER OF THE GENERAL
LAND OFFICE
STATE OF TEXAS
AUSTIN, TEXAS 78711

GETTY OIL COMPANY HAS THIS DAY PAID THE SUM SHOWN
ABOVE FOR CREDIT OF PERSONS NAMED ABOVE IN PAYMENT
OF RENTAL UNDER TERMS OF LEASE REFERRED TO ABOVE.

SIGN HERE _____

IF BANK BY _____

PRESIDENT-CASHIER

DATE CHECK
FIRST RECEIVED _____

THIS COPY MAY BE RETAINED BY
BANK OR SENT TO PERSONS TO BE CREDITED

54 11-67636

RENTAL PAYMENT

9-8-83

05302

05302



Initials	Date
Prepared By DGD	5/1/84
Approved By	

Ken Regan (Delaware) Field STATE LEASE M-67636 OPERATOR
 Bollinger lease Sledge Oil & Gas, Inc

	1	2	3	4	5	6		
COLUMN WRITE IN	MONTH	MCF	GROSS VALUE	ROYALTY DUE	ROYALTY PAID	ADDITIONAL ROYALTY DUE	NO. DAYS LATE	PENALTY DUE AT 1% PER 30 DAY PERIOD
1	3/83	80 (used)	15595	975	975	-0-		
2		1762 (Sales)	343484	21467	12720	8747	352	1050
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
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27								
28								
29								
30								
31								
32								
33								
34								
35								
36								
37								

TOTAL: 8747 1050

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

May 1, 1984

Sledge Oil and Gas, Inc.
Star Route West Highway 302
Kermit, TX 79745

ATTENTION: MARJORIE JAMISON

RE: State Lease M-67636
Bollinger Lease
Ken Regan (Delaware) Field
Reeves County, Texas

Gentlemen:

Examination of your Gas Report (Form MA-2), Hanover Gas Systems gas purchase statement, and Carlson Petroleum Company royalty payment received for the subject lease indicates for March, 1983, gas royalty has been underpaid \$87.47. (See attached schedule.)

This underpayment is a result of incorrect gas pricing. (See enclosed photocopy of MA-2 and statement).

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 or make arrangement for payment of \$97.97 which includes \$87.47 additional royalty and the required statutory delinquency penalty of \$10.50 as provided by Sec. 52.131, Texas Natural Resources Code. Penalty is calculated at the rate of 1% for each 30 day period of delinquency, or fractional period thereof; provided, however, that each such penalty shall never be less than Five Dollars (\$5).

Sincerely yours,

Charles Whitsel, Gas Supervisor
Resource Accounting
Telephone No. 512-475-2858

DGD/jrf
Enclosure

W.F. # 67636

CORRESPONDENCE FILE

TO Sledge, Oil & Gas, Inc.

FROM _____

DATED 5-1-84

INDEX # 55

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

IMPORTANT:

SECOND REQUEST

June 4, 1984

Sledge Oil and Gas, Inc.
Star Route West Highway 302
Kermit, TX 79745

ATTENTION: MS. MARJORIE JAMISON

RE: State Lease M-67636
Bollinger Lease
Ken Regan (Delaware) Field
Reeves County, Texas

Gentlemen:

Enclosed is a copy of our letter to you dated May 1, 1984 and as of this date we have not received a reply to this letter.

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

Your prompt attention to this matter is requested.

Sincerely yours,

Charles Whitsel, Gas Supervisor
Resource Accounting
Telephone No. 512-475-2858

DGD/jrf
Enclosure

M.F. # 67636
CORRESPONDENCE FILE
TO Sledge O&G, Inc.
FROM _____
DATED 6-4-84
INDEX # 59

SECOND REQUEST

121

HANOVER GAS SYSTEMS, INC.

June 11, 1984

Charles Whitsel, Gas Supervisor
Resource Accounting
General Land Office
Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701

RE: Your letter dated 5/1/84
To Sledge Oil and Gas, Inc.
Kermit, Texas 79745

Dear Mr. Whitsel,

Attached please find Production Report for the month of March, 1983, today amended by this office to reflect true production for this reporting month. The original Production Report sent by me to Sledge Oil and Gas Company on April 15, 1983, was in error.

I apologize for the inconvenience that this has caused your office. Since we are now computerized, an error such as this should not occur again.

Yours very truly,

Sally Hess

Sally Hess
Production Department
HANOVER GAS SYSTEMS, INC.

encl

(57)

M-67636

Lt. Gen. Harover Gas Systems

6-11-84

DD

07067



Getty Oil Company
Property Control
Post Office Box 3000
Tulsa, Oklahoma 74102



Getty Oil Company

TW 1725



THE AMOUNT OF THIS CHECK IS IN PAYMENT DUE PARTY OR PARTIES UNDER LEASE DESCRIBED BELOW

LEASE RENTAL CHECK

TITLE NUMBER	LEASE DATED			COUNTY OR PARISH	RECORDED IN RECORDS OF							PERIOD		
	MO.	DAY	YR.		STATE	ENTRY NO.	BOOK	PAGE	TYPE RECORD	NO. MOS.	BEGINNING	ENDING		
404768-000	10	17	72	REEVES	TEX		0315	0208	O&G	12	10	17	84	
LESSOR EVELYN C. HULINGER					LESSEE JOHN L. MAY									

DESCRIPTION AND FOR CREDIT OF

W/2 SEC. 16, BLK. 55, T-3, T&P RR CO. SUR.
STATE OF TEXAS LEASE NO. M-67636

12/12

32.00
32.00*
02705

PAYMENT MADE FOR (IF NOTHING IS SHOWN, PAYMENT IS SOLELY FOR GETTY OIL COMPANY)	INTEREST	AMOUNT
GETTY OIL COMPANY	.1666670	5.33
ALLIED CHEMICAL CORP	.1666670	5.33
CHAMPLIN PETROLEUM COMPANY	.1666660	5.34
SLUDGE OIL & GAS, INC.	.5000000	16.00
	1.0000000	32.00*

DETACH HERE

TITLE NUMBER	LEASE DATED			RECORDED IN RECORDS OF								PERIOD		
	MO.	DAY	YR.	COUNTY OR PARISH	STATE	ENTRY NO.	BOOK	PAGE	TYPE RECORD	NO MOS.		MO.	DAY	YR.
404768-000	10	17	72	REEVES	TEX		0315	0208	086	12		10	17	84

LESSOR

VELYN C. BOLINGER

LESSEE

JOHN L. MAY

DESCRIPTION AND FOR CREDIT OF	AMOUNT
SEC. 16, BLK. 56, T-3, T&P RR CO. SUR.	
DATE OF TEXAS LEASE NO. M-67636	32.00
	32.00
	02705

DUPLICATE
PLEASE RETAIN THIS COPY

PAYMENT MADE FOR (IF NOTHING IS SHOWN, PAYMENT IS SOLELY FOR GETTY OIL COMPANY)	INTEREST	AMOUNT
GETTY OIL COMPANY	.1666670	5.33
ALLIED CHEMICAL CORP	.1666670	5.33
CHAMPLIN PETROLEUM COMPANY	.1666660	5.34
SLEDGE OIL & GAS, INC.	.5000000	16.00
	1.0000000	32.00

Getty Oil Company
TULSA, OKLAHOMA

13783 35-60
1130

PAY TO THE ORDER OF

CHECK NO. 13783

(TITLE NO. 404768-000)

MO. 9 DAY 5 YR. 84

PAY EXACTLY \$ *****32.00

COMMISSIONER OF THE GENERAL
LAND OFFICE
STATE OF TEXAS
AUSTIN, TEXAS 78711

GETTY OIL COMPANY HAS THIS DAY PAID THE SUM SHOWN
ABOVE FOR CREDIT OF PERSONS NAMED ABOVE IN PAYMENT
OF RENTAL UNDER TERMS OF LEASE REFERRED TO ABOVE.

SIGN HERE _____

IF BANK BY _____
PRESIDENT-CASHIER

DATE CHECK
FIRST RECEIVED _____

(58) M-67636

Rental Payment

9-8-84

Texaco Producing Inc. *✓*
TW 1725-A

THE AMOUNT OF THIS CHECK IS IN PAYMENT DUE PARTY OR PARTIES UNDER LEASE DESCRIBED BELOW

LEASE RENTAL CHECK
003011

TITLE NUMBER	LEASE DATED			RECORDED IN RECORDS OF						PERIOD			
	MO.	DAY	YR.	COUNTY OR PARISH	STATE	ENTRY NO.	BOOK	PAGE	TYPE RECORD	NO. MOS.	BEGINNING		
											MO.	DAY	YR.
404768-000	10	17	72	REEVES	TEX		0315	0208	0&G	12	10	17	85

LESSOR

EVELYN C. BOLINGER

LESSEE

JOHN L. MAY

DESCRIPTION AND FOR CREDIT OF

W/2 SEC. 16, BLK. 56, T-3, T&P RR CO. SUR.

STATE OF TEXAS LEASE NO. M-67636

AMOUNT

X -32.00
32.00*

01478

12/100

FOR THE ACCOUNT OF GETTY OIL COMPANY

PAYMENT MADE FOR (IF NOTHING IS SHOWN, PAYMENT IS SOLELY FOR TEXACO PRODUCING INC.)

TEXACO PRODUCING INC.
ALLIED CHEMICAL CORP
CHAMPLIN PETROLEUM COMPANY
SLEDGE OIL & GAS, INC.

INTEREST	AMOUNT
.1666670	5.33
.1666670	5.33
.1666660	5.34
.5000000	16.00
1.0000000	32.00*

DETACH HERE

TEXACO Producing Inc.
W 1725-A

THE AMOUNT OF THIS CHECK IS IN PAYMENT DUE PARTY OR PARTIES UNDER LEASE DESCRIBED BELOW

LEASE RENTAL CHECK
003011

TITLE NUMBER	LEASE DATED			RECORDED IN RECORDS OF							PERIOD		
	MO.	DAY	YR.	COUNTY OR PARISH	STATE	ENTRY NO.	BOOK	PAGE	TYPE RECORD	NO. MOS.	BEGINNING		
404768-000	10	17	72	REEVES	TEX		0315	0208	0&G	12	MO.	DAY	YR.
ASSOR EVELYN C. BOLINGER					LESSEE JOHN L. MAY								

DESCRIPTION AND FOR CREDIT OF	AMOUNT
1/2 SEC. 16, BLK. 56, T-3, T&P RR CO. SUR.	
DATE OF TEXAS LEASE NO. M-67636	32.00
	32.00*
	01478

PAYMENT MADE FOR (IF NOTHING IS SHOWN, PAYMENT IS SOLELY FOR TEXACO PRODUCING INC.)	INTEREST	AMOUNT
TEXACO PRODUCING INC.	.1666670	5.33
ALLIED CHEMICAL CORP	.1666670	5.33
CHAMPLIN PETROLEUM COMPANY	.1666660	5.34
SLEDGE OIL & GAS, INC.	.5000000	16.00
	1.0000000	32.00*

Texaco Producing Inc.
TULSA, OKLAHOMA

003011
35-60
1130

PAY TO THE ORDER OF
COMMISSIONER OF THE GENERAL
LAND OFFICE
STATE OF TEXAS
AUSTIN, TEXAS 78711

CHECK NO. 3011

TITLE NO. 404768-000

MO. 9 DAY 5 YR. 85

PAY EXACTLY
\$*****32.00

TEXACO PRODUCING INC. HAS THIS DAY PAID THE SUM SHOWN ABOVE FOR CREDIT OF PERSONS NAMED ABOVE IN PAYMENT OF RENTAL UNDER TERMS OF LEASE REFERRED TO ABOVE.

SIGN HERE _____

IF BANK BY _____
PRESIDENT-CASHIER

DATE CHECK _____
FIRST RECEIVED _____

THIS COPY MAY BE RETAINED BY
BANK OR SENT TO PERSONS TO BE CREDITED

(59) M-67636
Rental Payment
9-10-~~65~~85

PTD 10



May 9, 2003

FILE COPY

Don Sellars
ChevronTexaco
Mid-Continent SBU
11111S. Wilcrest, C-2016
Houston, Texas 77099

RE: Assignment filing; GLO ID 3877

Dear Mr. Sellars,

The General Land Office received the following instrument(s) and has filed them in the appropriate files. Please see attached "Exhibit A" for reference.

Assignment, Conveyance and Transfer, from Texaco Exploration
And Production, Inc., as Grantor, to Chevron USA, Inc., as
Grantee. Executed May 1st, 2002.

Filing fees of \$1,000.00 were received in connection with the above lease. If you have any questions, please feel free to call me at (800) 998-4GLO, or at my direct number at (512) 463-6521.

Sincerely,

Beverly Boyd
Mineral Leasing
Energy Resources
512-463-6521



Exhibit "A"

<i>GLO ID</i>	<i>County</i>	<i>Lease</i>
3877	Pecos	MF013532
3877	Winkler	MF013741
3877	Pecos	MF013950
3877	Crockett	MF016919
3877	Starr	MF022674
3877	Ward	MF023539
3877	Pecos	MF024272
3877	Freestone	MF029146
3877	Pecos	MF029519
3877	Yoakum	MF031485
3877	Ward	MF034631
3877	Nueces	MF034920
3877	Stonewall	MF048839
3877	Freestone	MF049796
3877	Crocett	MF051128
3877	Aransas	MF055748
3877	Reeves	MF056135
3877	Crockett	MF066274
3877	Reeves	MF067636 ✓
3877	Aransas	MF077985
3877	Anderson	MF081485
3877	Anderson	MF083959
3877	Loving	MF088349
3877	Goliad	MF096651
3877	Reeves	MF097924
3877	Reeves	MF098467
3877	Jefferson	MF098702
3877	Jefferson	MF098703
3877	Jefferson	MF098704
3877	Jefferson	MF098705
3877	Goliad	MF100278
3877	Goliad	MF100934

Tuesday, May 13, 2003

Mid-Continent SBU
North America Upstream
11111 S. Wilcrest, C-2016
Houston, TX 77099
Tel 281 561-3885
Fax 281 561-3702
DRSE@chevrontexaco.com

Don Sellars
Regulatory Specialist

ChevronTexaco

May 6, 2002

State of Texas
General Land Office
Stephen F. Austin Bldg.
1700 N. Congress
Austin, TX 78701
Attn: Mr. Robert Hatter,
Director, Mineral Leasing and Energy Resources

Re: ASSIGNMENT EFFECTIVE MAY 1, 2002

Dear Sirs:

Enclosed please find two executed (2) instruments entitled ASSIGNMENT, CONVEYANCE AND TRANSFER (plus 40 copies) to transfer Texaco Exploration and Production Inc.'s interests to Chevron U.S.A. Inc. effective May 1, 2002. Also enclosed is a check in the amount of \$1,000.00. (40 leases @ \$25/lease).

Also enclosed are several forms listing the Rights-of-Way that need to be assigned to Chevron U.S.A. Inc. We request that your office prepare the assignment and invoice Chevron U.S.A. Inc., accordingly.

If you have questions, you may call me or Randy Parsley at 303-793-4118. Your attention to this matter concerning the assignment of interests is greatly appreciated.

Sincerely,

Don Sellars

2002 5

STATE OF TEXAS RIGHTS-OF-WAY

5. 9.02

Assignment, Conveyance and Transfer dated effective May 1, 2002, by and between Texaco Exploration and Production Inc. (Grantor), and Chevron U.S.A. Inc. (Grantee).

UNABLE TO LOCATE MF#5

TEPI LEASE #	NAME OF ROW	LEASE DATE	COUNTY	DESCRIPTION
GP 3209542 / 062A	State of Texas Dept Hwys 6-11385	11/26/91	Upton	Crossing under State HWY No. 349, 3 miles S of N Boundary line of Upton Co.
GP 3209542 / 077A	State of Texas Dept Hwys 6-11475	9/21/92	Midland	ROW crossing under Hwy 349. One mile north of Midland/Upton County line.
GP 3219542 / 019A	State of Texas Dept Hwys 910205032	9/21/92	Crockett	GC&SF RR CO Sur, Blk MN, Sec 13, undercrossing of State Hwy No. 163
TX 0113573 C	TX DOT #264-94	5/5/94	Sabine	Pipeline ROW along Hwy SH 87
TX 0404600 A	University of Texas <i>- UT</i>	12/14/73	Ector	25 foot ROW in T&P RR Survey, T2S, Blk 41, Section 18: NE

STATE OF TEXAS

COUNTIES OF ANDERSON, ARANSAS, CROCKETT, DUVAL, FREESTONE, GLASSCOCK,
GOLIAD, HENDERSON, JEFFERSON, LOVING, NUECES, PECOS, REEVES, STARR,
STONWALL, WARD, WINKLER AND YOAKUM

ASSIGNMENT, CONVEYANCE AND TRANSFER

KNOW ALL MEN BY THESE PRESENTS:

This ASSIGNMENT, CONVEYANCE AND TRANSFER (this "Assignment") is made and entered into this 1st day of May, 2002, to be effective the 1st day of May, 2002 (the "Effective Date"), and is by and between ~~TEXACO~~ EXPLORATION AND PRODUCTION INC., a Delaware corporation, whose address is 1111 Bagby Street, Houston, Texas 77002, hereinafter referred to as "Grantor," and CHEVRON U.S.A. INC., a Pennsylvania corporation, whose address is 1111 Bagby Street, Houston, Texas 77002, hereinafter referred to as "Grantee."

GRANTOR, in furtherance of a plan of reorganization following the merger of a wholly-owned subsidiary of ChevronTexaco Corporation, formerly Chevron Corporation, a Delaware corporation, with and into Texaco Inc., a Delaware corporation, desires to transfer unto GRANTEE, and Grantee desires to accept such transfer of, all of GRANTOR'S right, title and interest in and to (i) the lands (the "Lands"), if any, and the leases (the "Leases"), if any, described or referenced in Exhibit A attached hereto and made a part hereof and/or described or referenced in any instruments described in Exhibit A hereto, together with all other properties, assets, rights and interests situated upon, covering or related to the Lands or the Leases, and (ii) to the extent not conveyed in clause (i) above, all properties, assets, rights and interests, of every kind or character, real, personal or mixed, located, in whole or in part, in the County/Parish and State first set forth above, or situated upon, covering or related to lands located, in whole or in part, in such County/Parish and State; save and except the Exclusions (as hereinafter defined) (the Lands, the Leases and the other properties, assets, rights and interests described in clauses (i) and (ii) above, exclusive of the Exclusions, are herein collectively called the "Properties").

WITNESSETH:

That GRANTOR by these presents, for and in consideration of the premises, does hereby GRANT, CONVEY, ASSIGN, TRANSFER, SET OVER, AND DELIVER unto GRANTEE, its successors and assigns, the Properties, including, without limitation, the following properties, assets, rights and interests, to the extent located, in whole or in part, in the County/Parish and State first set forth above, or situated upon, covering or related to the Lands, Leases or any other lands located in the aforementioned County/Parish and State:

- A. (i) All oil, gas and other mineral properties, assets, rights and interests, including but not limited to, leasehold, fee, mineral, royalty and overriding royalty interests, mineral servitudes and mineral rights, payments out of production, net profits, and other rights, including contractual rights to production, and contractual rights providing for the acquisition or earning of any such

interest, owned by the Grantor in whole or in part (each, a "Mineral Interest" and collectively, the "Mineral Interests");

(ii) All gas processing facilities, sulphur recovery facilities, gas treating or cleaning facilities, natural gas liquids fractionation facilities, and natural gas liquid storage facilities, together with all gas gathering, compression, booster, and other systems and natural gas liquids pipelines serving said facilities, owned by Grantor in whole or in part (the "Gas Plants"); together with all tracts of land or other interests in real or immovable property owned or leased by Grantor in whole or in part upon which Gas Plants are located (the "Gas Plant Sites");

(iii) All servitudes, easements, rights of way, privileges, franchises, prescriptions, licenses, leases, permits and/or other like rights or interests owned by Grantor in whole or in part and used, or held for use, in connection with, or in any way related to pipelines, pipeline systems, gathering systems and related facilities, to the extent not included in Mineral Interests or Gas Plant Sites, together with any amendments, renewals, extensions, supplements, or other modifications thereto (herein collectively called the "Pipeline and Gathering System Servitudes");

All pipes, valves, gauges, meters and other measuring equipment, regulators, extractors, tubing, pipelines, fuel lines, compressors, facilities, treaters, plants, improvements, fittings, materials and other improvements, fixtures and/or personal property located in, on, under or otherwise related to the Pipeline and Gathering System Servitudes (the "Pipeline and Gathering Systems"); and

(iv) All other real/immovable, personal/movable and mixed property located on the Mineral Interests, the Gas Plant Sites or the Pipeline and Gathering System Servitudes, or used, or held for use, in connection therewith, or in any way related to the ownership or operation thereof (whether located on or off such Mineral Interests, Gas Plant Sites or Pipeline and Gathering System Servitudes), owned or leased by the Grantor in whole or in part, including without limitation, wells, well equipment, pumping units, casing, tanks, injection facilities, saltwater disposal facilities, crude oil, natural gas, natural gas liquids, condensate or products in storage or in pipelines, gas or pipeline imbalances, and boilers, buildings, office equipment and furniture, computers, service facilities and warehouses, yards, tools, materials, supplies, tubing pumps, motors, platforms, shore bases, boats, automotive and other vehicular equipment, radios, microwave equipment, communication and transmission towers and facilities, air service facilities, helicopter pads and facilities, fixtures, machinery and other equipment, pipelines, flowlines, compressors, meters, power lines, telephone and telegraph lines, roads, field separation and processing facilities, and all other improvements;

(the properties, assets, rights and interests described in this paragraph A. are herein collectively called the "Mineral Properties").

- B. All properties, assets, rights and interests owned by Grantor in whole or in part that are or may be classified as real or immovable property, other than those described in the Mineral Properties (such properties, assets, rights and interests, to the extent not described in the Mineral Properties, are herein each called "Other Real Property", and collectively, "Other Real Properties"), including, without limitation, all fee, surface fee, surface leases, easements, rights-of-way and prescriptive rights, timber rights, and water rights, including riparian rights; together with any and all improvements and hereditaments thereon. Other Real Properties shall expressly include, without limitation, all tracts of land, or any other interest or leasehold rights of Grantor in real or

immovable property, to the extent not part of the Mineral Properties, upon which are located office buildings, warehouses and any other structures or facilities owned by Grantor in whole or in part.

- C. All of Grantor's files, records and data relating to the Mineral Properties or the Other Real Properties, including without limitation, title records (including abstracts of title and title curative documents), computer hardware and contracts relating primarily thereto, correspondence, microfiche or other lists, geological, geophysical and seismic records, electric logs, core data, pressure data and decline curves, reservoir engineering reports, oil-in-place estimates, and enhanced oil recovery predictions and graphical production curves and all related matters, and tax basis data with respect to the Mineral Properties or the Other Real Properties.

All of Grantor's right, title and interest in any and all patents and patent applications, trade secrets, proprietary information, data and processes, including software, (whether or not embodied in documents, books, records, or hardware conveyed hereunder, and whether or not acquired or licensed from third parties by contract or otherwise) and rights to any of the foregoing, including income therefrom, used or held in connection with the properties, assets, rights and interests conveyed hereunder.

- D. All rights, privileges, benefits and powers related to the Mineral Properties and the Other Real Properties, other than the Exclusions, including without limitation:

(1) (a) all rights, privileges, benefits and powers (including without limitation, permits, licenses, servitudes, easements, rights-of-way, roads and docks) conferred upon the Grantor with respect to the use and occupation of the surface of, and the sub-surface depths under, the land covered by and benefiting their respective Mineral Property or Other Real Property which may be necessary, convenient or incidental to the possession and enjoyment thereof, (b) all rights in respect of any pooled, communitized or unitized acreage by virtue of any Mineral Property being a part thereof, including all production from the pool or unit allocated to any such Mineral Property and all interests in any wells within the unit or pool associated with such Mineral Property, (c) all rights, options, titles and interests of the Grantor and granting the Grantor the right to obtain or otherwise earn interests with respect to its Mineral Properties whether by drilling wells, causing wells to be drilled, payments of money or otherwise, and (d) all tenements, hereditaments and appurtenances belonging to such Mineral Properties or Other Real Properties;

(2) all oil, gas and natural gas liquids division and transfer orders, oil, gas and natural gas liquids purchase and sale contracts, oil, gas and natural gas liquids exchange agreements, surface leases, farmin agreements, farmout agreements, bottom hole agreements, unit agreements, operating agreements, processing agreements, options, lease of equipment or facilities and other contracts, agreements and rights, which are owned by the Grantor, in whole or in part and are (a) appurtenant to the Mineral Properties or Other Real Properties, or (b) used or held for use in connection with the ownership or operation of the Mineral Properties or Other Real Properties or with the production, sale, transportation, storage or disposal of water, hydrocarbons or associated substances;

(3) all accounts, receivables, contract rights, choses in action (i.e. rights to enforce contracts or to bring claims thereunder), commercial tort claims and other general intangibles

(regardless of whether the same arose, or the events which gave rise to the same occurred on, before or after the Effective Date);

(4) all money, documents, instruments, chattel paper (including, without limitation, electronic chattel paper and tangible chattel paper), rights to payment evidenced by chattel paper, securities, payable intangibles, letters of credit, letter of credit rights, supporting obligations and rights to payment of money (regardless of whether the same arose out of a transaction that occurred on, before or after the Effective Date);

E. all other properties, assets, rights and interests owned or leased by Grantor in whole or in part, whether or not specifically described herein associated with Grantor's ownership or operation of the Mineral Properties or Other Real Properties, other than the Exclusions.

TO HAVE AND TO HOLD the Properties unto Grantee, its successors and assigns forever, together with all and singular the properties, assets, rights, interests and appurtenances thereto belonging or in anywise incident or appurtenant thereto; and Grantor hereby binds itself, its successors and assigns to warrant and forever defend title to the Properties unto 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, but not otherwise. This Assignment is made with full substitution and subrogation of Grantee in and to all covenants and warranties by others heretofore given or made in respect to the Properties or any part thereof.

Grantor hereby covenants to and with Grantee, its successors and assigns, that Grantor will, so long as it is authorized by applicable law so to do, at Grantor's expense, execute and deliver to Grantee all such other and further instruments of conveyance, assignment and transfer and all such notices, releases, acquittances, and other documents, and to do all such other acts and things, as may be necessary more fully or specifically to convey and assign to and vest in Grantee, its successors or assigns, title to the Properties. Nothing contained herein or in any other general and specific instruments of conveyance, assignment, and transfer executed pursuant hereto shall be deemed to limit or restrict the Properties, or any right or interest of Grantor therein.

There is hereby EXCEPTED AND EXCLUDED from this Assignment: (i) all of Grantor's rights and obligations under the Purchase and Sale Agreement between Grantor and Enterprise Products Operating L.P. dated as of March 8, 2002 ("Mont Belvieu Purchase and Sale Agreement") and the Fractionation Agreement between Grantor and Enterprise Products Company dated August 25, 1994, as amended, and all of Grantor's right, title and interest in and to those certain fractionation facilities currently operated by Enterprise Products Operating, L.P. which are located in Mont Belvieu, Texas, the lands on which such facilities are located as more particularly described in Exhibit B attached hereto and made a part hereof, and the related contracts and assets subject to the Mont Belvieu Purchase and Sale Agreement (herein called the "Excluded Mt. Belvieu Frac Plant"), (ii) all of Grantor's right, title and interest in and to those certain pipeline properties, assets, rights and interests located in Louisiana which are more particularly described in Exhibit B hereto (herein called the "Excluded Louisiana Pipeline Assets"), and (iii) all other properties, assets, rights and interests specifically described in Exhibit B hereto, if any (the Excluded Mt. Belvieu Frac Plant, the Excluded Louisiana Pipeline Assets, and all other properties, assets, rights and interests specifically described in Exhibit B hereto, if any, are herein collectively called the "Exclusions").

Disclaimer of Representations and Warranties. THE EXPRESS SPECIAL WARRANTY OF TITLE SET FORTH ABOVE IS EXCLUSIVE, AND IN LIEU OF ALL OTHER REPRESENTATIONS AND WARRANTIES, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AND GRANTOR EXPRESSLY DISCLAIMS ANY AND ALL SUCH OTHER REPRESENTATIONS AND WARRANTIES. WITHOUT LIMITATION OF THE FOREGOING, THE PROPERTIES ARE CONVEYED PURSUANT HERETO WITHOUT ANY WARRANTY OR REPRESENTATION WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, RELATING TO THE CONDITION, QUANTITY, QUALITY, FITNESS FOR A PARTICULAR PURPOSE, CONFORMITY TO THE MODELS OR SAMPLES OF MATERIALS OR MERCHANTABILITY OF ANY EQUIPMENT OR ITS FITNESS FOR ANY PURPOSE, AND, EXCEPT FOR THE SPECIAL WARRANTY OF TITLE REFERENCED ABOVE, WITHOUT ANY OTHER EXPRESS, IMPLIED, STATUTORY OR OTHER WARRANTY OR REPRESENTATION WHATSOEVER. GRANTEE SHALL ACCEPT THE PROPERTIES IN THEIR "AS IS, WHERE IS" CONDITION, WITH ALL FAULTS AND IN ITS PRESENT CONDITION AND STATE OF REPAIR.

Assumption of Debts and Liabilities. Grantee agrees to assume, undertake, pay, satisfy and discharge all the lawful duties, debts, obligations and liabilities under or relating to the Properties, known or unknown, whether now existing or which may come into existence in the future, of the Grantor (regardless of whether the same arose or the events which gave rise to the same occurred on, before or after the Effective Date). Grantee accepts this Assignment expressly subject to all covenants, conditions, duties and obligations of Grantor under or relating to the Properties and expressly assumes and agrees to be responsible for and discharge said covenants, conditions, duties and obligations.

Waiver of Consumer Rights. To the extent applicable to the transaction contemplated hereby or any portion thereof and to the fullest extent such rights may be waived, Grantee waives Grantee's rights under the provisions of the Texas Deceptive Trade Practices - Consumer Protection Act, Sections 17.41 et. seq. of the Texas Business and Commerce Code, a law that gives consumers special rights and protections, and any comparable act in any other state in which the Properties are located; Grantee states that, after consultation with an attorney of Grantee's selection, Grantee voluntarily consents to this waiver.

Counterparts; Exhibit A; Exhibit B; Witnesses; Attestation. This Assignment may be executed in any number of counterparts all of which are identical, except that, (i) to facilitate recordation, in certain counterparts hereof only that portion of Exhibit A which contain specific descriptions of properties, assets, rights and interests located in the recording jurisdiction in which the particular counterpart is to be recorded are included, and other portions of Exhibit A are included by reference only, (ii) to facilitate recordation, only those counterparts hereof which are to be filed in recording jurisdictions where Exclusions are located (including those to be filed in Chambers County, Texas and several Louisiana Parishes) will have an Exhibit B attached. If no Exhibit B is attached to a particular counterpart, such omission is intentional and indicates that no Exclusions are located in that recording jurisdiction. Exhibit B is included by reference only on those counterparts which do not have an Exhibit B attached. With respect to those counterparts which have an Exhibit B attached, only that portion of Exhibit B which contain specific descriptions of Exclusions located in the recording jurisdiction where the particular counterpart is to be recorded are included, and other portions of Exhibit B are included by reference only, (iii) the execution of this Assignment by each of the parties may not be witnessed on those counterparts hereof containing descriptions of the Properties located in states where witnesses are not required by

applicable law, and (iv) the execution of this Assignment by each of the parties may not be attested on those counterparts hereof containing descriptions of the Properties located in states where attestation is not required by applicable law. Each of such counterparts shall for all purposes be deemed to be an original. All such counterparts shall together constitute but one and the same Assignment.

Note to California recording officer: This Assignment is made in furtherance of a plan of reorganization and is therefore exempt from Documentary Transfer Tax (California Revenue & Taxation Code §11923(d); alternatively, the Grantor and the Grantee in this Assignment are comprised of the same parties who continue to hold the same proportionate interest in the property and this Assignment is therefore exempt from Documentary Transfer Tax. (Cal. Rev. & Tax Code §11925(d).

Note to Mississippi recording officer: This Assignment is a division of interest already owned so no mineral documentary stamp tax is due. However, as a precaution \$1.00 of stamp taxes is being paid.

Note to Oklahoma recording officer: This Assignment is exempt from the purchase of documentary stamps pursuant to 68 O.S. §3202(10).

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IN WITNESS WHEREOF, Grantor and Grantee have caused this Assignment to be duly executed on the date first set forth above, but effective for all purposes on the Effective Date.

GRANTOR:

TEXACO EXPLORATION AND PRODUCTION INC.

Witnesses:

Margo Bart
Name: MARGO BART

Dan Houchin
Name: DAN HOUCHEIN

~~Attest:~~
~~Name:~~
~~Title:~~

By

Name:

Title:

J. S. Purdy
Attorney in fact

[Corporate Seal]

GRANTEE:

CHEVRON U.S.A. INC.

Witnesses:

Margo Bart
Name: MARGO BART

Dan Houchin
Name: DAN HOUCHEIN

~~Attest:~~
~~Name:~~
~~Title:~~

By

Name:

Title:

MH DeBerry
ATTORNEY IN FACT

[Corporate Seal]

Grantor's Address:

1111 Bagby Street
Houston, Texas 77002

WHEN RECORDED OR FILED RETURN TO:

Grantee's Address:

1111 Bagby Street
Houston, Texas 77002

This instrument is prepared by:

Grantor Acknowledgment

STATE OF TEXAS

§

§

COUNTY OF HARRIS

§

BE IT REMEMBERED THAT I, the undersigned authority, a notary public duly qualified, commissioned, sworn and acting in and for the State of Texas, being authorized in such state to take acknowledgments, hereby certify that, on this 6th day of May, 2002, there personally appeared before me J S Purdy, as attorney-in-fact of TEXACO EXPLORATION AND PRODUCTION INC., a Delaware corporation, known to me to be such person acting in such capacity on behalf of such corporation, such corporation, being a party to the foregoing instrument.

AK, CO, FL, IL, KS, KY, MT, NE, ND, NM, OH, OK, TX, UT, WV and WY

The foregoing instrument was acknowledged before me by the above mentioned person, as attorney-in-fact of Texaco Exploration and Production Inc, a Delaware corporation, on behalf of such corporation, on this date. He is personally known to me or has produced corp ID (type of Identification) as identification.

ALABAMA

I, the undersigned, a notary public in and for said County in said State, hereby certify that the above referenced person, whose name as attorney-in-fact of Texaco Exploration and Production Inc, a Delaware corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he or she, in such capacity and with full authority, executed the same voluntarily for and as the act of said corporation.

ARKANSAS and SOUTH DAKOTA

On this date, before me the undersigned officer, personally appeared the above mentioned person known to me (or satisfactorily proven) to be the person whose name is subscribed as attorney-in-fact for Texaco Exploration and Production Inc., a Delaware corporation, and acknowledged that he or she executed the same as the act of his or her principal for the purposes therein contained.

CALIFORNIA

On this date before me, the undersigned officer, personally appeared the above mentioned person, as attorney-in-fact for Texaco Exploration and Production Inc., known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he or she executed the same in his or her authorized capacity, and that by his or her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

IDAHO

On this date, before me the undersigned officer, personally appeared the above mentioned person, known or identified to me to be the person whose name is subscribed to the within instrument as the attorney-in-fact of Texaco Exploration and Production Inc. and acknowledged to me that he

or she subscribed the name of Texaco Exploration and Production Inc. thereto as principal, and his or her own name as attorney-in-fact.

INDIANA

Before me, the undersigned officer, this date personally appeared Texaco Exploration and Production Inc., by the above mentioned person, its attorney-in-fact, and acknowledged the execution of the foregoing instrument.

LOUISIANA

On this date before me, the undersigned authority, personally came and appeared the above mentioned person, to me personally known and known by me to be the person whose genuine signature is affixed to the foregoing document as attorney-in-fact of Texaco Exploration and Production Inc, a Delaware corporation, who signed said document before me in the presence of the two witnesses, whose names are thereto subscribed as such, being competent witnesses, and who acknowledged, in my presence and in the presence of said witnesses, that he or she signed the above and foregoing document as his or her own free act and deed on behalf of such corporation by authority of its board of directors and as the free act and deed of such corporation and for the uses and purposes therein set forth and apparent.

MISSISSIPPI

Personally appeared before me, the undersigned authority in and for the said state, on this day, within my jurisdiction, the above mentioned person, being the attorney-in-fact of Texaco Exploration and Production Inc, a Delaware corporation, and acknowledged that, for and on behalf of the said corporation, and as its act and deed, he or she executed the above and foregoing instrument, after first having been duly authorized by said corporation so to do.

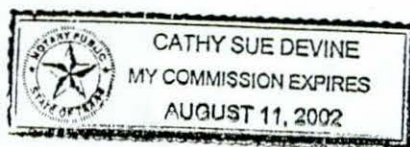
NEW YORK

Before me personally came the above mentioned person, to me known, who being by me duly sworn, did depose and say that he resides in the county set forth below, that he or she is the attorney-in-fact of Texaco Exploration and Production Inc., the corporation described in and which executed the above instrument; and signed his or her name thereto being duly authorized by said corporation.

PENNSYLVANIA

On this day, before me, the undersigned officer, personally appeared the above referenced person, who acknowledged himself to be the attorney-in-fact of Texaco Exploration and Production Inc, a Delaware corporation, and that he or she, as Attorney-in-fact, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself or herself as attorney-in-fact.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal in the city of Houston, Harris County, Texas, on the day and year first above written.



Cathy Sue Devine
NOTARY PUBLIC, State of Texas

[SEAL]

Grantee Acknowledgment

STATE OF TEXAS

§

§

COUNTY OF HARRIS

§

BE IT REMEMBERED THAT I, the undersigned authority, a notary public duly qualified, commissioned, sworn and acting in and for the State of Texas, being authorized in such state to take acknowledgments, hereby certify that, on this 6th day of May 2002, there personally appeared before me JS Purdy, as attorney-in-fact of CHEVRON U.S.A. INC., a Pennsylvania corporation, known to me to be such person acting in such capacity on behalf of such corporation, such corporation, being a party to the foregoing instrument.

AK, CO, FL, IL, KS, KY, MT, NE, ND, NM, OH, OK, TX, UT, WV and WY

The foregoing instrument was acknowledged before me by the above mentioned person, as attorney-in-fact of Chevron U.S.A. Inc, a Pennsylvania corporation, on behalf of such corporation, on this date. He is personally known to me or has produced corp ID (type of Identification) as identification.

ALABAMA

I, the undersigned, a notary public in and for said County in said State, hereby certify that the above referenced person, whose name as attorney-in-fact of Chevron U.S.A. Inc, a Pennsylvania corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he or she, in such capacity and with full authority, executed the same voluntarily for and as the act of said corporation.

ARKANSAS and SOUTH DAKOTA

On this date, before me the undersigned officer, personally appeared the above mentioned person known to me (or satisfactorily proven) to be the person whose name is subscribed as attorney-in-fact for Chevron U.S.A. Inc., a Pennsylvania corporation, and acknowledged that he or she executed the same as the act of his or her principal for the purposes therein contained.

CALIFORNIA

On this date before me, the undersigned officer, personally appeared the above mentioned person, as attorney-in-fact for Chevron U.S.A. Inc., a Pennsylvania corporation, known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he or she executed the same in his or her authorized capacity, and that by his or her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

IDAHO

On this date, before me the undersigned officer, personally appeared the above mentioned person, known or identified to me to be the person whose name is subscribed to the within instrument as

the attorney-in-fact of Chevron U.S.A. Inc. and acknowledged to me that he or she subscribed the name of Chevron U.S.A. Inc. thereto as principal, and his or her own name as attorney-in-fact.

INDIANA

Before me, the undersigned officer, this date personally appeared Chevron U.S.A Inc., by the above mentioned person, its attorney-in-fact, and acknowledged the execution of the foregoing instrument.

LOUISIANA

On this date before me, the undersigned authority, personally came and appeared the above mentioned person, to me personally known and known by me to be the person whose genuine signature is affixed to the foregoing document as attorney-in-fact of Chevron U.S.A. Inc, a Pennsylvania corporation, who signed said document before me in the presence of the two witnesses, whose names are thereto subscribed as such, being competent witnesses, and who acknowledged, in my presence and in the presence of said witnesses, that he or she signed the above and foregoing document as his or her own free act and deed on behalf of such corporation by authority of its board of directors and as the free act and deed of such corporation and for the uses and purposes therein set forth and apparent.

MISSISSIPPI

Personally appeared before me, the undersigned authority in and for the said state, on this day, within my jurisdiction, the above mentioned person, being the attorney-in-fact of Chevron U.S.A. Inc, a Pennsylvania corporation, and acknowledged that, for and on behalf of the said corporation, and as its act and deed, he or she executed the above and foregoing instrument, after first having been duly authorized by said corporation so to do.

NEW YORK

Before me personally came the above mentioned person, to me known, who being by me duly sworn, did depose and say that he resides in the county set forth below, that he or she is the attorney-in-fact of Chevron U.S.A. Inc., the corporation described in and which executed the above instrument; and signed his or her name thereto being duly authorized by said corporation.

PENNSYLVANIA

On this day, before me, the undersigned officer, personally appeared the above referenced person, who acknowledged himself to be the attorney-in-fact of Chevron U.S.A. Inc, a Pennsylvania corporation, and that he or she, as attorney-in-fact, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself or herself as attorney-in-fact.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal in the city of Houston, Harris County, Texas, on the day and year first above written.




NOTARY PUBLIC, State of Texas

[SEAL]

EXHIBIT A

Attached to and made a part of the certain Assignment, Conveyance and Transfer dated effective May 1, 2002,
by and between Texaco Exploration and Production Inc. (Grantor), and Chevron U.S.A. Inc. (Grantee).

TEXACO FILE #	SUF	STATE LEASE NAME AND NUMBER	BK	PG	EFF DATE	COUNTY	GROSS	DESCRIPTION
TX0045321	000A	STATE OF TEXAS NO. 49796	586	491	12/11/58	Anderson	42.00	T N JONES SY A-979 N 42 ACS OF TR 3 IN TRINITY RIVER
TX0109761	000A	STATE OF TEXAS NO. 81485	560	671	04/01/80	Anderson	95.00	EVERET RITTER SY A-660 TRACT 10, TRINITY RIVER AREA.
TX0109185	000A	055748	56	220	11/05/63	Aransas		Tract 199, Aransas Bay
TX0288953	000A	077985	104	436	06/06/78	Aransas		NW/4 of Tract 721-L, Gulf of Mexico, Aransas County, Texas, insofar and only insofar as to rights below the correlative depth of 7,323 feet subsurface, as identified on the electric log of Oxy Petroleum, Inc.'s Well No. 2
TX0254527	000A	J.H. SCHEUBER #M-66274	261	79	05/11/71	Crockett	320.00	SUR 32, BLK KL, A-5438, E. CHAPMAN PROD.
TX0913298	000A	JEAN E PERRY, ET VIR	578	533	11/08/99	Crockett	109.10	A-5438, E. CHAPMAN ORIGINAL GRANTEE, BLK KL, SEC 32
TX0192772	000A	STATE OF TEXAS M-51128	185	65	02/01/60	Crockett	320.00	N2 SEC 6, BLK BBB, A-5494, C.H. POWELL GRANTEE.
TX0026569	000A	016919	2	312	02/10/25	Duval		The South Half (S/2) of Survey 42 made, made by virtue of Certificate No. 172, issued to T. T. Ry. Co, and sold and awarded by the Commissioner of the General Land Office to Mucio Vela.
TX0113129	000A	STATE OF TEXAS M-29146	175	444	02/08/45	Freestone	22.50	J L WALKER SY SF 12769
TX0343162	000A	UNIVERSITY OF TEXAS LAW SCHOOL FOUNDATION	230	637	06/06/85	Glasscock	640.00	T&P RR Co Sur, T-4-S, Blk 33, Section 18
TX0950848	000A	096651	45	618	10/17/95	Goliad	4.21	4.21 acres within the Edge Petroleum M. Schindler No. 1. Gas Unit, a designation of which is recorded in the Official Records of Goliad County, Texas in Volume 47, page 902

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EXHIBIT A

Attached to and made a part of the certain Assignment, Conveyance and Transfer dated effective May 1, 2002,
by and between Texaco Exploration and Production Inc. (Grantor), and Chevron U.S.A. Inc. (Grantee).

TEXACO FILE #	SUFFIX	STATE LEASE NAME AND NUMBER	BK	PG	EFF. DATE	COUNTY	GROSS	DESCRIPTION
TX0951510	000A	098585	75	134	10/07/97	Goliad	80.00	Tract 4-D of the San Antonio River, Goliad County, Texas, containing approximately 80 acres; said Tract 4-D is bound on the Northeast by a line bearing Grid South and passing through a point having coordinates of X-2,510,174 feet and Y-298,822 feet and is bound on the Southwest by a line bearing Grid South and passing through a point having coordinates of X-2,492,402 feet and Y-299,065 feet, Texas State Plane Coordinate System, South Central Zone, NAD 1927 (30 acres with the Victoria Town Tract are subject to the Small Bill)
TX0952426	000A	100278	104	30	03/22/99	Goliad	64.86	64.862 acres of land, more or less, covering the Right-of-Way for Texas Highway 59 between the intersection of said Right-of-Way with the Southerly extension of the West boundary line of Farm Lot 45, Range 2, A-128, and the intersection of said Right-of-Way with the Northeast boundary line of the George Maybee Sur., A-211, containing 72.4566 acres of land, more or less, SAVE and EXCEPT that portion of said Highway Right-of-Way laying within the M. Schindler No. 1 Gas Unit, being 4.21 acres of land, more or less and SAVE and EXCEPT that portion of said Highway Right-of-Way with bridge crossing the Manahuilla Creek, all in Goliad County, Texas, and containing in all 64.862 acres of land, more or less; as to depths lying below 5,000 feet of the surface of the ground only.
TX0952515	000A	100934	123	77	02/14/00	Goliad	35.54	35.54 acres of land, more or less, out of the Four League Grant to the Town of Goliad in Goliad County, Texas, being described in the following Four (4) Tracts: Ward Street: From a line even with the west line of Lot 21, Range 1 and the west line of Lot 17, Range 2, eastward to the intersection with East Street (AKA McCampbell Street). Oak Street: From a line even with the west line of Lot 17, Range 2, and the west line of Lot 48, Range 2, eastward to the intersection with East Street (AKA McCampbell Street). Fannin Street: From a line at the intersection of Grace Street even with the west line of Lot 48, Range 2 eastward to the intersection with East Street (AKA McCampbell Street). East Street (AKA McCampbell Street): Between the south intersection of Fannin Street northward to the north intersection with Ward Street.
TX0287543	000A	STATE OF TEXAS #83959	na		10/07/80	Henderson	68.96	JOHN A NEWLAND SY A-576, W V HALL SY A-285, E. PATTERSON SUR., W. AVANT SUR.

EXHIBIT A

Attached to and made a part of the certain Assignment, Conveyance and Transfer dated effective May 1, 2002,
by and between Texaco Exploration and Production Inc. (Grantor), and Chevron U.S.A. Inc. (Grantee).

TEXACO FILE #	SUFEX	STATE LEASE NAME AND NUMBER	BK	PG	EFF DATE	COUNTY	GROSS	DESCRIPTION
TX0951954	000A	098702	Film Code 97-9740541		12/04/97	Jefferson	695.00	All of Tract 1, Sabine Lake, Jefferson/Orange Counties, Texas, containing approximately 695 acres as shown on the applicable Official Submerged Area Map on file in the Texas General Land Office, Austin, Texas.
TX0951955	000A	098703	Film Code 97-9740542		12/04/97	Jefferson	995.00	All of Tract 7, Sabine Lake, Jefferson County, Texas, containing approximately 995 acres as shown on the applicable Official Submerged Area Map on file in the Texas General Land Office, Austin, Texas.
TX0951956	000A	098704	Film Code 97-9740543		12/04/97	Jefferson	615.00	All of Tract 13, Sabine Lake, Jefferson County, Texas, containing approximately 615 acres as shown on the applicable Official Submerged Area Map on file in the Texas General Land Office, Austin, Texas.
TX0951957	000A	098705	Film Code 97-9740544		12/04/97	Jefferson	645.00	All of Tract 14, Sabine Lake, Jefferson County, Texas, containing approximately 645 acres as shown on the applicable Official Submerged Area Map on file in the Texas General Land Office, Austin, Texas.
TX0294437	000A	ST OF TEXAS (PSL) 88349	66	169	10/05/82	Loving	640.00	ALL SEC 29, BLK 29, PSL SUR
TX0028663	000A	034920	104	318	12/06/49	Nueces		Tract 423, Corpus Christi Bay
TX0050023	000C	MATTHEWS, MRS J C ET AL #MF-13950 (MA)	39	463	11/15/26	Pecos	140.00	WEST 140 ACS OF N/2 OF SEC. 24, BLK. 194, GC&SF RR CO SUR
TX0909742	000A	R A MONTAGUE, ET UX	142	65	07/29/43	Pecos	242.00	TC&RR CO SURVEY, BLK OW, A-8299, SEC 106 1/2: ALL
TX0050023	000B	RAMSEY, IDA MAY ET AL #MF-13950 (MA)	39	471	10/30/26	Pecos	140.00	WEST 140 ACS OF N/2 OF SEC. 24, BLK. 194, GC&SF RR CO SUR
TX0050023	000A	SMITH, MRS M A MONROE #MF-13950 (MA)	39	414	11/03/26	Pecos	140.00	WEST 140 ACS OF N/2 OF SEC. 24, BLK. 194, GC&SF RR CO SUR

EXHIBIT A

Attached to and made a part of the certain Assignment, Conveyance and Transfer dated effective May 1, 2002,
by and between Texaco Exploration and Production Inc. (Grantor), and Chevron U.S.A. Inc. (Grantee).

TEXACO FILE #	SUF	STATE LEASE NAME AND NUMBER	BK	PG	EFF DATE	COUNTY	GROSS	DESCRIPTION
TX0118155	000A	ST OF TEXAS (BYRNE) 29519	150	83	09/24/45	Pecos	160.00	NE4 SUR 30, BLK 10, H&GN RR CO SURVEY.
TX0717675	000A	ST OF TEXAS 24272 (MA)	122	197	01/30/39	Pecos	160.00	S/4 SEC 38, BLK 10, H&GN SURVEY
TX0211600	000A	ST OF TEXAS M-23539 (MA)	119	546	04/07/38	Pecos	100.00	TRACT 1, BLK 1 OF THE PECOS RIVER BED
TX0312911	000A	TIPPETT, J H IND & AS AGENT (MA)	44	165	11/29/26	Pecos	160.00	GC&SF RR CO, BLK 194, SEC 40: NE/4.
TX0314534	000A	TIPPETT, J.H. #M-13532 (MA)	44	43	11/29/26	Pecos	50.00	CT&MC RR CO SURVEY, BLK 194, SEC 108: W2 OF NORTH 100 ACS of SOUTH 180 ACS
TX0404768	000A	ST OF TEXAS #M-67636 (MA)	315	208	10/17/72	Reeves	320.00	W/2 SEC. 16, BLK. 56, T-3, T&P RR CO. SUR.
TX0230078	000A	ST OF TX M-56135	238	94	01/14/64	Reeves	320.00	N2 SEC 34, BLK 54, T-4, T&P RR SURVEY.
TX0912220	000A	STATE OF TEXAS (Beckham) M-97924	572	847	01/15/97	Reeves	320.00	PSL Survey, Blk 71, SEC 3: N/2
TX0912222	000A	STATE OF TEXAS(Darden Estate) M-98467	575	50	01/15/97	Reeves	953.20	PSL SURVEY, BLK 71, SEC 3: S/2, SEC 26: S/2; SEC 33: NW, W2 NE, N2 SW, less RR
TX0065791	000A	022674	99	509	07/02/37	Starr		All of Section 78, Certificate 456 B.S.&F. Original Grantee, Abstract No. 899, insofar and only insofar as to rights below a subsurface depth of 6,600 feet.
TX0763488	000A	ST OF TX 48839 (MA)	145	180	03/10/58	Stonewall	5.00	NORTH PART GEORGE W THORNTON SURVEY, FANNIN PRE-EMPTION 3667
TX0134009	000A	ST OF TEXAS (MONROE) 34631	129	519	10/06/49	Ward	160.00	POR SUR 55, SF-7911, J.W. JACKSON ORIG. GRANTEE
TX0225279	000A	ST OF TX (LINEBERRY) A92315	268	373	02/14/73	Winkler	72.00	SF13022, BLK WF, SEC 2

006

EXHIBIT A

Attached to and made a part of the certain Assignment, Conveyance and Transfer dated effective May 1, 2002,
by and between Texaco Exploration and Production Inc. (Grantor), and Chevron U.S.A. Inc. (Grantee).

TEXACO FILE #	SUFFIX	STATE LEASE NAME AND NUMBER	BK	PG	EFF DATE	COUNTY	GROSS	DESCRIPTION
TX0038605	000A	T.G. HENDRICK #13741	1	245	04/20/26	Winkler	80.00	W2 NW/4, SEC 39, BLK 26, PSL
TX0064275	000A	ANNIE MILLER 'B' #M-31485	38	460	04/29/36	Yoakum	640.00	SEC 862, BLOCK D, JOHN H. GIBSON SURVEY

2006

5

EXHIBIT A

Attached to and made a part of the certain Assignment, Conveyance and Transfer dated effective May 1, 2002,
by and between Texaco Exploration and Production Inc. (Grantor), and Chevron U.S.A. Inc. (Grantee).

TEXACO FILE #	SUFFIX	STATE LEASE NAME AND NUMBER	BK	PG	EFF DATE	COUNTY	GROSS	DESCRIPTION
TX0045321	000A	STATE OF TEXAS NO. 49796	586	491	12/11/58	Anderson	42.00	T N JONES SY A-979 N 42 ACS OF TR 3 IN TRINITY RIVER
TX0109761	000A	STATE OF TEXAS NO. 81485	560	671	04/01/80	Anderson	95.00	EVERET RITTER SY A-660 TRACT 10, TRINITY RIVER AREA,
TX0109185	000A	055748	56	220	11/05/63	Aransas		Tract 199, Aransas Bay
TX0288953	000A	077985	104	436	06/06/78	Aransas		NW/4 of Tract 721-L, Gulf of Mexico, Aransas County, Texas, insofar and only insofar as to rights below the correlative depth of 7,323 feet subsurface, as identified on the electric log of Oxy Petroleum, Inc.'s Well No. 2
TX0254527	000A	J.H. SCHEUBER #M-66274	261	79	05/11/71	Crockett	320.00	SUR 32, BLK KL, A-5438, E. CHAPMAN PROD.
TX0913298	000A	JEAN E PERRY, ET VIR	578	533	11/08/99	Crockett	109.10	A-5438, E. CHAPMAN ORIGINAL GRANTEE, BLK KL, SEC 32
TX0192772	000A	STATE OF TEXAS M-51128	185	65	02/01/60	Crockett	320.00	N2 SEC 6, BLK BBB, A-5494, C.H. POWELL GRANTEE.
TX0026569	000A	016919	2	312	02/10/25	Duval		The South Half (S/2) of Survey 42 made, made by virtue of Certificate No. 172, issued to T. T. Ry. Co, and sold and awarded by the Commissioner of the General Land Office to Mucio Vela.
TX0113129	000A	STATE OF TEXAS M-29146	175	444	02/08/45	Freestone	22.50	J L WALKER SY SF 12769
TX0343162	000A	UNIVERSITY OF TEXAS LAW SCHOOL FOUNDATION	230	637	06/06/85	Glasscock	640.00	T&P RR Co Sur, T-4-S, Blk 33, Section 18
TX0950848	000A	096651	45	618	10/17/95	Goliad	4.21	4.21 acres within the Edge Petroleum M. Schindler No. 1. Gas Unit, a designation of which is recorded in the Official Records of Goliad County, Texas in Volume 47, page 902

EXHIBIT A

Attached to and made a part of the certain Assignment, Conveyance and Transfer dated effective May 1, 2002,
by and between Texaco Exploration and Production Inc. (Grantor), and Chevron U.S.A. Inc. (Grantee).

TEXACO FILE #	SUFFIX	STATE LEASE NAME AND NUMBER	BK	PG	EFF. DATE	COUNTY	GROSS	DESCRIPTION
TX0951510	000A	098585	75	134	10/07/97	Goliad	80.00	Tract 4-D of the San Antonio River, Goliad County, Texas, containing approximately 80 acres; said Tract 4-D is bound on the Northeast by a line bearing Grid South and passing through a point having coordinates of X-2,510,174 feet and Y-298,822 feet and is bound on the Southwest by a line bearing Grid South and passing through a point having coordinates of X-2,492,402 feet and Y-299,065 feet, Texas State Plane Coordinate System, South Central Zone, NAD 1927 (30 acres with the Victoria Town Tract are subject to the Small Bill)
TX0952426	000A	100278	104	30	03/22/99	Goliad	64.86	64.862 acres of land, more or less, covering the Right-of-Way for Texas Highway 59 between the intersection of said Right-of-Way with the Southerly extension of the West boundary line of Farm Lot 45, Range 2, A-128, and the intersection of said Right-of-Way with the Northeast boundary line of the George Maybee Sur., A-211, containing 72.4566 acres of land, more or less, SAVE and EXCEPT that portion of said Highway Right-of-Way laying within the M. Schindler No. 1 Gas Unit, being 4.21 acres of land, more or less and SAVE and EXCEPT that portion of said Highway Right-of-Way with bridge crossing the Manahuilla Creek, all in Goliad County, Texas, and containing in all 64.862 acres of land, more or less; as to depths lying below 5,000 feet of the surface of the ground only.
TX0952515	000A	100934	123	77	02/14/00	Goliad	35.54	35.54 acres of land, more or less, out of the Four League Grant to the Town of Goliad in Goliad County, Texas, being described in the following Four (4) Tracts: Ward Street: From a line even with the west line of Lot 21, Range 1 and the west line of Lot 17, Range 2, eastward to the intersection with East Street (AKA McCampbell Street). Oak Street: From a line even with the west line of Lot 17, Range 2, and the west line of Lot 48, Range 2, eastward to the intersection with East Street (AKA McCampbell Street). Fannin Street: From a line at the intersection of Grace Street even with the west line of Lot 48, Range 2 eastward to the intersection with East Street (AKA McCampbell Street). East Street (AKA McCampbell Street): Between the south intersection of Fannin Street northward to the north intersection with Ward Street.
TX0287543	000A	STATE OF TEXAS #83959	62		10/07/80	Henderson	68.96	JOHN A NEWLAND SY A-576, W V HALL SY A-285, E. PATTERSON SUR., W. AVANT SUR.

EXHIBIT A

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by and between Texaco Exploration and Production Inc. (Grantor), and Chevron U.S.A. Inc. (Grantee).

TEXACO FILE #	SUFFIX	STATE LEASE NAME AND NUMBER	BK	PG	EFF DATE	COUNTY	GROSS	DESCRIPTION
TX0951954	000A	098702	Film Code 97-9740541		12/04/97	Jefferson	695.00	All of Tract 1, Sabine Lake, Jefferson/Orange Counties, Texas, containing approximately 695 acres as shown on the applicable Official Submerged Area Map on file in the Texas General Land Office, Austin, Texas.
TX0951955	000A	098703	Film Code 97-9740542		12/04/97	Jefferson	995.00	All of Tract 7, Sabine Lake, Jefferson County, Texas, containing approximately 995 acres as shown on the applicable Official Submerged Area Map on file in the Texas General Land Office, Austin, Texas.
TX0951956	000A	098704	Film Code 97-9740543		12/04/97	Jefferson	615.00	All of Tract 13, Sabine Lake, Jefferson County, Texas, containing approximately 615 acres as shown on the applicable Official Submerged Area Map on file in the Texas General Land Office, Austin, Texas.
TX0951957	000A	098705	Film Code 97-9740544		12/04/97	Jefferson	645.00	All of Tract 14, Sabine Lake, Jefferson County, Texas, containing approximately 645 acres as shown on the applicable Official Submerged Area Map on file in the Texas General Land Office, Austin, Texas.
TX0294437	000A	ST OF TEXAS (PSL) 88349	66	169	10/05/82	Loving	640.00	ALL SEC 29, BLK 29, PSL SUR
TX0028663	000A	034920	104	318	12/06/49	Nueces		Tract 423, Corpus Christi Bay
TX0050023	000C	MATTHEWS, MRS J C ET AL #MF-13950 (MA)	39	463	11/15/26	Pecos	140.00	WEST 140 ACS OF N/2 OF SEC. 24, BLK. 194, GC&SF RR CO SUR
TX0909742	000A	R A MONTAGUE, ET UX	142	65	07/29/43	Pecos	242.00	TC&RR CO SURVEY, BLK OW, A-8299, SEC 106 1/2: ALL
TX0050023	000B	RAMSEY, IDA MAY ET AL #MF-13950 (MA)	39	471	10/30/26	Pecos	140.00	WEST 140 ACS OF N/2 OF SEC. 24, BLK. 194, GC&SF RR CO SUR
TX0050023	000A	SMITH, MRS M A MONROE #MF-13950 (MA)	39	414	11/03/26	Pecos	140.00	WEST 140 ACS OF N/2 OF SEC. 24, BLK. 194, GC&SF RR CO SUR



EXHIBIT A

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by and between Texaco Exploration and Production Inc. (Grantor), and Chevron U.S.A. Inc. (Grantee).

TEXACO FILE #	SUF	STATE LEASE NAME AND NUMBER	BK	PG	EFF DATE	COUNTY	GROSS	DESCRIPTION
TX0118155	000A	ST OF TEXAS (BYRNE) 29519	150	83	09/24/45	Pecos	160.00	NE4 SUR 30, BLK 10, H&GN RR CO SURVEY.
TX0717675	000A	ST OF TEXAS 24272 (MA)	122	197	01/30/39	Pecos	160.00	S/4 SEC 38, BLK 10, H&GN SURVEY
TX0211600	000A	ST OF TEXAS M-23539 (MA)	119	546	04/07/38	Pecos	100.00	TRACT 1, BLK 1 OF THE PECOS RIVER BED
TX0312911	000A	TIPPETT, J H IND & AS AGENT (MA)	44	165	11/29/26	Pecos	160.00	GC&SF RR CO, BLK 194, SEC 40: NE/4.
TX0314534	000A	TIPPETT, J.H. #M-13532 (MA)	44	43	11/29/26	Pecos	50.00	CT&MC RR CO SURVEY, BLK 194, SEC 108: W2 OF NORTH 100 ACS of SOUTH 180 ACS
TX0404768	000A	ST OF TEXAS #M-67636 (MA)	315	208	10/17/72	Reeves	320.00	W/2 SEC. 16, BLK. 56, T-3, T&P RR CO. SUR.
TX0230078	000A	ST OF TX M-56135	238	94	01/14/64	Reeves	320.00	N2 SEC 34, BLK 54, T-4, T&P RR SURVEY.
TX0912220	000A	STATE OF TEXAS (Beckham) M-97924	572	847	01/15/97	Reeves	320.00	PSL Survey, Blk 71, SEC 3: N/2
TX0912222	000A	STATE OF TEXAS(Darden Estate) M-98467	575	50	01/15/97	Reeves	953.20	PSL SURVEY, BLK 71, SEC 3: S/2, SEC 26: S/2; SEC 33: NW, W2 NE, N2 SW, less RR
TX0065791	000A	022674	99	509	07/02/37	Starr		All of Section 78, Certificate 456 B.S.&F. Original Grantee, Abstract No. 899, insofar and only insofar as to rights below a subsurface depth of 6,600 feet.
TX0763488	000A	ST OF TX 48839 (MA)	145	180	03/10/58	Stonewall	5.00	NORTH PART GEORGE W THORNTON SURVEY, FANNIN PRE-EMPTION 3667
TX0134009	000A	ST OF TEXAS (MONROE) 34631	129	519	10/06/49	Ward	160.00	POR SUR 55, SF-7911, J.W. JACKSON ORIG. GRANTEE
TX0225279	000A	ST OF TX (LINEBERY) A92315	268	373	02/14/73	Winkler	72.00	SF13022, BLK WF, SEC 2

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EXHIBIT A

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by and between Texaco Exploration and Production Inc. (Grantor), and Chevron U.S.A. Inc. (Grantee).

TEXACO FILE #	SUFFIX	STATE LEASE NAME AND NUMBER	BK	PG	EFF DATE	COUNTY	GROSS	DESCRIPTION
TX0038605	000A	T.G. HENDRICK #13741	1	245	04/20/26	Winkler	80.00	W2 NW/4, SEC 39, BLK 26, PSL
TX0064275	000A	ANNIE MILLER 'B' #M-31485	38	460	04/29/36	Yoakum	640.00	SEC 862, BLOCK D, JOHN H. GIBSON SURVEY

2005

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621

File No. MF 067636

Assignment

Date Filed: 5/9/03

Jerry E. Patterson, Commissioner

By [Signature]

2003



Marilyn J. Edwards
Land Assistant
Permian

Mid-Continent Business Unit
Chevron U.S.A. Inc.
P.O. Box 36366
Houston, Texas 77236
11111 S. Wilcrest
Houston, Texas 77099
Tel 281-561-3720
Fax 281-561-4874
medw@chevron.com

CERTIFIED MAIL

February 2, 2006

General Land Office
1700 North Congress Avenue
Austin, Texas 78701

Attn: Oil & Gas Department

M-067636

For your records, please find enclosed a recorded copy of Release of Oil and Gas Lease and Agreement effective December 16, 2005 for Lessor Evelyn C. Bolinger described as W/2 Section 16, Block 56, T-3, T&P RR Co. Survey, Reeves County, Texas as to Oil, Gas and other Minerals below 3550 feet from the surface. This effectively releases Chevron's undivided 33.333% interest in the above referenced rights.

If there are any questions, or you need additional information, please contact me at the address or telephone number above.

Sincerely,

M. Edwards
Marilyn Edwards
Land Assistant

Enclosure

RECEIVED
06 FEB 10 AM 9:59
ENERGY RESOURCES

68.

File No: MF-067636
Letter
Date Filed: 7/10/06
By Jerry E. Patterson, Commissioner



FILED 7/10/06

For a complete and accurate copy of this document, please refer to the original document. This document is a copy of the original document and is not a substitute for the original document. The original document is the only authoritative source for the information contained herein.



RELEASE OF OIL AND GAS LEASE AND AGREEMENT

STATE OF TEXAS §
 §
COUNTY OF REEVES §

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

CHEVRON U.S.A. INC., a Pennsylvania corporation, does hereby release, relinquish, surrender and quitclaim unto the respective Lessor, his or their successors in interest, any and all rights acquired or held by it under the following Oil and Gas Lease and Agreement covering lands situated in Reeves County, Texas:

Lease No.	Date of Lease	Lessor	Instrument	Recording Data Vol./Page
139350	10-17-1972	Evelyn C. Bolinger	Oil and Gas Lease	315/208

Described as follows: W/2 Section 16, Block 56, T-3, T&P RR Co. Survey, Reeves County, Texas.
AS TO OIL, GAS AND OTHER MINERALS BELOW 3550 FEET FROM THE SURFACE.

EXECUTED this 16th day of December, 2005.

CHEVRON U.S.A. INC.

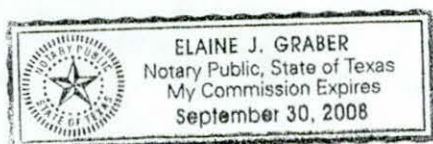
C. D. Frisbie
C.D. Frisbie
Attorney-in-Fact

STATE OF TEXAS

COUNTY OF HARRIS

Before me, the undersigned authority, on this day personally appeared C. D. Frisbie, known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-in-Fact of Chevron U.S.A. Inc., a corporation, and acknowledged to me that C. D. Frisbie executed the same for the purpose and consideration therein expressed as the act and deed of said Chevron U.S.A. Inc.

Given under my hand and seal of office the 16th day of December, 2005



Elaine J. Graber
Notary Public residing in Houston, Texas

My Commision Expires:

Certificate of Record

10.00 Recording Fee

10.00 Certified Copy Fee

10.00 Total Paid

000149

FOR RECORD
2006 JAN 17 AM 11:34

Return to:

Chavon Corporation
P.O. Box 34344
Houston TX 77236-9941

COMPARED

FLOREZ
REEVES COUNTY, TX
Deputy

THE STATE OF TEXAS, }
COUNTY OF REEVES. }

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

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

OPR VOL. 720 PAGE 772 DATE RECORDED 01/19/2006



DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

By: [Signature] Deputy

69.

File No. MS-067636

[Signature]

Date Filed: 7/10/06

Jerry E. Patterson, Commissioner

By [Signature]



TEXAS



GENERAL LAND OFFICE

JERRY PATTERSON, COMMISSIONER

March 7, 2006

Attn: Marilyn Edwards
Chevron U.S.A. Inc.
P.O. Box 36366
Houston, Texas 77236-6366

Re: Release of State of Texas Lease – MF-067636,
W/2 of Sec. 16, Blk. 56, T&P Ry. Co. Survey
Reeves County, Texas

Dear Ms. Edwards:

The General Land Office received the following instrument on February 10, 2006, filed it in the Mineral file number as stated above.

Release dated December 16, 2005, recorded in MF-067636, Reeves County, Texas.

If you have any questions, please feel free to call me.

Sincerely,

Mary Helen Silva
Lease Administration
Energy Resources
512:475-1532

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

Post Office Box 12873 • Austin, Texas 78711-2873

512-463-5001 • 800-998-4GLO

www.glo.state.tx.us

10.

File No. MF 067636
JOA letter
Date Filed: 3/7/06
Jerry E. Patterson, Commissioner
By [Signature]

Texas General
Land Office



David Dewhurst
Commissioner

November 9, 2001

CERTIFIED MAIL 7000 0520 0023 2503 5147

SECOND REQUEST

SLEDGE BROS. OIL COMPANY
P. O. BOX 953
SUITE 1900
MIDLAND, TEXAS 79702

Paid

RE: Notice of non-payment on State Leases
(M-31461, 46970, 67636, 74593)

Dear Sir or Madam:

Enclosed is a copy of our letter to you dated September 12, 2001, requesting additional royalties due on the captioned leases. As of this date we have not received your payment or a reply to this letter.

Be advised that penalty and interest continue to accrue until payment is received. A revised schedule is enclosed showing updated penalty and interest. The amount now due is \$1,249.47, which is comprised of \$752.01 in additional royalty, \$400.00 in penalty and \$97.46 in interest. Penalty and interest have been computed in accordance with Section 52.131 of the Texas Natural Resources Code.

You are also hereby notified that if the amount now due is not received in this office by December 5, 2001, these leases will be forwarded to our legal division for appropriate action.

Sincerely,

Michael W. Dunn
Michael W. Dunn, Director
Energy Inspections Division
Energy Resources

Stephen F. Austin Building

1700 North
Congress Avenue

Austin, Texas
78701-1495

512-463-5001

MD/Ir

CC: Gary Posey
Senior Manager
Energy Inspections Division
(915) 694-1483
e-mail: gary.posey@glo.state.tx.us

SLEDGE BROS. OIL COMPANY
 STATE LEASE: M-31461
 LEASE NAME: NORCOP, A. W., DX
 KEN REGAN (DELAWARE) FIELD
 REEVES COUNTY
 RRC OIL WELL #08-14886
 STATE'S ROYALTY DECIMAL: .0625

ATTACHMENT II-A

Penalty Date
 12/5/01

AE: LWR
 Filename: SledgeBr
 Date: 11/7/01

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Month	Computed Gas Production (MCF) (A)	Price (B)	BTU	Gross Value (2)X(3)X(4)	Royalty Decimal	Royalty Due (5)X(6)	Number of Days Late	Penalty (C)	Interest (C)	Additional Royalty Due (7)+(9)+(10)
May-00	184	2.02	1.00	\$371.68	0.0625	\$23.23	508	\$25.00	\$3.43	\$51.66
Jun-00	166	2.02	1.00	\$335.32	0.0625	\$20.96	477	\$25.00	\$2.88	\$48.84
Jul-00	164	3.57	1.00	\$585.48	0.0625	\$36.59	446	\$25.00	\$4.66	\$66.25
Aug-00	152	3.57	1.00	\$542.64	0.0625	\$33.92	416	\$25.00	\$3.98	\$62.90
Total	666			\$1,835.12		\$114.70		\$100.00	\$14.95	\$229.65

NOTE:

- (A) - REPRESENTS THE COMPUTED GAS PRODUCTION. VENTED GAS VOLUMES WERE CALCULATED USING THE (GOR) GAS-TO-OIL RATIO FROM ANNUAL WELL TESTS SUBMITTED BY THE OPERATOR TO THE RRC FOR WELL ID# 08-14886. THIS WEIGHTED GOR FOR THIS LEASE WAS APPLIED TO THE MONTHLY OIL VOLUMES (FOUR MONTHS) TO DETERMINE THE AMOUNT OF GAS PRODUCED EACH MONTH.
- (B) - PRICE - REPRESENTS THE PRICE TAKEN FROM THE COUNTY AVERAGE GAS SALES PRICES COMPILED BY THE GAS PRODUCER'S MONTHLY TAX REPORTS AND PROVIDED BY THE TEXAS COMPTROLLER OF PUBLIC ACCOUNTS.
- (C) - SEE ATTACHMENT III, "SUMMARY OF PENALTY/INTEREST ASSESSMENT RULES" FOR EXPLANATION OF PENALTY AND INTEREST CALCULATION.

SLEDGE BROS. OIL COMPANY
 STATE LEASE: M-46970
 LEASE NAME: H & M -B- / -C-
 KEN REGAN (DELAWARE) FIELD
 REEVES COUNTY
 RRC OIL WELL #08-27281, 28051
 STATE'S ROYALTY DECIMAL: .0625

ATTACHMENT II-B

Penalty Date
 12/5/01

AE: LWR
 Filename: SledgeBr
 Date: 11/7/01

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Month	Computed Gas Production (MCF) W#28051 (A)	Computed Gas Production (MCF) W#27281 (A)	Total RRC Production (2) + (3)	Price (B)	BTU	Gross Value (4)X(5)X(6)	Royalty Decimal	Royalty Due (7)X(8)	Number of Days Late	Penalty (C)	Interest (C)	Additional Royalty Due (9)+(11)+(12)
May-00	28	202	229	2.02	1.00	\$462.78	0.0625	\$28.92	508	\$25.00	\$4.27	\$58.19
Jun-00	110	70	180	2.02	1.00	\$363.60	0.0625	\$22.73	477	\$25.00	\$3.12	\$50.85
Jul-00	78	118	195	3.57	1.00	\$696.51	0.0625	\$43.53	446	\$25.00	\$5.54	\$74.07
Aug-00	60	126	186	3.57	1.00	\$664.02	0.0625	\$41.50	416	\$25.00	\$4.87	\$71.37
Total	275	515	790			\$2,186.91		\$136.68		\$100.00	\$17.80	\$254.48

NOTE:

- (A) - REPRESENTS THE COMPUTED GAS PRODUCTION. VENTED GAS VOLUMES WERE CALCULATED USING THE (GOR) GAS-TO-OIL RATIO FROM ANNUAL WELL TESTS SUBMITTED BY THE OPERATOR TO THE RRC FOR WELL ID# 08-27281 AND WELL ID#08-28051. THIS WEIGHTED GOR FOR THIS LEASE WAS APPLIED TO THE MONTHLY OIL VOLUMES (FOUR MONTHS) TO DETERMINE THE AMOUNT OF GAS PRODUCED EACH MONTH.
- (B) - PRICE - REPRESENTS THE PRICE TAKEN FROM THE COUNTY AVERAGE GAS SALES PRICES COMPILED BY THE GAS PRODUCER'S MONTHLY TAX REPORTS AND PROVIDED BY THE TEXAS COMPTROLLER OF PUBLIC ACCOUNTS.
- (C) - SEE ATTACHMENT III, "SUMMARY OF PENALTY/INTEREST ASSESSMENT RULES" FOR EXPLANATION OF PENALTY AND INTEREST CALCULATIONS.

SLEDGE BROS. OIL COMPANY
 STATE LEASE: M-67636
 LEASE NAME: BOLLINGER
 KEN REGAN (DELAWARE) FIELD
 REEVES COUNTY
 RRC OIL WELL #08-23315
 STATE'S ROYALTY DECIMAL: .0625

ATTACHMENT II-C

Penalty Date
 12/5/01

AE: LWR
 Filename: SledgeBr
 Date: 11/7/01

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Month	Computed Gas Production (MCF) (A)	GLO Royalty Participation 50% (A)	Price (B)	BTU	Gross Value (3)X(4)X(5)	Royalty Decimal	Royalty Due (6)X(7)	Number of Days Late	Penalty (C)	Interest (C)	Additional Royalty Due (8)+(10)+(11)
May-00	599	300	2.02	1.00	\$605.45	0.0625	\$37.84	508	\$25.00	\$5.59	\$68.43
Jun-00	568	284	2.02	1.00	\$573.43	0.0625	\$35.84	477	\$25.00	\$4.93	\$65.77
Jul-00	631	316	3.57	1.00	\$1,126.62	0.0625	\$70.41	446	\$25.00	\$8.96	\$104.37
Aug-00	680	340	3.57	1.00	\$1,214.07	0.0625	\$75.88	416	\$25.00	\$8.91	\$109.79
Total	2,479	1,239			\$3,519.57		\$219.97		\$100.00	\$28.39	\$348.36

NOTE:

- (A) - REPRESENTS THE COMPUTED GAS PRODUCTION. VENTED GAS VOLUMES WERE CALCULATED USING THE (GOR) GAS-TO-OIL RATIO FROM ANNUAL WELL TESTS SUBMITTED BY THE OPERATOR TO THE RRC FOR WELL ID# 08-23315. THIS WEIGHTED GOR FOR THIS LEASE WAS APPLIED TO THE MONTHLY OIL VOLUMES (FOUR MONTHS) TO DETERMINE THE AMOUNT OF GAS PRODUCED EACH MONTH.
- (B) - PRICE - REPRESENTS THE PRICE TAKEN FROM THE COUNTY AVERAGE GAS SALES PRICES COMPILED BY THE GAS PRODUCER'S MONTHLY TAX REPORTS AND PROVIDED BY THE TEXAS COMPTROLLER OF PUBLIC ACCOUNTS.
- (C) - SEE ATTACHMENT III, "SUMMARY OF PENALTY/INTEREST ASSESSMENT RULES" FOR EXPLANATION OF PENALTY AND INTEREST CALCULATIONS.

SLEDGE BROS. OIL COMPANY
 STATE LEASE: M-74593
 LEASE NAME: ARCO-STATE
 KEN REGAN (DELAWARE) FIELD
 REEVES COUNTY
 RRC OIL WELL #08-24482
 STATE'S ROYALTY DECIMAL: .25

ATTACHMENT II-D

Penalty Date
 12/5/01

AE: LWR
 Filename: SledgeBr
 Date: 11/7/01

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Month	Computed Gas Production (MCF) (A)	GLO Royalty Participation 50% (A)	Price (B)	BTU	Gross Value (3)X(4)X(5)	Royalty Decimal	Royalty Due (7)X(8)	Number of Days Late	Penalty (C)	Interest (C)	Additional Royalty Due (9)+(11)+(12)
May-00	203	102	2.02	1.00	\$205.03	0.25	\$51.26	508	\$25.00	\$7.57	\$83.83
Jun-00	198	99	2.02	1.00	\$199.98	0.25	\$50.00	477	\$25.00	\$6.87	\$81.87
Jul-00	187	94	3.57	1.00	\$333.80	0.25	\$83.45	446	\$25.00	\$10.62	\$119.07
Aug-00	215	108	3.57	1.00	\$383.78	0.25	\$95.95	416	\$25.00	\$11.26	\$132.21
Total	803	402			\$1,122.59		\$280.66		\$100.00	\$36.32	\$416.98

NOTE:

- (A) - REPRESENTS THE COMPUTED GAS PRODUCTION. VENTED GAS VOLUMES WERE CALCULATED USING THE (GOR) GAS-TO-OIL RATIO FROM ANNUAL WELL TESTS SUBMITTED BY THE OPERATOR TO THE RRC FOR WELL ID# 08-24482. THIS WEIGHTED GOR FOR THIS LEASE WAS APPLIED TO THE MONTHLY OIL VOLUMES (FOUR MONTHS) TO DETERMINE THE AMOUNT OF GAS PRODUCED EACH MONTH.
- (B) - PRICE - REPRESENTS THE PRICE TAKEN FROM THE COUNTY AVERAGE GAS SALES PRICES COMPILED BY THE GAS PRODUCER'S MONTHLY TAX REPORTS AND PROVIDED BY THE TEXAS COMPTROLLER OF PUBLIC ACCOUNTS.
- (C) - SEE ATTACHMENT III, "SUMMARY OF PENALTY/INTEREST ASSESSMENT RULES" FOR EXPLANATION OF PENALTY AND INTEREST CALCULATIONS.

71

File No. 67636
Sledge Bros. Oil
FME

Date Filed: 11-9-01
Jerry E. Patterson, Commissioner

By _____

Carl Bonn - MF035707-MF043061-MF067636

From: Harriet Dunne
To: Carl Bonn
Date: 9/30/2011 9:27 AM
Subject: MF035707-MF043061-MF067636

10/20/11
advised Harriet & Bonn
Deep R+1 below 3500'
appear to be open
CJB

Carl,
Please research what each of these leases covers, including depth limitations.

Is there anything in Sec 16 available for lease?

Please do a memo to the file (you can put all 3 leases on one memo) that can be placed in the file so we won't have to do this again anytime soon.

Thanks,
Harriet

PS I'll put the files in your name.

File No. MF067636
email to CK open ac

Date Filed: 10-20-11
Jerry Patterson, Commissioner

By Carl Bonn



Texas General Land Office Reconciliation Billing

Jerry Patterson, Commissioner

PO Box 12873
Austin, TX 78711-2873
(800) 998-4456
7:30 - 5:30 M-F

FILE COPY

Sledge Bros Oil Co
PO Box 953
Midland, TX 79702-0953

Billing Date: 4/8/2014
Billing Due Date: 5/8/2014
Customer Number: C000035693

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
14I00353	MF086067	\$708.24	\$0.00	\$400.00	\$48.31	\$1,156.55
14I00354	MF082072	\$242.18	\$0.00	\$250.00	\$24.25	\$516.43
14I00355	MF067636	\$358.10	\$0.00	\$175.00	\$26.10	\$559.20
14I00356	MF043061	\$141.61	\$0.00	\$75.00	\$8.78	\$225.39
Total Due		\$1,450.13	\$0.00	\$900.00	\$107.44	\$2,457.57

Penalty and interest have been calculated thru 4/30/2014. Payment remitted after 4/30/2014 will result in additional penalty and interest charges.

Contact Info: Lynn Buentgen (512) 475-1457 or lynn.buentgen@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 other royalty reporting questions, visit <http://www.glo.texas.gov>, call (512) 463-6850 or 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

Sledge Bros Oil Co

Billing Date: 4/8/2014

Billing Due Date: 5/8/2014

Customer Number: C000035693

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
14I00353	MF086067	\$708.24	\$0.00	\$400.00	\$48.31	\$1,156.55
14I00354	MF082072	\$242.18	\$0.00	\$250.00	\$24.25	\$516.43
14I00355	MF067636	\$358.10	\$0.00	\$175.00	\$26.10	\$559.20
14I00356	MF043061	\$141.61	\$0.00	\$75.00	\$8.78	\$225.39
Total Due		\$1,450.13	\$0.00	\$900.00	\$107.44	\$2,457.57
Amt. Paid						

Customer ID: C000035693

Invoice Number:

GLO Lease: MF086067

GLO Review: SLEDGE BROS. OIL CO.

Review Period JULY 2011 THROUGH DEC 2012

Auditor/AE: LBUENTGE
Billing Date: 4/11/2014
&I Calculation Date: 4/30/2014
Royalty Rate: 12.50%

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Month / Year	RRC Number	Gas 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 From Additional Royalty	Interest From Additional Royalty	Revenue Due
						(1)x(2)x(3)x(4)	(5) * Royalty Rate							(8)+(11)+(12)
Jul-11	08-098343	186	1	4.37	1.00	\$812.82	\$101.60	\$89.74	\$11.86	958	4.250000%	\$25.00	\$1.24	\$38.10
Aug-11	08-098343	273	1	4.38	1.00	\$1,195.74	\$149.47	\$133.91	\$15.56	928	4.250000%	\$25.00	\$1.57	\$42.13
Sep-11	08-098343	317	1	3.95	1.00	\$1,252.15	\$156.52	\$137.56	\$18.96	897	4.250000%	\$25.00	\$1.85	\$45.81
Oct-11	08-098343	83	1	3.73	1.00	\$309.59	\$38.70	\$34.03	\$4.67	867	4.250000%	\$25.00	\$0.44	\$30.11
Nov-11	08-098343	51	1	3.45	1.00	\$175.95	\$21.99	\$19.31	\$2.68	836	4.250000%	\$25.00	\$0.24	\$27.92
Dec-11	08-098343	83	1	3.28	1.00	\$272.24	\$34.03	\$137.41	-\$103.38	805	4.250000%	\$0.00	\$0.00	-\$103.38
Jan-12	08-098343	355	1	3.04	1.00	\$1,079.20	\$134.90	\$106.74	\$28.16	776	4.250000%	\$25.00	\$2.35	\$55.51
Feb-12	08-098343	371	1	2.57	1.00	\$953.47	\$119.18	\$123.86	-\$4.68	745	4.250000%	\$0.00	\$0.00	-\$4.68
Mar-12	08-098343	374	1	2.35	1.00	\$878.90	\$109.86	\$100.99	\$8.87	715	4.250000%	\$25.00	\$0.68	\$34.55
Apr-12	08-098343	286	1	2.11	1.00	\$603.46	\$75.43	\$0.00	\$75.43	684	4.250000%	\$25.00	\$5.49	\$105.92
May-12	08-098343	357	1	1.96	1.00	\$699.72	\$87.47	\$0.00	\$87.47	654	4.250000%	\$25.00	\$6.06	\$118.53
Jun-12	08-098343	185	1	2.44	1.00	\$451.40	\$56.43	\$0.00	\$56.43	623	4.250000%	\$25.00	\$3.71	\$85.14
Jul-12	08-098343	447	1	2.77	1.00	\$1,238.19	\$154.77	\$133.47	\$21.30	592	4.250000%	\$25.00	\$1.32	\$47.62
Aug-12	08-098343	378	1	3.12	1.00	\$1,179.36	\$147.42	\$127.13	\$20.29	562	4.250000%	\$25.00	\$1.19	\$46.48
Sep-12	08-098343	334	1	2.62	1.00	\$875.08	\$109.39	\$96.61	\$12.78	531	4.250000%	\$25.00	\$0.70	\$38.48
Oct-12	08-098343	338	1	2.97	1.00	\$1,003.86	\$125.48	\$0.00	\$125.48	501	4.250000%	\$25.00	\$6.46	\$156.94
Nov-12	08-098343	374	1	3.37	1.00	\$1,260.38	\$157.55	\$0.00	\$157.55	470	4.250000%	\$25.00	\$7.54	\$190.09
Dec-12	08-098343	365	1	3.7	1.00	\$1,350.50	\$168.81	\$0.00	\$168.81	439	4.250000%	\$25.00	\$7.47	\$201.28
TOTALS		5,157				\$15,592.01	\$1,949.00	\$1,240.76	\$708.24			\$400.00	\$48.31	\$1,156.55

COMMENTS:

VOLUMES REPORTED TO RRC WERE COMPARED TO SALES VOLUME REPORTED TO GLO. AS A RESULT OF THIS COMPARISON, IT HAS BEEN DETERMINED THAT THERE IS NO GAS PRODUCTION AND SALES VOLUME HAVE BEEN REPORTED TO GLO AND UNDER PAID TO GLO.

ACCORDING TO OUR RECORDS, SLEDGE BROS. OIL CO. IS STILL THE CURRENT LESSEE AND IS RESPONSIBLE FOR PRIOR OBLIGATIONS IN ACCORDANCE WITH SECTION 52.026 OF THE TEXAS NATURAL RESOURCES CODE. AS THE CURRENT OPERATOR, WE ARE ADDRESSING THIS UNDERPAYMENT TO YOUR OFFICE FOR NECESSRY ACTION.

COLUMN (1) VOLUME: REPRESENTS THE GAS VOLUMES HAVE NOT BEEN REPORTED AND UNDER PAID TO GLO COMPARED TO THEH VOLUME REPORTED TO THE RAILROAD COMMISSION FOR WELL # 08-0983343.

COLUMN (3) PRICE: TAKEN FROM NATURAL GAS MARKET PRICES BY TEXAS REGIONS DUE TO GLO REPORT IS NOT AVAILABLE.

COLUMN (4) BTU: TAKEN FROM NATURAL GAS MARKET PRICES BY TEXAS REGIONS DUE TO GLO REPORT IS NOT AVAILABLE.

COLUMN (11), (12): SEE ATTACHMENT III, "SUMMARY OF PENALTY/INTEREST ASSESSMENT RULES", FOR EXPLANATION OF PENALTY AND INTEREST CALCULATIONS.

CERTIFIED MAIL NUMBER: 7005 1820 0003 1756 7309 7231
ATTENTION: Mary Eschberger
mary.wtor@gmail.com

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File No. MF 067636

Reconciliation Billing

Date Filed: 5/5/14

Jerry E. Patterson, Commissioner

By Dayda Ramirez

**Oil & Gas Data Query**[Query Menu](#) [Help](#)**Specific Lease Query Results****Query Path:** [Search Criteria](#) > District: 08**Date Range:** Jan ▼ 2017 ▼ to Dec ▼ 2018 ▼**Related Links**[O&G Directory](#)[O&G Proration Schedule](#)[Offshore County Map](#)[Production and Total Disposition](#) [Disposition Details](#) [County Production](#)**Search Criteria:****Lease Name:** BOLLINGER , Lease No.: 23315**Well Type:** Oil**District:** 08**Lease Production and Disposition****Date Range:** Jan 2017 - Dec 2018**24 results**

Page: 1 of 1

Page Size: [View All ▼](#)

Date	OIL (BBL)		Casinghead (MCF)		Operator Name	Operator No.	Field Name	Field No.
	Production	Disposition	Production	Disposition				
Jan 2017	105	0	0	0	7S OIL & GAS, LLC	954992	KEN REGAN (DELAWARE)	48754500
Feb 2017	72	0	0	0				
Mar 2017	102	0	0	0				
Apr 2017	165	163	0	0				
May 2017	19	186	0	0				
Jun 2017	263	0	0	0				
Jul 2017	300	361	0	0				
Aug 2017	0	175	0	0				
Sep 2017	88	0	0	0				
Oct 2017	107	0	0	0				
Nov 2017	60	0	0	0	ARCH OIL & GAS, LLC	029272	KEN REGAN (DELAWARE)	48754500
Dec 2017	111	0	0	0				
Jan 2018	79	189	0	0				
Feb 2018	157	0	0	0				
Mar 2018	0	407	0	0				
Apr 2018	26	0	0	0				
May 2018	50	177	0	0				
Jun 2018	0	0	0	0				
Jul 2018	0	0	0	0				
Aug 2018	0	0	0	0				
Sep 2018	0	0	0	0				
Oct 2018	0	0	0	0				
Nov 2018	0	0	0	0				
Dec 2018	0	0	0	0				
Total	1,704	1,658	0	0				

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File No. MF 067636

Reeves County

Production Data

Date Filed: 3/1/2019

George P. Bush, Commissioner

By BG

U.S. Postal Service™

CERTIFIED MAIL™ RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com®

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Return Receipt Fee
(Endorsement Required)

Restricted Delivery Fee
(Endorsement Required)

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Here

Total Postage

Jeffrey Norman Browning

Arch Oil & Gas, LLC

16400 Dallas Parkway, Suite 305

Dallas, TX 75248

Sent To

Street, Apt. No.,
or PO Box No.

City, State, ZIP+

Certified Mail Provides:

- A mailing receipt
- A unique identifier for your mailpiece
- A record of delivery kept by the Postal Service for two years

Important Reminders:

- Certified Mail may **ONLY** be combined with First-Class Mail® or Priority Mail®.
- Certified Mail is *not* available for any class of international mail.
- **NO INSURANCE COVERAGE IS PROVIDED** with Certified Mail. For valuables, please consider Insured or Registered Mail.
- For an additional fee, a *Return Receipt* may be requested to provide proof of delivery. To obtain Return Receipt service, please complete and attach a Return Receipt (PS Form 3811) to the article and add applicable postage to cover the fee. Endorse mailpiece "Return Receipt Requested". To receive a fee waiver for a duplicate return receipt, a USPS® postmark on your Certified Mail receipt is required.
- For an additional fee, delivery may be restricted to the addressee or addressee's authorized agent. Advise the clerk or mark the mailpiece with the endorsement "*Restricted Delivery*".
- If a postmark on the Certified Mail receipt is desired, please present the article at the post office for postmarking. If a postmark on the Certified Mail receipt is not needed, detach and affix label with postage and mail.

IMPORTANT: Save this receipt and present it when making an inquiry.

PS Form 3800, August 2006 (Reverse) PSN 7530-02-000-9047

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1.

Jeffrey Norman Browning
Arch Oil & Gas, LLC
16400 Dallas Parkway, Suite 305
Dallas, TX 75248



9590 9402 1749 6074 7772 96

2. Article Number (Transfer from service label)

7011 1150 0001 2420 6438

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☒ Agent☐ Addressee

B. Received by (Printed Name)

Sean Kinade

C. Date of Delivery

3-6-15

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

☐ Adult Signature☐ Adult Signature Restricted Delivery☒ Certified Mail®☐ Certified Mail Restricted Delivery☐ Collect on Delivery☐ Collect on Delivery Restricted Delivery

Insured Mail

Insured Mail Restricted Delivery

(Over \$500)

☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted Delivery☐ Return Receipt for Merchandise☐ Signature Confirmation™☐ Signature Confirmation Restricted Delivery



First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

9590 9402 1749 6074 7772 96

**United States
Postal Service**

• Sender: Please print your name, address, and ZIP+4® in this box•

MF 067636
BRIAN GRAY
TEXAS GENERAL LAND OFFICE
P.O. BOX 12873
AUSTIN, TX 78701

[illegible]



TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

March 1, 2019

Certified USPS # 7011 1150 0001 2420 6438

Jeffrey Norman Browning
Arch Oil & Gas, LLC
16400 Dallas Parkway, Suite 305
Dallas, TX 75248

Re: Termination of State Lease No. MF 067636
Bollinger Well No. 1 et al / API No. 42-389-30291 et al / RRC No. 08-23315
320 acres, being the W/2 of Section 16, Block 56, Township 3, T & P RR Co. Survey, Reeves
County, Texas

Mr. Browning:

The Texas General Land Office (GLO) has completed a review of the above captioned State Lease of which Arch Oil & Gas, LLC is the current listed operator. The review of our internal records, along with production records provided by the Texas Railroad Commission, indicate RRC No. 08-23315 (API No. 42-389-30291) ceased production as of June 2018. The above referenced mineral file does not contain documentation of any additional shut-in royalty payments or reworking operations. As such, pursuant to Paragraph No. 24 of the State Lease dated October 17, 1972, the GLO considers the State Lease terminated effective August 1, 2018.

Should you disagree with this assessment please provide evidence to the GLO at the address shown below within thirty (30) days of receipt of this letter. Failure to reply or failure to present sufficient evidence of the continuation of said State Lease will result in the mineral file being endorsed as terminated. You will receive no further communication from this office prior to this endorsement.

Additionally, Title 31, §9.92, of the Texas Administrative Code requires that a recorded original or certified copy of a Release of each State Lease, along with a filing fee of twenty-five dollars (\$25.00) per lease, be filed with our office.

Please discontinue filing GLO production reports and immediately delete the GLO RRAC control record for these wells. If there are royalties due, our Audit Division will notify you of the amount due.

Lastly, when the wells have been plugged, copies of Railroad Commission Form W-3 are required to be filed with our office.

If you have questions concerning this matter, please feel free to e-mail me at the address below my signature.

Best,

COPY

Brian Gray

Energy Resources

512-463-5118

brian.gray@glo.texas.gov

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File No. MF 067636

Reeves County

Termination Letter

Date Filed: 3/1/2019

George P. Bush, Commissioner

By BG

COBY