



CAUTION

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

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

Thank you for your assistance.

Archives and Records Staff

MF084116

| State Lease | Control | Base File | County |
|-------------|-----------|-----------|--------|
| MF084116 | 08-038740 | 150723 | WISE |

TERMINATION

DATE 11/1/13
LEASING SSD
MAPS JK
GIS ML

Leasing: JK

Analyst: _____

Maps: JK

GIS: ML

DocuShare: _____

| | | |
|------------------|------------------|-------------|
| Survey | MEP & PRY CO | |
| Block | | |
| Block Name | | |
| Township | | |
| Section/Tract | 60 | |
| Land Part | | |
| Part Description | MIDDLE 4 | |
| Acres | 181.3 | |
| Depth Below | Depth Above | Depth Other |
| 0 | 3250 | See Lease |
| Name | TWIN MONTANA INC | |
| Lease Date | 5/17/1979 | |
| Primary Term | 4 mo | |
| Bonus (\$) | \$0.00 | |
| Rental (\$) | \$0.00 | |
| Lease Royalty | 0.0625 | |

M
F
0
8
4
1
6
TWIN MONTANA INC

FREE ROYALTY LEASE M-34116

8
249

COUNTY: Wise
TRACT : Middle 1/4 of Sur. 60, A-1509,
PART : M.E.P. & P. Ry. Co. Survey
ACRES : 181.3

LESSEE : Twin Montaña, Inc.
DATE : May 17, 1979
TERM : 4 months
BONUS : _____
RENTAL: _____
FILE : 150723

125

08-03874-0

MF 084116



Page 1011
Rental RW
Min. Ac _____
Min. Map 100
Page Tot: 92

DUPLICATE FILE
AND ORIGINAL
2825 FILE

90.75 UNIT AC

~~90.55~~ NONUNIT AC

Rentals:

Lease

Admin:

Mineral

Maps:

STATE LEASE

MF084116

| CONTROL | BASEFILE | COUNTY |
|----------|----------|-----------|
| 08-38740 | 150723 - | WISE /249 |

SURVEY : M E P & P R Y CO
BLOCK :
TOWNSHIP : 00
SECTION/TRACT: 60
PART :
ACRES : 181.30
DEPTH LIMITS : NO

LESSEE : TWIN MONTANA INC
LEASE DATE : May 17 1979
PRIMARY TERM : 4 mos
BONUS (\$) : 0.00
RENTAL (\$) : 0.00
ROYALTY : 0.06250000
VAR ROYALTY :

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Scanned 1W 12.9.15

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 17th day of May, 19 79, by and between
 HIDALGO OIL & GAS CO., INC.,
 of Hidalgo County, Texas, hereinafter called lessor (whether one or more), and
TWIN MONTANA, INC., hereinafter called lessee:

WITNESSETH: That the said lessor, for and in consideration of Ten and No/100
 (\$10.00) Dollars,

cash in hand paid, the receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and performed, has granted, demised, leased and let, and by these presents does grant, lease and let unto the said lessee for the sole and only purpose of exploring, drilling, mining, and operating for oil and gas and of laying pipe lines and of building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land situated in the county of

Wise

State of Texas, described as follows, to-wit:

Being 181.3 acres, known as the Middle 1/4 of Survey No. 60, Certificate No. 48, M.E.P. & P. R.R. Co. Survey, patented to S. R. Ponder, Abstract No. 1509, about 18 miles South 41° 30' West from Decatur, described as follows, to-wit:

BEGINNING at a pipe the Northwest corner of the East 1/4 of Section 60 of the M.E.P. & P. R.R. Co. Survey, the Northwest corner of the J. A. Culwell Survey from which an 8" P.O. bears South 60° West 36 varas;

THENCE South 60° West 161.8 varas a stone the Southwest corner of the J. W. Roberts Survey from which a 6" P.O. bears North 60° East 1 varas;

THENCE South 63-3/4° West at 914 varas a creek, in all 1036 varas a stone the most Northerly Northeast corner of the J. W. Gregory Survey, which is the Northeast corner of the Northwest 1/4 of said Section 60, a 24" bears North 62-1/2° East 7 varas;

THENCE South with the East line of said Gregory Survey and the East line of the Northwest 1/4 of said Section 60 at 370 varas a creek in all 702 varas a pile of rock the Southeast corner of said Gregory Survey, which is the Southeast corner of the Northwest 1/4 of said Section 60 an 8" leaning L.O. bears South 35° West 3 varas;

THENCE East at 99 varas a post the Northeast corner of a subdivision of Section 61 in the North line of Section 61 of the M.E.P. & P. R.R. Co. Survey at 968 varas the Northeast corner of said Section 61, in all 1036 varas a pipe the Southwest corner of the East 1/4 of said Section 60, which is the Southwest corner of the J. A. Culwell Survey a 6" L.O. bears North 38° West 35 varas a 6" bears North 48° 35 varas;

THENCE North 0° 43' East with the West line of said Culwell Survey 1241.1 varas to the place of BEGINNING, containing 181.3 acres of land, more or less, and being the same land described in a deed from S. E. Ponder to E. H. Bursey, dated February 9, 1943, and recorded in Volume 150, Page 328, Deed Records of Wise County, Texas, being also the land described as the SECOND TRACT in a deed from W. D. Waltman, Jr., and wife, Katherine S. Waltman, to Geo. T. Crowley and wife, Pearl Crowley, dated November 17, 1955, of record in Volume 203, Pages 130 to 133, both numbers inclusive, of the Deed Records of Wise County, Texas; and being bounded on the North by the J. W. Roberts Survey, A-1230, E. F. Cody Survey, A-224, and by the J. W. Culwell Survey, A-1270, on the West by the M. E. Sparks Survey, A-1426, on the South by the Survey No. 61 of M.E.P. & P. R.R. Co. Survey, and on the East by a part of Survey No. 60, Certificate No. 48 of the M.E.P. & P. R.R. Co. Survey heretofore owned by J. A. Culwell.

At the expiration of the primary term hereof, all right, title and interest herein acquired by the lessee shall terminate and revert to the lessor, SAVE AND EXCEPT those geological strata and formations situated between the surface and 100 feet below the depth of the deepest well drilled by lessee on the premises; PROVIDED, HOWEVER, that in the absence of additional drilling operations, production of oil and/or gas in paying quantities from the W. D. Waltman No. 1 well shall perpetuate this lease as to all rights and zones between the surface and 3250 feet subsurface. Notwithstanding anything herein to the contrary, at the expiration of the primary term all rights of Lessee hereunder shall terminate except as to rights held by production, payment of shut-in royalties or drilling operations as provided for herein.

all its obligations hereunder.

Title to the minerals vested in grantee under this grant shall not end or revert to grantor until there is a complete, absolute and intentional abandonment by grantee of each and all of the purposes, expressed or implied, of this grant and every part and parcel of the premises described in this grant.

Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the lessee shall have the right at any time to redeem for lessor by payment any mortgages, taxes or other liens or interest and other charges on the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof and to deduct amounts so paid from rentals or other payments due or which may become due under this lease.

All express or implied covenants of this lease shall be subject to all Federal and State laws, Executive orders, rules or regulations and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such law, order, rule or regulation. And if from such cause lessee is prevented from conducting drilling or reworking operations on or producing oil or gas from, the leased premises, the time while lessee is so prevented shall not be counted against lessee, and this lease shall be extended for a period of time equal to that during which such lessee is so prevented from conducting drilling or reworking operations on or producing oil or gas from, such leased premises, notwithstanding any other provision hereof.

Lessor hereby acknowledges that he has received from lessee for his own use and reference a true and correct copy of this lease.

IN TESTIMONY WHEREOF, we sign, this 17th day of May, 19 79.

Attest:

C. B. Harrop
 Asst. Secretary

HIDALGO OIL & GAS CO., INC.

By: [Signature]

President

CORPORATION ACKNOWLEDGEMENT

THE STATE OF TEXAS,

County of HIDALGO

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared

LLOYD M. BENTSEN

, 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

HIDALGO OIL & GAS CO., INC.,

a corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 25th day of May A. D. 1979 .

(L. S.)

Notary Public in and for

Hidalgo

HELEN County, Texas.
Notary Public in and for
Hidalgo County

844 - SAPPINGTON PRINTING CO., P. O. BOX 45, FORT WORTH 1, TEXAS

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE, This.....day of....., A.D. 19.....

(L.S.)

Notary Public,.....County, Texas

My Commission Expires.....

CORPORATION ACKNOWLEDGMENT

THE STATE OF TEXAS,

COUNTY OF HIDALGO

BEFORE ME, the undersigned authority,

in and for said County, Texas, on this day personally appeared LLOYD M. BENTSEN, President,

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

HIDALGO OIL & GAS CO., INC.,

a corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, This.....day of....., A.D. 1979.

(L.S.)

Notary Public, Hidalgo County, Texas

My Commission Expires.....

CLERK'S CERTIFICATE

THE STATE OF TEXAS,

COUNTY OF

I,....., County

Clerk of the County Court of said County, do hereby certify that the foregoing instrument of writing dated on the.....day of....., A. D. 19....., with its Certificate of Authentication, was filed for

record in my office on the.....day of....., A. D. 19....., at.....o'clock.....M., and duly recorded this.....day of....., A. D. 19....., at.....o'clock.....M., in the

Records of said County, in Volume....., on pages.....

WITNESS MY HAND AND SEAL OF THE COUNTY COURT of said County, at office in.....

....., the day and year last above written.

(L. S.)

County Clerk.....County, Texas.

By....., Deputy.

No.

OIL AND GAS LEASE

FROM

HIDALGO OIL & GAS CO., INC.

TO

La JUNTA ENTERPRISES, INC.

Dated

No. Acres

County, Texas.

Term

This instrument was filed for record on the

day of

19....., at

o'clock.....M., and duly recorded in

Volume

Page

of the records of this office.

County Clerk.

Deputy.

When recorded return to

MARTIN Stationery Co., Dallas

①

M 84116

Free Royalty Lease

File Dated 12-10-80

Bob Armstrong, Commissioner DJ

①

LAW OFFICES
JENNINGS, MONTGOMERY, DIES & TURNER
A PROFESSIONAL CORPORATION
P. O. DRAWER 809
GRAHAM, TEXAS 76046

ELTON M. MONTGOMERY

December 8, 1980

BOARD CERTIFIED -
CIVIL TRIAL LAW
ESTATE PLANNING AND PROBATE LAW
TEXAS BOARD OF LEGAL SPECIALIZATION

(817) 549-3456
620 FOURTH ST.

Mr. Max Werkenthin
General Land Office
Austin, Texas 78711

Re: Echo Production, Inc.
Waltman Lease
Wise County, Texas

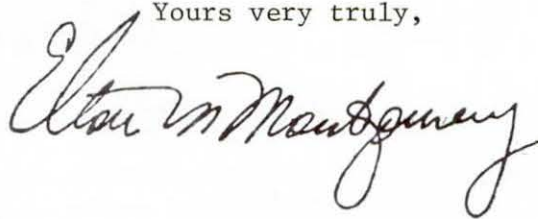
Dear Mr. Werkenthin:

This will follow up on our recent telephone conference concerning the State's royalty interest by reason of School File No. 150723, being the S. R. Ponder Survey, Abstract No. 1509, in Wise County.

As requested, we forward herewith a true copy of the lease, which is recorded in Volume 226 at Page 817 of the Lease Records of Wise County, Texas. Also enclosed herewith are copies of documents from the operator's file which you may wish to incorporate in your file.

As advised in our telephone visit, Echo Production, Inc. (the operator) is a sister or affiliate company of Twin Montana, Inc., the lessee.

Yours very truly,



EMM:mlc

Enclosures

Cc: Mr. H. T. Hunnewell
Echo Production, Inc.
P. O. Box 720
Graham, Texas 76046

2

84116

W. F.

CORRESPONDENCE FILE

To

From

Elton Montgomery

Dated 12-10-80

10d

12-10-80

MEMORANDUM

TO: M-84116 (FREE ROYALTY)
FROM: MAX Werkenthin
DATE: 12-7-80
SUBJECT: new lease w/producing well

Phoned Mr. Elton M. Montgomery, who is outside counsel for Twin Montana, Inc, from whom we rec'd a Div. Order on a tract which showed no lease. (old lease dead M-59264).

Mr. Montgomery said:

- no new well has been drilled on this tract [Mid 1/4 of Sec. 60, ME PJPRY.]
- operator has re-entered old oil well & is now selling gas commercially
- gas buyer is Lone Star Gas.
- operator on RRC records is ECHO PRODUCTION, sister company of Twin Montana.
- person to contact at Twin Montana is H.T. (Tom) Hunnewell, (817) 549-3292

I asked him to send us copy of lease & RRC forms.

He said he would send as soon as possible.

MJW

ME 84116
CORRESPONDENCE FILE
TO PHONE MEMO

FROM

DATE 12-4-80

DISPOSITION CODES

NE PIPELINE

2 TANK CARS OR BARREL

3 NET OIL FROM TANK CLEANING

4 CIRCULATION

5 LOST

6 FIRMESTATION

7 THE PANY OR COMBINATION

8 SMALL

9 SCORING OIL

SEPTEMBER, 1980

DISTRICT 09

PAGE 387

0 08

0 08
OIL PRODUCTION LEADER

0 08

| FIELD | OPERATOR | LEASE | WELLS FLOW/TH | ALLOW | PROD | DISPOSITION | TIME DAY | TIME DAY | TIME DAY | TIME DAY | TIME DAY | TIME DAY |
|--------------------------------|----------------|----------------------------------|-------------------------------------|---------|---------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| D & L (MISS. 465) | LINDLEY, J. R. | 14974 DAW, W. D.-LAYTON UNIT #1 | 22646 500 501220 | 4 | 180 | 0 | 12 | 12 | 2880 | | | |
| | | | 5 | 186 | 0 | 12 | 12 | 2976 | | | | |
| | | | 6 | | 0 | 12 | 12 | | | | | |
| | | | 7C | | 0 | 12 | 12 | | | | | |
| | | | 8 | | 0 | 12 | 12 | | | | | |
| | | | 9 | | 0 | 12 | 12 | | | | | |
| DAILY (MISSISSIPPIAN) | DAKIN (CADD) | DAKIN (CONG.) | 22744 500 22772 500 22772 600 | | | 126 | | | | ARCO | | |
| MCCANN, RONALD | | 19845 ALEXANDER ESTATE | 538854 | 4 | 3000 | 73 | 180 | 180 | 6000 | 1 | | |
| | | | 5 | 3100 | 237 | 3021 | 115 | 115 | 6200 | 25 | | |
| | | | 6 | 3000 | 114 | 1701 | 59 | 59 | 6000 | 25 | | |
| | | | 7 | 3100 | 0 | | 59 | 59 | 6200 | 25 | | |
| | | | 8 | 3100 | 45 | | 104 | 104 | 6200 | 25 | | |
| | | | 9 | 3000 | NO RPT. | | | 104 | 6000 | 25 | | |
| PYROM EXPLORATION & DRG. CORP. | | 20280 DEATS | 634466 | 4 | NO RPT. | | | | | | | |
| | | | 5 | NO RPT. | | | | | | | | |
| | | | 6C | NO RPT. | | | | | | | | |
| | | | 7 | 1012 | 773 | 7411 | 32 | 32 | 4600 | 2367 | | |
| | | | 8 | 1364 | 600 | 5621 | 71 | 71 | 6200 | 1802 | | |
| | | | 9 | 1320 | 414 | 3661 | 118 | 118 | 6000 | 1242 | | |
| DALY (CADD) | | | 22867 166 | | | | | | | | | |
| DALY (CADD, LOWER) | | | 22867 332 | | | | | | | | | |
| DALY (H-1) | | | 22867 830 | | | | | | | | | |
| DALY, NORTH (315) SAND | | | 22869 666 | | | | | | | | | |
| ECHO PRODUCTION, INC. | | 13917 WALTHAM, W. D. | 240125 | 4 | 0 | | 9 | 9 | | | | |
| | | | 5 | 0 | | | 9 | 9 | | | | |
| | | | 6 | 0 | | | 19 | 10 | | 880 | | |
| | | | 7 | 25 | | | 44 | 35 | | 2232 | | |
| | | | 8 | 49 | 11 | | 55 | 55 | 896 | 927 | | |
| | | | 9 | 210 | 106 | | 161 | 161 | 3840 | 1420 | | |
| L & M OIL CO. | | 18631 MCINTIRE, E. | 480090 | 4 | 210 | 112 | 170 | 143 | 163 | 3840 | 6 | |
| | | | 5 | 217 | 129 | | 168 | 124 | 124 | 3968 | 6 | |
| | | | 6 | 210 | 112 | | | 236 | 236 | 3840 | 6 | |
| | | | 7 | 217 | 109 | 172 | | 173 | 173 | 3968 | 7 | |
| | | | 8 | 217 | 107 | 165 | | 115 | 115 | 3968 | 5 | |
| | | | 9 | 210 | 123 | | | 238 | 238 | 3840 | 6 | |
| HITCHELL ENERGY CORPORATION | | 08764 HOLLINGSWORTH, W. W. NO. 2 | 570655 | 4 | 90 | 124 | | 242 | 55 | 188 | 1200 | 45 |
| | | | 5 | 93 | 13 | 1781 | 109 | 3 | 109 | 1240 | 45 | |
| | | | 6 | 90 | 110 | | 219 | 23 | 196 | 1200 | 45 | |
| | | | 7 | 93 | 91 | 1731 | 137 | 21 | 114 | 1240 | 45 | |
| | | | 8 | 93 | 101 | | 238 | 29 | 209 | 1240 | 46 | |
| | | | 9 | 90 | 88 | 1731 | 153 | 27 | 124 | 1200 | 46 | |
| BAR (ELLENBURGER) | | | 22919 300 | | | | | | | | | |
| SPRUELL DRILLING CO., INC. | | 18582 WAGGNER, W. T. ESTATE -B- | 812651 | 4 | 1440 | 240 | 190 | 95 | 95 | 1200 | 1 | |

4.
M.F. 84116

CORRESPONDENCE FILE

To RRC OIL PROD. LEDGER

Sept. 80

From

Dated 12-5-80

INSTRUCTIONS FOR EXECUTION OF DIVISION ORDERS

1. Division orders for corporations must be executed by an authorized officer, attested by the secretary and the corporate seal affixed thereto.
2. Division orders for partnerships must be executed by all partners.
3. All married women must be joined by their husbands in executing a division order.
4. All signatures other than those for corporations must be witnessed by at least two persons not related to the party signing.
5. Please be sure to check that your correct mailing address, including zip code, and social security or tax identification number is shown on the division order.
6. After completing your division order, please return ONE copy to:

Twin Montaña, Inc.
P. O. Box 720
Graham, Texas 76046

121

#1088



DIVISION ORDER

-TO: Twin Montaña, Inc.
P. O. Box 720
Graham, TX 76046

The undersigned certify and guarantee that they are the legal owners of and are entitled to payment for oil, gas, casinghead gas, gasoline, butane, propane, distillate and condensate produced from all wells now and hereafter drilled on Twin Montaña, Inc.'s Waltman Lease, located in Wise County, Texas, described as follows, to wit:

SEE ATTACHED EXHIBIT "A" HERETO.

and effective with deliveries beginning 7:00 a.m. Date of First Runs 19X and thereafter. Until you are furnished with an instrument in writing evidencing a change in the ownership different from that sent out hereunder, you will give credit for oil, gas, casinghead gas, gasoline, butane, propane, distillate and condensate, or the proceeds thereof, from said lease for the interest shown below in the following manner, to-wit:

| <u>OWNER</u> | <u>DECIMAL INTEREST</u> |
|---|-------------------------|
| ✓ State of Texas | .0625000 R.I. |
| A. G. Baer | .0031250 R.I. |
| Floyd H. Scott | .0078125 R.I. |
| Combined Oil Company, Inc. | .0079716 R.I. |
| J. M. Gibbon | .0017708 R.I. |
| John E. Withers & Barbara Withers Ivy | .0007972 R.I. |
| John D. Spillman | .0010629 R.I. |
| H. Hudson | .0021258 R.I. |
| D. W. Key | .0010629 R.I. |
| Robbie Low | .0010629 R.I. |
| Maud Mattox Low, a widow, Ruby Low Avinger, Individually & Independent Executrix, Est. R. W. Low, deceased, Robbie Low, Raymond (Ray) Morris, Reacael Low Burns & William Ralph Low | .0013871 R.I. |
| V. E. Pembroke | .0007079 R.I. |
| Grace Weaver | .0003539 R.I. |

GENERAL LAND OFFICE
STEPHEN F. AUSTIN BUILDING
1700 NORTH CONGRESS AVENUE
AUSTIN, TEXAS 78701
TAX I. D. #74-6000-103

SEE REVERSE SIDE

OWNERDECIMAL INTEREST

Werdna Weaver Knutson, a widow, Raymond
A. Beall, Jr., Norris Weaver and Robert
E. Weaver, equally

.0003539 R.I.

Orville (O. D.) Tunstill

.0016528 R.I.

W. W. Hollingsworth

.0000014 R.I.

Millard L. Suggs

.0000014 R.I.

Hidalgo Oil & Gas Company, Inc.

.0312500 R.I.



It is stipulated and agreed that the purchase and sale of the oil, and/or casinghead gas, and/or gasoline, butane or propane, and/or distillate or condensate is and shall be covered and controlled by that certain gas purchase contract and/or condensate contract executed by Twin Montana, Inc. as seller or vendor and by _____

LONE STAR GAS COMPANY

as buyer(s) or vendee(s), including any supplements and amendments thereto and modifications and replacements thereof and substitutions thereof, in whole or in part, heretofore and hereafter made; it is expressly agreed that such instruments insofar as applicable, shall govern and control the subject matter hereof to the same extent and with the same force and effect as though all parties hereto had executed the original instruments aforesaid, which instruments are hereby adopted, ratified, confirmed and authorized by the undersigned according to their wording, tenor, and effect.

In the event the monthly payments to any of the above shall be less than \$25.00, said Company may allow the proceeds to accumulate and pay the owner as the amount reaches \$25.00.

In the event of a dispute concerning title to said described land or to oil and/or gas, and/or casinghead gas, and/or gasoline, butane, or propane, and/or distillate or condensate, purchased hereunder or to the proceeds of all or any part thereof, Twin Montana, Inc. may hold the purchase price without interest, of the oil, and/or gas, and/or casinghead gas, and/or gasoline, butane, or propane, and/or distillate or condensate, purchased hereunder to the extent involved in said dispute until indemnity satisfactory to Twin Montana, Inc. has been furnished, and in the event any action or suit is filed in any court affecting either the title to the land above described, or to the oil and/or gas, and/or casinghead gas, and/or gasoline, butane, or propane, and/or distillate or condensate produced therefrom or to the proceeds of all or any part thereof to which any of the undersigned are parties, written notice of the filing of said action shall be immediately furnished to Twin Montana, Inc. by the above, stating the court in which the same is filed and the title of such action or suit.

Each of the undersigned hereby ratifies and confirms the oil, gas, and mineral lease herein referred to and agree that same is a valid and subsisting lease.

This division order shall be binding on each and every owner of the oil and/or gas, and/or casinghead gas, and/or gasoline, butane, or propane, and/or distillate or condensate, covered by this instrument as soon as signed by him or her, regardless of whether or not any of the other owners have so signed.

Witness

State of Texas
General Land Office

Austin, TX

Soc. Sec. Number

Witness

A. G. Baer |

Soc. Sec. Number

Witness

Floyd H. Scott
204 Life of America Building

Fort Worth, TX 76102

Soc. Sec. Number

WITNESS

Combined Oil Company, Inc.
Fort Worth National Bank Bldg.

Fort Worth, TX 76102

SOC. SEC. NUMBER

WITNESS

J. M. Gibbon
Box 217

Decatur, TX

SOC. SEC. NUMBER

WITNESS

WITNESS

John E. Withers & Barbara Withers Ivy
4713 N. W. 76th Street

Oklahoma City, OK

SOC. SEC. NUMBER

WITNESS

WITNESS

John D. Spillman

SOC. SEC. NUMBER

WITNESS

WITNESS

H. Hudson

SOC. SEC. NUMBER

WITNESS

WITNESS

D. W. Key

SOC. SEC. NUMBER

WITNESS

WITNESS

Robbie Low

SOC. SEC. NUMBER

WITNESS

WITNESS

Maud Mattox Low, a widow

SOC. SEC. NUMBER

WITNESS

WITNESS

WITNESS

WITNESS

WITNESS

WITNESS

WITNESS

WITNESS

WITNESS

WITNESS

WITNESS

WITNESS

WITNESS

WITNESS

WITNESS

WITNESS

WITNESS

WITNESS

Ruby Low Avinger, Individually & Independent
Executrix, Est. R. W. Low Deceased

SOC. SEC. NUMBER

Robbie Low

SOC. SEC. NUMBER

Raymond (Ray) Morris

SOC. SEC. NUMBER

Reacael Low Burns

SOC. SEC. NUMBER

William Ralph Low

SOC. SEC. NUMBER

V. E. Pembroke

SOC. SEC. NUMBER

Grace Weaver

SOC. SEC. NUMBER

Werdna Weaver Knutson, a widow

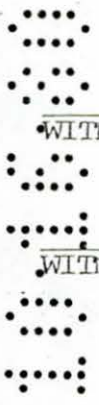
SOC. SEC. NUMBER

WITNESS _____

WITNESS _____

WITNESS _____

WITNESS _____



WITNESS _____

WITNESS _____

WITNESS _____

WITNESS _____

WITNESS _____

WITNESS _____

WITNESS _____

WITNESS _____

WITNESS _____

WITNESS _____

WITNESS _____

WITNESS _____

Raymond A. Beall, Jr. _____

SOC. SEC. NUMBER _____

Norris Weaver _____

SOC. SEC. NUMBER _____

Robert E. Weaver _____

SOC. SEC. NUMBER _____

Orville (O. D.) Tunstill
2025 W. Hawthorn Avenue

Fort Worth, TX 76110

SOC. SEC. NUMBER _____

W. W. Hollingsworth _____

SOC. SEC. NUMBER _____

Millard L. Suggs _____

SOC. SEC. NUMBER _____

Hidalgo Oil & Gas Company, Inc.
P. O. Box 593

Mission, TX 78572

SOC. SEC. NUMBER _____

SOC. SEC. NUMBER _____

Being 181.3 acres, known as the middle 1/4 of Survey 60, Cert. 48, MEP&P RR Co. Survey, patented to S R Ponder, Abst. 1509, about 18 miles South 41° 30 Min. West from Decatur, described as follows, to wit:

BEGINNING at a pipe the NW cor of the E/4 of Section 30 of the MEP & P RR Co. Survey, the NW corner of the J A Culwell Survey from which an 8" P O brs S 60° W 36 varas;

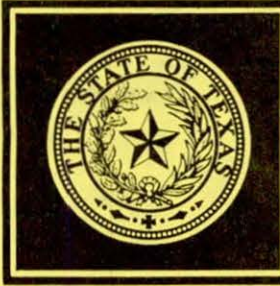
THENCE -South 60° W 161.8 varas a stone the SW corner of the J W Roberts Survey from which a 6" P O brs N 60° E 1 varas;

THENCE -S 63 3/4° W at 914 varas a creek, in all 1036 varas a stone the most Northerly NE corner of the J W Gregory Survey, which is the NE corner of the NW/4 of said Section 60, a 24" brs N 62½° East 7 varas;

THENCE -S with the E line of said Gregory Survey and the E line of the NW/4 of said Section 60 at 370 vrs a creek in all 702 vrs a pile of rock the SE corner of said Gregory Survey, which is the S E corner of the NW/4 of said Section 60 an 8" leaning L O brs S 35° W 3 vrs.;

THENCE --East at 99 vrs a post the NE corner of a subdivision of Section 61 in the N line of Section 61 of the MEP & P RR Co Survey at 968 vrs the NE corner of said Section 61, in all 1036 vrs a pipe the SW corner of the E/4 of said Section 60, which is the SW corner of the J A Culwell Survey a 6" L O brs N 38° W 35 vrs a 6" brs N 48° 35 vrs;

THENCE --N 0° 43' E with the W line of said Culwell Survey 1241 vrs to the place of beginning, containing 181.3 acres of land, more or less, and being the same land described in deed from S E Ponder to E H Bursey, dated Feb 9, 1943, and recorded in Volume 150 page 328, Deed Records of Wise County, Texas, being also the land described as the Second Tract in a deed from W D Waltman, Jr. and wife, Katherine S. Waltman, to George T. Crowley and wife, Pearl Crowley, dated Nov. 17, 1955, of record in Vol. 203, pages 130 to 133, both numbers inclusive, of the Deed Records of Wise County, Texas; and being the tract of land of Lessors upon which their home residence is located and being bounded on the North by the J W Roberts Survey, A-1230, E F Cody Survey, A-224, and by the J W Culwell Survey, A-1270 on the W by the M E Sparks Survey, A-1426, on the S by the Survey No. 61 of the MEP & P RR Co. Survey, and on the East by a part of Survey No. 60, Cert. No. 48 of the MEP & P RR Co. Survey heretofore owned by J A Culwell.



General Land Office

AUSTIN, TEXAS 78701
BOB ARMSTRONG, COMMISSIONER

November 25, 1980

Twin Montaña, Inc.
P. O. Box 720
Graham, Texas 76046

should be M-84116

RE: State Lease M-59264
Sec. 60, MEP & RR. Co.
Mid 1/4 Part. 181.3 Acres
Wise County, Texas
Oil & Gas D/O Waltman Lease

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,

LEBAN J. Werkenthin, Attorney
Energy Resources
Phone: 512-475-6749
Enclosure

5

M. F. [REDACTED]
CORRESPONDENCE FILE

To **DIVISION ORDER**

From

Dated 11-25-80

filed 12-10-80

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION☐ Directional
Well☐ Amended or
Corrected
PermitAPI Well No. 42
Instruction (7a & b) on back side.RRC Permit Number, if previously
assigned.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

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

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

| | | |
|---|---|--|
| 1. Operator Echo Production, Inc. | 4. Lease Name and RRC Lease or ID No. (If Assigned) Waltman | 7. RRC District 9 |
| 2. Address (Including City and Zip Code) P. O. Box 720 Graham, Texas 76046 | 5. Location (Sec., Blk., Survey) J. A. Culwell A-1449 | 8. County Wise |
| 3. Is Form P-5 (Organization Report) in Exact Operator Name Filed? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> (Instruction (2) on back side.) | 6. This well is to be located <u>5</u> miles <u>Southwest</u> Direction from <u>Cottondale</u> Nearest Post Office or Town. | 9. Well Number 1 |
| | | 10. Number of Acres in Lease 120 |
| | | 11. Distance from Proposed Location to Nearest Property or Lease Line (ft.) 467' |
| | | 12. Total Depth 3200 |

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. Proration Schedule including Reservoir if applicable.) If Wildcat, so state below. | Completion Depth | All Prior Rule 37 Exc. 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 and Direction from proposed location to nearest drilling completed or applied for well in same lease (ft.) | Is this a 1. Regular or 2. Rule 37 Exc. Location? Check the appropriate box. | Oil, Gas, or other Type Well (Specify) | OIL | GAS |
| Kenkirk, SE (Strawn 3100) | 3200 | NONE | 467-1200 | 40 AC | 40 AC | NO | NONE | Regular 1 <input checked="" type="checkbox"/> Rule 37 2 <input type="checkbox"/> | GAS | 0 | 0 |
| | | | | | | | | Regular 1 <input type="checkbox"/> Rule 37 2 <input type="checkbox"/> | | | |
| | | | | | | | | Regular 1 <input type="checkbox"/> Rule 37 2 <input type="checkbox"/> | | | |
| | | | | | | | | Regular 1 <input type="checkbox"/> Rule 37 2 <input type="checkbox"/> | | | |

24. PERPENDICULAR LOCATION FROM TWO DESIGNATED:

A. Lease Lines **467' FEL & 1800' FSL**

B. Survey Lines **1800' FSL & 2050' FWL**

25. (a) Is this wellbore subject to SWR 36? Yes ☐ No ☒

(b) If subject to SWR 36, has Form H-9 been filed? Yes ☐ No ☐
(If no, attach explanation.)

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: **Old well D & A, T. G. Shaw #1 Waltman**
300 3/8 5/8 Surface is set

CERTIFICATE

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

W. P. Livingston
Signature
Petroleum Geologist

Title
1-24-80

Date **817** **549-3292**

Telephone: Area Code _____

READ INSTRUCTIONS ON BACK SIDE AND FURNISH COMPLETE DATA.

M. F. 84116
CORRESPONDENCE FILE

To
Applic. to Drill Well #1

From

filed 12-10-80
Dated

75.70.00

FEB 6 1980 RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION
PERMIT TO DRILL, DEEPEN OR PLUG BACK
ON REGULAR LOCATION

37713 7773AA

| | | |
|---|---|---|
| ERMIT NUMBER 071570 | DATE OF PERMIT 2/04/80 | DISTRICT 09 |
| PI NUMBER 42 497 00000 | FORM W-1 (dated) 1/24/80 | COUNTY WISE |
| TYPE OF OPERATION RE-ENTER | ACRES 120 | |
| PERATOR ECHO PRODUCTION, INC. BOX 720 GRAHAM TX 76046 | 240125 | NOTICE NO ALLOWABLE WILL BE ASSIGNED unless well protects all fresh water sands with sufficient surface casing. Where Commission rules do not specify surface casing requirements, contact the Texas Department of Water Resources for depth to which fresh water sands must be protected. PERMIT SUBJECT TO CONDITIONS ON BACK OF FORM District Office Telephone No.: AC 817 723-2153 |
| EASE NAME WALTMAN | WELL NUMBER 1 | |
| LOCATION 5 MILES SW FROM COTTONDALE | TOTAL DEPTH 3,200 | |
| SECTION, BLOCK and/or SURVEY J. A. GULWELL A-1449 | | |
| DISTANCE -- LEASE LINES 67' FSL - 1800 FSL | -- SURVEY LINES 1800 FSL - 2050 FWL | -- NEAREST WELL ON LEASE NONE |

KENKIRK, SE. (STRAWN 3100)

**** LIMITATIONS ****

REGULAR PROVIDED THIS WELL IS NEVER COMPLETED IN VIOLATION OF APPLICABLE SPECIAL FIELD OR STATEWIDE SPACING RULES.

Based upon the representations made on the above FORM W-1 and those made on any plat or plats filed therewith, it is believed that the operation indicated, when carried out at that point which you have represented to be the location of the above designated Well, complies as of the date thereof, with the provisions of the applicable spacing rule SUBJECT TO THE LIMITATIONS, IF ANY, SET OUT ABOVE. Compliance with the applicable Commission spacing rule renders it unnecessary that you secure a special Commission permit to cover this indicated operation at the location shown, the same being classed as regular.

If there are outstanding permits covering operations which have not actually been started as of the date of filing of FORM W-1 above described and which, if started, would impair the regularity of this operation, then the permit covering that location on which the actual operation is first begun shall prevail, and all other such outstanding permits shall be nullified.

PHONE:
(512) 475-2458

DIRECT INQUIRIES TO: ADMINISTRATIVE SERVICES DIVISION
DRILLING PERMIT SECTION

MAIL:
Capitol Station-P. O. Drawer 12967
Austin, Texas 78711

7.
M.F. 84116

CORRESPONDENCE FILE

To

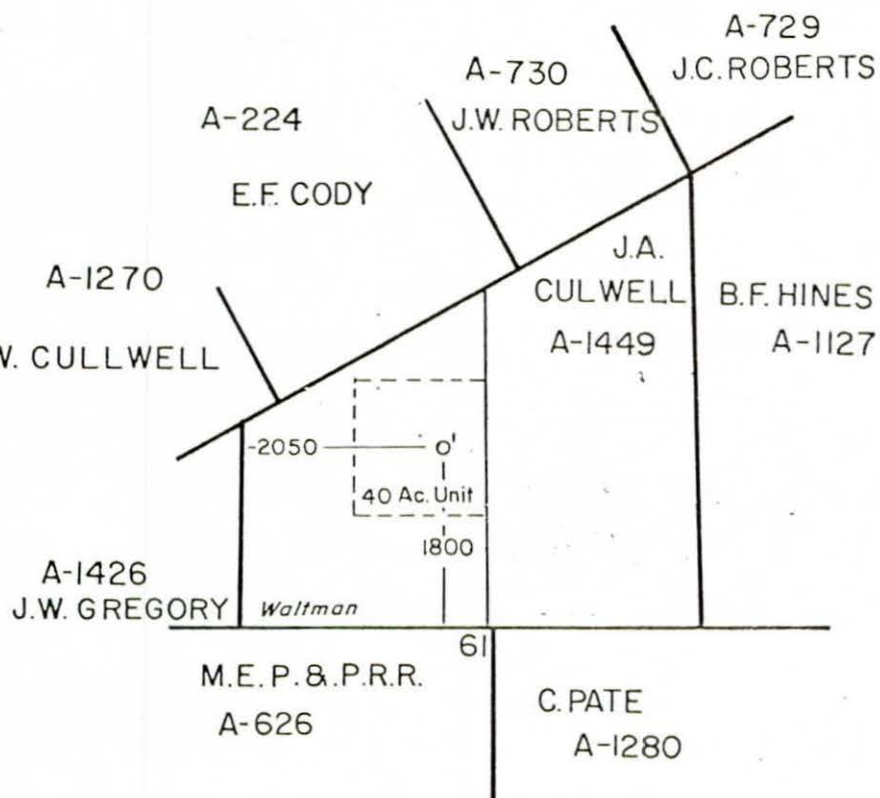
Permit to Drill Well #1

From

Filed 12-10-80
Dated

12-10-80

W I S E C O U N T Y



ECHO PRODUCTION INC.

WISE COUNTY, TEXAS

SCALE: 1"=2000'

M.F. 84116
CORRESPONDENCE FILE
To Map of Lease Area &
Location Plat - Well #1

From

Filed 12-10-80

Dated

13.000

WELL FILE

RAILROAD COMMISSION OF TEXAS OIL AND GAS DIVISION

Form P-4
Rev. 3/1/77

| | | |
|---|--|------------------------------------|
| Producer's Certificate of Compliance and Authorization to Transport Oil and/or Casinghead Gas From an Oil Lease or Gas and/or Condensate from a Gas Well. | | RRC District 9 |
| Field Name (as per RRC records) Daly, North (3150 Sand) | | RRC Oil Lease No. 13917 |
| Lease Name W. O. Waltman | | RRC Gas Well Ident. No. |
| Operator Name Echo Production, Inc. | | Gas Well No. |
| Address P. O. Box 720 | | Effective Date February 1, 1980 |
| City, State, Zip Code Graham, TX 76046 | | County Wise |
| | | Survey J. R. Simpson Sur. |

GAS GATHERER, PURCHASER, AND NOMINATOR
NOTE: The names of all three of the above must be furnished for all gas sold.

| | | | |
|---|---------------------------------|---|---|
| Name Lone Star Gas Company | RRC USE ONLY 100 % of the | INDICATE MARKET <input type="checkbox"/> Gas Well Gas <input type="checkbox"/> Full Well Stream <input checked="" type="checkbox"/> Casinghead Gas | <input type="checkbox"/> Interstate <input checked="" type="checkbox"/> Intrastate <input checked="" type="checkbox"/> Gatherer <input checked="" type="checkbox"/> Purchaser <input checked="" type="checkbox"/> Nominator |
| Address 301 S. Harwood | | | |
| City, State, Zip Code Dallas, TX 75201 | | | |
| Name | RRC USE ONLY | INDICATE MARKET | <input type="checkbox"/> Interstate <input type="checkbox"/> Intrastate |
| Address | | <input type="checkbox"/> Gas Well Gas <input type="checkbox"/> Full Well Stream <input type="checkbox"/> Casinghead Gas | <input type="checkbox"/> Gatherer <input type="checkbox"/> Purchaser <input type="checkbox"/> Nominator |
| City, State, Zip Code | | | |
| Name | RRC USE ONLY | INDICATE MARKET | <input type="checkbox"/> Interstate <input type="checkbox"/> Intrastate |
| Address | | <input type="checkbox"/> Gas Well Gas <input type="checkbox"/> Full Well Stream <input type="checkbox"/> Casinghead Gas | <input type="checkbox"/> Gatherer <input type="checkbox"/> Purchaser <input type="checkbox"/> Nominator |
| Zip Code | | | |

OIL OR CONDENSATE GATHERER

| | | |
|--|---------------------------------|--|
| Name Geer Tank Trucks, Inc. | RRC USE ONLY 100 % of the | <input checked="" type="checkbox"/> Oil <input type="checkbox"/> Condensate |
| Address Drawer J | | |
| City, State, Zip Code Jacksboro, TX 76056 | | |
| Name | RRC USE ONLY | <input type="checkbox"/> Oil <input type="checkbox"/> Condensate |
| Address | | |
| City, State, Zip Code | | |

INDICATE PURPOSE OF FILING

| | | | | |
|--|--|--|------------------------------|--|
| <input checked="" type="checkbox"/> New Oil Lease or Gas Well. Form W-1 (Application for Permit to Drill, Deepen or Plug Back) filed in the name of: Echo Production, Inc. Operator Waltman Lease | | | FOR RRC USE ONLY | |
| <input type="checkbox"/> Change of Gatherer | <input type="checkbox"/> Change of Purchaser | <input type="checkbox"/> Change of Nominator | Field No. | |
| <input type="checkbox"/> Change field name from | | | Operator No. | |
| <input checked="" type="checkbox"/> Change operator name from La Junta Enterprises, Inc. | | | Approved | |
| <input type="checkbox"/> Change lease name from | | | J. C. Boulton JAN 29 1980 | |
| <input type="checkbox"/> Consolidation or subdivision of lease (Attachments required - - See instructions.) | | | | |
| Previous Form P-4 approval date if filed (or prior SW-1 number) _____ mo. day yr. SW-1 Number or Date | | | | |
| REMARKS: See the attached Appendix. | | | | |

AUTHORIZATION BY CURRENT OPERATOR

The undersigned certifies that the above agent is authorized to transport the above specified percentage of the allowable oil or gas produced from the above described property in accordance with the regulations of the Railroad Commission of Texas, and that this authorization will be valid until further notice or until cancelled by the Railroad Commission of Texas, and the undersigned further certifies that the conservation laws of the State of Texas and all rules, regulations, and orders of the Railroad Commission of Texas have been complied with in respect to the property covered by this report.

Jan. 22, 1980 Date *T. H. [Signature]* Signature Operations Manager Title 817-549-3292 Area Code & Telephone No.

OPERATOR NAME CHANGE (Acknowledgment required on changes of operator.)

The undersigned, being the previous operator, has transferred operating responsibility of the above property.

Previous Operator La Junta Enterprises, Inc. Signature *[Signature]* Title President
Address 620 4th St.
City, State & Zip Code Graham, TX 76046 Date Jan. 22, 1980 Area Code & Telephone No. (817) 549-3455

00:01:21

M. F. 84116
CORRESPONDENCE FILE
To Anthony to Transport
(RRC form P-4)
From
Dated 12-10-80

OIL WELL STATUS REPORT

[DISTRICT 9.]

Operator Echo Production, Inc,
Address P.O. Box 720
Graham, Texas 76046

[☐ RETEST]

Test Period
Due Date

Effective Date

[illegible]

• COMMINGLING TEST REQUIRED

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 J. D. Hoffman
Date 10/24/80 Title Operations Manager
Telephone No. 817 549-3292
Area Code Number

10

M. F. 84116
CORRESPONDENCE FILE
To RRC form W-10
OIL WELL STATUS REPORT

From

~~Dated~~ Filed 12-10-80

75.70.00

TWIN MONTAÑA, INC. (Division Order)

inactive old lease M-59264

12-4-80 → phoned their attorney Elton M. Montgomery,
620 Fourth St., P.O. Drawer 809, Graham, TX. 76046
(817) 549-3456

I asked him to send GLO a copy of lease
on 150723, WISE CO. Abst. 1509 Mid 1/4 of Sec 60, M.E. P+P Ry
181.3 Acres.

He said: No new well drilled on old lease (M-59264).

Opr. re-opened old oil well & is selling the Gas.

Gas Buyer is Lone Star.

The operator on RRC records is Echo Production (sister company)
Person to contact at Twin Montaña is H.I. Hunnewell (Tom)

(817) 549-3292

* ECHO PRODUCTION Co. is opr. on RRC rec. (240125) (CAR. #)

Field: Daly, North (3150 Sand)
Box 720 76046
GRAHAM, TX.

Lease: Waltman, W.D. # 13917

12-11-80 Sent lease & conn ltr., M-59264 & file 150723
to Barbara E. for filing.

12-12-80 new lease filed as M-84116

File No. 84116 (104)
Note

Date Filed: 12-12-1980
Jerry E. Patterson, Commissioner
By _____

December 31, 1980

Echo Production Company
Box 720
Graham, Texas 76046

Attention: Mr. H. T. Hunnewell

RE: State Lease M-84116
W. D. Waltman Lease
(Middle $\frac{1}{4}$ of Survey 60, cert. 48,
M.E.P. & P. RR Co. Survey. S. R. Ponder,
patentee, Abst. 1509, file 150723)
Wise County, Texas

Gentlemen:

A copy of the oil and gas lease affecting the above captioned tract, in which the State of Texas owns a Free Royalty, has been filed in our records under number M-84116. Please refer to this mineral file number in all future correspondence and remittances concerning this lease.

Please also correct your records regarding the Twin Montana, Inc. division order covering this tract to show the current General Land Office mineral file number. Our letter of November 25, 1980 incorrectly referred to the old, invalid lease number, M-59264, in responding to the division order.

Enclosed are Production Report forms for Oil (MA-1) and Gas (MA-2), which should be completed and filed with the General Land Office in accordance with the instructions. Please route this material to the persons at Echo who are to be responsible for compiling the necessary information and submitting reports and royalty payments.

If you have any questions, please feel free to call and we will be glad to assist you.

Yours truly,

Bob Armstrong

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

cc: Mr. Elton M. Montgomery
Jennings, Montgomery, Dies & Turner

M. F. 84116
CORRESPONDENCE FILE

To ECHO PRODUCTION

From

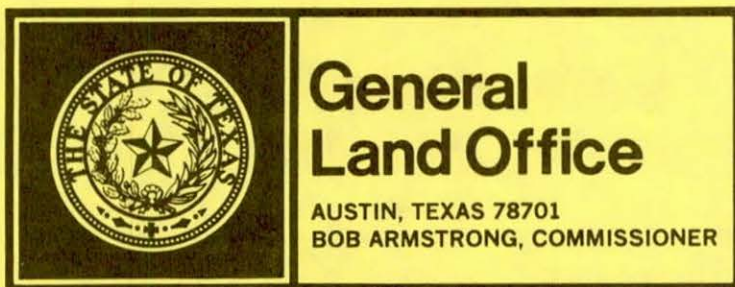
Dated 12-31-80

M. F.
CORRESPONDENCE FILE

To

From

Dated



July 10, 1981

Echo Production, Inc.
Box 720
Graham, Texas 76046

RE: State Lease M-84116
W. O. Waltman
Daly North (3150 Sand)
Wise County, Texas

Gentlemen:

In accordance with the provisions set forth in our Oil or Gas Lease Form and/or the statutes, we ask that you furnish this office with a copy of the Contract covering gas sales from the above lease.

The Contract is needed by this office in order to conduct an audit of your gas royalty reports and payments.

In addition to furnishing us with a copy of the Contract under which the gas is sold or processed please complete the attached "Gas Contract Brief".

If this Gas Contract covers more than one lease and/or mineral file number, one brief and copy of the contract will be sufficient, but the specific General Land Office lease and/or mineral file number must be noted in the appropriate spaces provided in the Contract Brief.

This information is needed by this office at your earliest convenience.

Sincerely yours,

A handwritten signature in dark ink, which appears to read "Harry T. Finnell". The signature is written in a cursive style with a large, prominent "H" and "F".

Harry T. Finnell, Supervisor Gas Contracts
Resource Accounting
Telephone No. 512-475-4541
HF/glc
Enclosure

M. F. 84116

(12)

CORRESPONDENCE FILE
TO

Echo Production

FROM

DATED 7-10-81



February 16, 1982

Echo Production, Inc.
P. O. Box 720
Graham, Texas 76046

ATTENTION: ACCOUNTING MANAGER

RE: State Lease M-84116
W. O. Waltman Lease
Daly, North (3150 Sand) Field
Wise County, Texas

Gentlemen:

An audit of the subject lease for the month of December, 1980 indicates a price of \$1.83434/MCF for gas sold.

The gas purchase contract between Echo Production, Inc. as seller and Lone Star Gas Company as buyer on file in this office indicates a price of \$1.943/MMBTU. 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 December, 1980 and monthly thereafter.

Sincerely yours,

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

(13)

84116

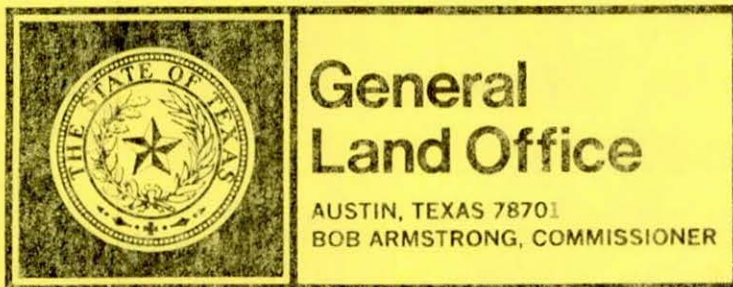
M. W.

CORRESPONDENCE FILE

To Echo Press

From

Dated 2-16-82



IMPORTANT:

RETAIN WHITE COPY AND
RETURN YELLOW COPY
WITH REQUESTED DOCUMENTS.

May 14, 1982

Echo Production, Inc.
P.O. Box 720
Graham, Texas 76046

ATTENTION: Accounting Manager

RE: State Lease M-84116
W.O. Waltman Lease
Daly, North (3150 Sand) Field
Wise County, Texas

Gentlemen:

Your Oil and Condensate Report (Form MA-1) for December, 1980 indicates 39 barrels beginning stock on the subject lease.

It appears that production was obtained prior to December, 1980. If production was secured before this date, please file Oil and Condensate Reports (Form MA-1) and Geer Tank Trucks, Inc.'s oil purchase statements for each month from the initial production to December, 1980.

In addition, your Oil and Condensate Report for May, 1981 indicates disposition of 40 barrels of oil under code 7 ("Other Disposition"). Please file with this office a more detailed explanation of how the oil was disposed of along with any necessary supporting documentation.

Sincerely yours,

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

MN/pdg

(14)

M. F. 94116

CORRESPONDENCE FILE

TO

Echo Products Inc

FROM

DATED 5-14-82



General Land Office

AUSTIN, TEXAS 78701
BOB ARMSTRONG, COMMISSIONER

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

May 24, 1982

Echo Production, Inc.
P.O.Box 1210
Graham, Texas 76046

ATTENTION: Accounting Manager

RE: State Lease M-84116
W.O. Waltman
Daly, North (3150) Field
Wise County, Texas

Gentlemen:

An examination of your Oil and Condensate Reports (Form MA-1) Filed for October and November, 1980 and July, 1981 on the subject lease reveals that Item #12 (Royalty Calculation) has not been completed.

Please file corrected Form MA-1 Reports for those three months which show net barrels sold, gross value, and royalty due the State.

In addition, would you please file a copy of Geer Tank Trucks oil purchase statement for July, 1981 for this lease.

Thank you for your cooperation.

Sincerely yours,

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

MN/pdg

(15)

M. F. 84116

CORRESPONDENCE FILE
TO

Ccho Production

FROM

DATED 5/24/82

| | |
|-------------------------|----------------|
| Initials | Date |
| Prepared By <i>M.D.</i> | <i>10/1/82</i> |
| Approved By | |

STATE LEASE *M-84116*

OPERATOR

W.O. WALTMAN

ECHO PRODUCTION, INC.

DALY NORTH (3150) FIELD

| COLUMN WRITE | MONTH | GROSS VALUE | ROYALTY DUE <i>6.25 %</i> | ROYALTY PAID | ADDITIONAL ROYALTY DUE | ACCUMULATED SHORTAGE | PENALTY DUE AT 1% PER MONTH | |
|-----------------|-------------------------------|----------------|---------------------------------|-----------------|------------------------------|-------------------------|-----------------------------------|----|
| | | | | | | | | |
| 1 | <i>OCT. 1980</i> | <i>430992</i> | <i>26937</i> | <i>-0-</i> | <i>26937</i> | <i>26937</i> | <i>269</i> | 1 |
| 2 | <i>NOV. ✓</i> | <i>276408</i> | <i>17276</i> | <i>-0-</i> | <i>17276</i> | <i>44213</i> | <i>442</i> | 2 |
| 3 | <i>DEC. ✓</i> | | | | | <i>44213</i> | <i>442</i> | 3 |
| 4 | <i>JAN. 1981</i> | | | | | <i>44213</i> | <i>442</i> | 4 |
| 5 | <i>FEB. ✓</i> | <i>414998</i> | <i>25937</i> | <i>-0-</i> | <i>25937</i> | <i>70150</i> | <i>702</i> | 5 |
| 6 | <i>MAR. ✓</i> | | | | | <i>70150</i> | <i>702</i> | 6 |
| 7 | <i>APRIL ✓</i> | | | | | <i>70150</i> | <i>702</i> | 7 |
| 8 | <i>MAY ✓</i> | | | | | <i>70150</i> | <i>702</i> | 8 |
| 9 | <i>JUNE ✓</i> | | | | | <i>70150</i> | <i>702</i> | 9 |
| 10 | <i>JULY ✓</i> | <i>480655</i> | <i>30041</i> | <i>-0-</i> | <i>30041</i> | <i>100191</i> | <i>1002</i> | 10 |
| 11 | <i>AUG 1981 - MARCH, 1982</i> | <i>-0-</i> | <i>-0-</i> | <i>-0-</i> | <i>-0-</i> | <i>100191</i> | <i>8016</i> | 11 |
| 12 | <i>APRIL, 1982</i> | <i>384544</i> | <i>24034</i> | <i>-0-</i> | <i>24034</i> | <i>124225</i> | <i>1242</i> | 12 |
| 13 | | | <i>124225</i> | <i>-0-</i> | <i>124225</i> | | <i>15365</i> | 13 |
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*1% per month penalty on \$1242.25
computed from July, 1982 - Sept. 1982
TOTAL PENALTY DUE*



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

October 4, 1982

Echo Production, Inc.
P.O.Box 1210
Graham, Texas 76046

ATTENTION: Accounting Manager

RE: State Lease M-84116
W.O. Waltman Lease
Daly North Field (3150)
Wise County, Texas

Gentlemen:

Examination of your Oil and Condensate Reports (Form MA-1), and Geer Tank Trucks, Inc.'s oil purchase statements received for the subject lease indicates for the period October, 1980 through April, 1982, oil royalty has been underpaid \$1242.25. (See attached schedule.)

Our records show that no oil royalty payments have ever been received for the subject lease.

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 \$1433.17 which includes \$1242.25 additional royalty and the required statutory delinquency penalty of \$190.92 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 December, 1980 through September, 1982.

Sincerely yours,

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

MN/pdg
Encl.

DATED 10-4-82

FROM

John Reed

TO

CORRESPONDENCE FILE

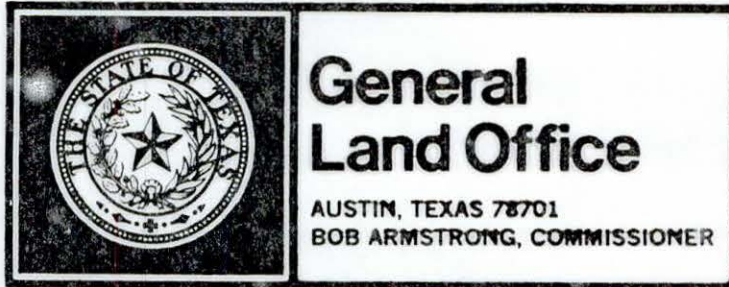
M.F. 84116

(16)

STATE LEASE *M84116*
W.D. Waltman Lease
Daly, North (3150) Field

OPERATOR
Echo Production, Inc.
Wise County

| MONTH | Volume | NGPA Sec. 109 | GROSS VALUE | ROYALTY DUE % | ROYALTY PAID | ADDITIONAL ROYALTY DUE | ACCUMULATED SHORTAGE | PENALTY DUE AT 1% PER MONTH |
|--|--------|------------------|----------------|---------------------|-----------------|------------------------------|-------------------------|-----------------------------------|
| Dec, '80 | 1092 | 1.943 | 212176 | 13261 | 11580 | 1681 | 1681 | 17 |
| Jan, '81 | 1137 | 1.957 | 222511 | 13907 | 12058 | 1849 | 3530 | 35 |
| Feb, - | 1191 | 1.975 | 235223 | 14701 | 12630 | 2071 | 5601 | 56 |
| Mar, - | 1269 | 1.993 | 252912 | 15807 | 13458 | 2349 | 7950 | 80 |
| Apr, - | 961 | 2.011 | 193257 | 12079 | 10191 | 1888 | 9838 | 98 |
| May, - | 1288 | 2.024 | 260691 | 16293 | 13855 | 2438 | 12276 | 123 |
| June, - | 1229 | 2.037 | 250347 | 15647 | 13220 | 2427 | 14703 | 147 |
| July, - | 1231 | 2.050 | 252355 | 15772 | 21188 | 5416 | 9287 | 93 |
| | | | | 117467 | 108180 | 9287 | | 649 |
| 1% Per Month Penalty Computed for Months 10/81 - 10/82 | | | | | | | | 1207 |
| Total Penalty | | | | | | | | 1856 |
| Add'l. Royalty | | | | | | | | 9287 |
| Total Due | | | | | | | | 11143 |



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

November 17, 1982

Echo Production, Inc.
P. O. Box 720
Graham, Texas 76046

RE: State Lease M-84116
W. O. Waltman Lease
Daly, North (3150 Sand) Field
Wise County, Texas

Gentlemen:

Examination of your Gas Reports (Form MA-2), Lone Star Gas Company's gas purchase statements, and Twin Montana, Inc. royalty payments received for the subject lease indicates for the period December, 1980 through July, 1981, gas royalty has been underpaid \$92.87. (See attached schedule.)

The contract between Echo Production, Inc. and Lone Star Gas Co. indicates the NGPA Section 109 price should be used; your reports and royalty payments do not reveal this price.

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 \$111.43 which includes \$92.87 additional royalty and the required statutory delinquency penalty of \$12.07 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 February, 1981 through October, 1982.

Sincerely yours,

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

(17)

M. F. 84116

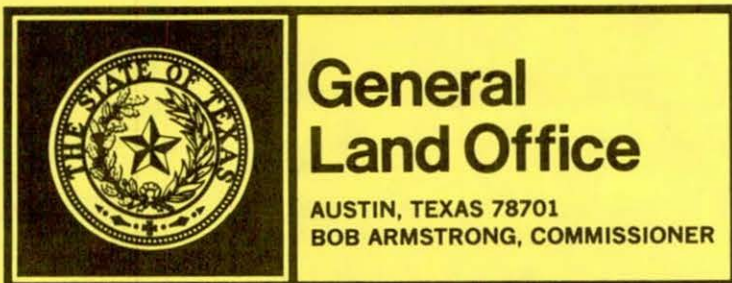
CORRESPONDENCE FILE

To

Echo Production

From

Dated 11-17-82



December 17, 1982

Echo Production, Inc.
P. O. Box 720
Graham, Texas 76046

SECOND REQUEST

RE: State Lease M-84116
W. O. Waltman Lease
Daly, North (3150 Sand) Field
Wise County, Texas

Gentlemen:

Enclosed is a copy of our letter to you dated November 17, 1982 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,

Billy Lancaster, Administrative Supervisor

Resource Accounting
Telephone No. 512-475-2858

Enclosure

TB/hlm

(18)

M. F. 84116
CORRESPONDENCE FILE
To Echo Productions
From From
Dated 12-12-82

State Lease M 84116
W.D. Waltman Lease
Daly North 12150 Field
Wise County

Echo Production Co. Operator

| | | |
|-------------|----------|---------|
| | Initials | Date |
| Prepared By | TB | 3-29-83 |
| Approved By | | |

| COLUMN WRITE | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | |
|-----------------|-----------|--------|------------|-----------|-----------------------|-------------|---|--------------|---------------------------|-------------------------|---------|
| | Month | MCF | Base Price | BTU | BTU Adjusted Price | Gross Value | Royalty Due .0625 | Royalty Paid | Additional Royalty Due | Accumulated Shortage | Penalty |
| 1 | June, '80 | * 880 | 1.762 | ** 11062 | 1949 | 171523 | 10720 | -0- | 10720 | 10720 | 107 |
| 2 | July, - | * 2232 | 1.762 | 11062 | 1949 | 435017 | 27189 | -0- | 27189 | 37909 | 379 |
| 3 | Aug., - | * 927 | 1.762 | 11062 | 1949 | 180672 | 11292 | -0- | 11292 | 49201 | 492 |
| 4 | Sept., - | * 1420 | 1.762 | 11062 | 1949 | 276758 | 17297 | -0- | 17297 | 66498 | 665 |
| 5 | Oct., - | * 1351 | 1.762 | 11062 | 1949 | 263310 | 16457 | -0- | 16457 | 82955 | 830 |
| 6 | Nov., - | * 1263 | 1.762 | 11062 | 1949 | 246159 | 15385 | -0- | 15385 | 98340 | 983 |
| 7 | Dec., - | 1092 | 1.943 | 11062 | 2149 | 234671 | 14667 | 11580 | 3087 | 101427 | 1014 |
| 8 | Jan., '81 | 1137 | 1.943 | 11062 | 2149 | 244341 | 15271 | 12058 | 3213 | 104640 | 1046 |
| 9 | Feb., - | 1191 | 1.943 | 11062 | 2149 | 255946 | 15997 | 12630 | 3367 | 108007 | 1080 |
| 10 | Mar., - | 1269 | 1.943 | 11062 | 2149 | 272708 | 17044 | 13458 | 3586 | 111593 | 1116 |
| 11 | Apr., - | 961 | 1.943 | 11062 | 2149 | 206319 | 12907 | 10191 | 2716 | 114309 | 1143 |
| 12 | May, - | 1288 | 1.943 | 11062 | 2149 | 276791 | 17299 | 13855 | 3444 | 117753 | 1178 |
| 13 | June, - | 1229 | 1.943 | *** 11062 | 2149 | 264112 | 16507 | 13220 | 3287 | 121040 | 1210 |
| 14 | July, - | 1231 | 1.943 | ** 11062 | 2149 | 264542 | 16534 | 21188 | <4654> | 116386 | 1164 |
| 15 | Aug., - | 1265 | 1.943 | ** 11062 | 2149 | 271892 | 16993 | 14850 | 2143 | 118529 | 1185 |
| 16 | Sept., - | 1064 | 1.943 | ** 11062 | 2149 | 228654 | 14291 | 12490 | 1801 | 120330 | 1203 |
| 17 | Oct., - | 1314 | 1.943 | ** 11062 | 2149 | 282379 | 17649 | 15425 | 2224 | 122554 | 1226 |
| 18 | Nov., - | 1139 | 1.943 | ** 11062 | 2149 | 244771 | 15298 | 13371 | 1927 | 124481 | 1245 |
| 19 | Dec., - | 834 | 2112 | ** 11064 | 2337 | 194906 | 12182 | 10635 | 1547 | 126028 | 1260 |
| 20 | Jan., '82 | 723 | 2112 | ** 11064 | 2337 | 168965 | 10560 | 9218 | 1342 | 127370 | 1274 |
| 21 | Feb., - | 780 | 2112 | ** 11064 | 2337 | 182286 | 11393 | 9945 | 1448 | 128818 | 1288 |
| 22 | Mar., - | 775 | 2112 | ** 11064 | 2337 | 181118 | 11320 | 9882 | 1438 | 130256 | 1303 |
| 23 | Apr., - | 669 | 2112 | ** 11064 | 2337 | 156345 | 9772 | 8531 | 1241 | 131497 | 1315 |
| 24 | May, - | 713 | 2112 | ** 11059 | 2336 | 166557 | 10410 | 9048 | 1362 | 132859 | 1329 |
| 25 | June, - | 661 | 2112 | ** 11059 | 2336 | 154410 | 9651 | 8390 | 1261 | 134120 | 1341 |
| 26 | July, - | 784 | 2112 | ** 11059 | 2336 | 183142 | 11446 | 9950 | 1496 | 135616 | 1356 |
| 27 | | | | | | | 375531 | 239915 | 135616 | | 27732 |
| 28 | | | | | | | 1% Per Month Penalty Computed for Months 10/82-7/83 | | | | 6781 |
| 29 | | | | | | | Total Penalty | | | | 34513 |
| 30 | | | | | | | Add'l. Royalty Due | | | | 135616 |
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* Production Information taken from Railroad Commission Production ledger as Reports Not filed as Requested
(Copy of RRC ledger enclosed)

** Average BTU used in calculations for 6/80-5/81 as BTU statements not furnished as Requested

*** BTU taken from Lone Star Gas Co. Gas Purchase Statements (example enclosed)

* Production Information taken from Railroad Commission Production ledger as Reports Not filed as Requested
(Copy of RRC ledger enclosed)

** Average BTU used in calculations for 6/80 - 5/81 as BTU statements not furnished as Requested

*** BTU taken from Lone Star Gas Co. Gas Purchase Statements (example enclosed)

1% Per Month Penalty Computed for Months 10/82 - 7/83 6781
Total Penalty 34513
Ad'l. Royalty Due 135616
170129

Garry Mauro
Commissioner
General Land Office



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

March 30, 1983

Echo Production Company
P.O. Box 1210
Graham, Texas 76046

RE: State Lease M-84116
W.O. Waltman Lease
Daly North (3150) Field
Wise County, Texas

Gentlemen:

Examination of your Gas Reports (Form MA-2), Lone Star Gas Company gas purchase statements, and Twin Montana Inc. royalty payments received for the subject lease indicates for the period June, 1980 through July, 1982, gas royalty has been underpaid \$1,356.16. (See attached schedule.)

The royalty shortage is due to failure to file reports and pay State's royalty for production months June, 1980 through November, 1980, failure to BTU adjust the base price and also the amount of royalty shown to be due on the gas reports does not coincide with the amounts being remitted.

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 \$1,701.29 which includes \$1,356.16 additional royalty and the required statutory delinquency penalty of \$345.13 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 August, 1980 through March, 1983.

Sincerely yours,

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

cc: Twin Montana, Inc.
Fifth and Echo
Graham, Texas 76046

(19)

M. F. 84116

CORRESPONDENCE FILE

To Echo Prod

From

Dated 3-30-83

State lease M84116
W.D. Waltman Lease
Daly North (3150) Field

| | | |
|-------------|----------|---------|
| | Initials | Date |
| Prepared By | TB | 4-18-83 |
| Approved By | | |

Wise County

Echo Production, Inc. - Operator

Page 1

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
|--|-----------|------|------------|-------|-----------------------|-------------|---------------------|--------------|---------------------------|-------------------------|---------|----|
| | Month | MCF | Base Price | BTU | BTU Adjusted Price | Gross Value | Royalty Due D625 | Royalty Paid | Additional Royalty Due | Accumulated Shortage | Penalty | |
| | June, '80 | 880 | 1.762 | 1.047 | 1.845 | 162360 | 10148 | -0- | 10148 | 10148 | 101 | 1 |
| | July, - | 2232 | 1.762 | 1.047 | 1.845 | 411804 | 25738 | -0- | 25738 | 35886 | 359 | 2 |
| | Aug., - | 927 | 1.762 | 1.047 | 1.845 | 171032 | 10689 | -0- | 10689 | 46575 | 466 | 3 |
| | Sept., - | 1420 | 1.762 | 1.047 | 1.845 | 261990 | 16374 | 57473 | < 41099 > | 5476 | 55 | 4 |
| | Oct., - | 1351 | 1.762 | 1.047 | 1.845 | 249260 | 15529 | 14327 | 1252 | 6728 | 67 | 5 |
| | Nov., - | 1263 | 1.762 | 1.047 | 1.845 | 233024 | 14564 | 13394 | 1170 | 7898 | 79 | 6 |
| | Dec., - | 1092 | 1.943 | 1.047 | 2.034 | 222148 | 13884 | 11580 | 2304 | 10202 | 102 | 7 |
| | Jan., '81 | 1137 | 1.943 | 1.047 | 2.034 | 231302 | 14456 | 12058 | 2398 | 12600 | 126 | 8 |
| | Feb., - | 1191 | 1.943 | 1.047 | 2.034 | 242249 | 15141 | 12630 | 2511 | 15111 | 151 | 9 |
| | Mar., - | 1269 | 1.943 | 1.047 | 2.034 | 258115 | 16132 | 13458 | 2674 | 17785 | 178 | 10 |
| | Apr., - | 961 | 1.943 | 1.047 | 2.034 | 195467 | 12217 | 10191 | 2026 | 19811 | 198 | 11 |
| | May, - | 1288 | 1.943 | 1.062 | 2.063 | 265774 | 16611 | 13855 | 2756 | 22567 | 226 | 12 |
| | June, - | 1229 | 1.943 | 1.062 | 2.063 | 253543 | 15846 | 13220 | 2626 | 25193 | 252 | 13 |
| | July, - | 1231 | 1.943 | 1.062 | 2.063 | 253955 | 15822 | 21188 | < 5316 > | 19877 | 199 | 14 |
| | Aug., - | 1265 | 1.943 | 1.062 | 2.063 | 260970 | 16311 | 14850 | 1461 | 21338 | 213 | 15 |
| | Sept., - | 1064 | 1.943 | 1.062 | 2.063 | 219503 | 13719 | 12490 | 1229 | 22567 | 226 | 16 |
| | Oct., - | 1314 | 1.943 | 1.062 | 2.063 | 271078 | 16942 | 15425 | 1517 | 24084 | 241 | 17 |
| | Nov., - | 1139 | 1.943 | 1.062 | 2.063 | 234976 | 14686 | 13371 | 1315 | 25399 | 254 | 18 |
| | Dec., - | 834 | 2.112 | 1.064 | 2.247 | 187400 | 11713 | 10635 | 1078 | 26477 | 265 | 19 |
| | Jan., '82 | 723 | 2.112 | 1.064 | 2.247 | 162458 | 10154 | 9218 | 936 | 27413 | 274 | 20 |
| | Feb., - | 780 | 2.112 | 1.064 | 2.247 | 175266 | 10954 | 9945 | 1009 | 28422 | 284 | 21 |
| | Mar., - | 775 | 2.112 | 1.064 | 2.247 | 174143 | 10884 | 9882 | 1002 | 29424 | 294 | 22 |
| | Apr., - | 669 | 2.112 | 1.064 | 2.247 | 150324 | 9395 | 8531 | 864 | 30288 | 303 | 23 |
| | May, - | 713 | 2.112 | 1.059 | 2.237 | 159498 | 9969 | 9048 | 921 | 31209 | 312 | 24 |
| | June, - | 661 | 2.112 | 1.059 | 2.237 | 147866 | 9242 | 8390 | 852 | 32061 | 321 | 25 |
| | July, - | 784 | 2.112 | 1.059 | 2.237 | 175381 | 10961 | 9950 | 1011 | 33072 | 331 | 26 |
| | Aug., - | 682 | 2.112 | 1.059 | 2.237 | 152563 | 9535 | 8656 | 879 | 33951 | 340 | 27 |
| | Sept., - | 635 | 2.112 | 1.059 | 2.237 | 142050 | 8878 | 8059 | 819 | 34770 | 348 | 28 |
| | Oct., - | 419 | 2.112 | 1.059 | 2.237 | 93730 | 5858 | 5318 | 540 | 35310 | 353 | 29 |
| | Nov., - | 522 | 2.112 | 1.059 | 2.237 | 116771 | 7298 | 6625 | 673 | 35983 | 360 | 30 |

State Lease MF84116
W.D. Waltman Lease
Oily North (3150) Field
Wise County

Echo Production, Inc. - Operator

| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | |
|--|----------|-----|------------|-------|-----------------------|-------------|---|--------------|---------------------------|-------------------------|---------|----|
| | | MCF | Base Price | BTU | BTU Adjusted Price | Gross Value | Royalty Due - 0.625 | Royalty Paid | Additional Royalty Due | Accumulated Shortage | Penalty | |
| | Dec, - | 579 | 2224 | 1.059 | 2355 | 136355 | 8522 | 7813 | 709 | 36692 | 367 | 1 |
| | Jan, '83 | 595 | 2224 | 1.059 | 2355 | 140123 | 8758 | 9985 | (1227) | 35465 | 355 | 2 |
| | Feb, - | 577 | 2224 | 1.059 | 2355 | 135884 | 8493 | 8417 | 76 | 35541 | 355 | 3 |
| | | | | | | | 415523 | 379982 | 35541 | | 8355 | 4 |
| | | | | | | | | | | | | 5 |
| | | | | | | | 1% Per Month Penalty Computed for Months 10/82-3/83 | | | | 2132 | 6 |
| | | | | | | | Total Penalty | | | | 10487 | 7 |
| | | | | | | | Additional Royalty | | | | 35541 | 8 |
| | | | | | | | | | | | 46028 | 9 |
| | | | | | | | | Total Due | | | | 10 |
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Garry Mauro
Commissioner
General Land Office



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

April 19, 1983

Twin Montana, Inc.
Fifth and Echo
Graham, Texas 76046

RE: State Lease M-84116
W.O. Waltman Lease
Daly, North (3150) Field
Wise County, Texas

Gentlemen:

As per our telephone conversation of April 18, 1983, I have revised our schedule using the correct BTU figures. I have also enclosed a copy of the NGPA pricing schedule as you requested.

Please make arrangement for payment of \$460.28 which includes \$355.41 additional royalty plus the required penalty of \$104.87. The delinquency penalty is computed for the period August, 1980 through March, 1983.

Thank you for your cooperation in this matter.

Sincerely yours,

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

cc: Echo Production Company
P.O. Box 1210
Graham, Texas 76046

M. F. 84116
CORRESPONDENCE FILE
To John Martine
FROM
4-19-83

(20)

Garry Mauro
Commissioner
General Land Office

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



June 7, 1983

Echo Production, Inc.
P.O. Box 1210
Graham, Texas 76046

ATTENTION: Accounting Manager

RE: State Lease M-84116
W.O. Waltman Lease
Daly, North Field
Wise County, Texas

Gentlemen:

Enclosed is a copy of our letter to you dated October 4, 1982.

Our records show that the additional royalty and penalty have not yet been received.

Please pay or make arrangement for payment of \$1532.55 which includes \$1242.25 additional royalty and the required statutory delinquency penalty of \$290.30. The delinquency penalty is now computed for the period December, 1980 through May, 1983.

Your prompt attention to this matter will be appreciated.

Sincerely yours,

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

SKS/pdg
Encl.

cc: Geer Tank Trucks, Inc.
P.O. Box Drawer J
Jacksboro, Texas 76056

811
M. F. 84116

CORRESPONDENCE FILE
TO

Echo Production

FROM

DATED 6-7-83

WILLIAM G. STREET
H. & HUNNEWELL

P.O. BOX 720
PHONE AC817-549-3292

TWIN MONTAÑA, INC.

FIFTH & ECHO
GRAHAM, TEXAS 76046

December 27, 1982

Lone Star Gas Company
301 South Harwood Street
Dallas, Texas 75201

Re: LS-T-GP-#4560
#1 Waltman Well
Daly Field
Wise County, Texas

Gentlemen:

In checking our records, we believe that we were not paid the correct amount for the production on the Waltman lease for June, 1981.

Enclosed are check copies, one for an adjustment from 12-80 thru 5-81 and the normal production check for June, 1981. Beginning in July, 1981 the correct rate was being paid.

Please check your records and let us know if we are correct.

Yours very truly,

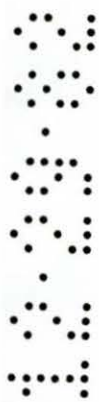
Pauline Riley

Pauline Riley
Royalty Distribution

pr/
Encl.

General Land Office
Austin, Texas 78701

121
M-84116?
Call Pauline Riley 1-17-83
well not be in United States
call back
2-7-83
asked Pauline concerning
reports for 6/80 - 11/80 - also
concerning BTU - why they do
not BTU adjust - I'd
adjust for BTU
2-7-83
Per Bucky L. - gave them 2 weeks to fix reports
if not fixed, paper should w/ average BTU & MC McF
& have legal signature letter
M-84116 -
B-F.R.
M 592647



Detach and retain for tax purposes. Duplicate copies not available.

OIL AND GAS PRODUCTION STATEMENT

Refer to meter number and owner number on all correspondence.

| | | | | | | YOUR INTEREST | |
|------|-------------|--------|-------|----------|-------------------|---------------|----------|
| | | | | | | GROSS VALUE | N. VALUE |
| 0681 | 22070 | 112680 | 3148 | 9378.41 | 703.38 | 9378.41 | 8675.03 |
| 0681 | 22920 | 111610 | 6540 | 16355.19 | 1226.64 | 16355.19 | 15128.55 |
| 0681 | 22935000001 | 111690 | 3627 | 9209.20 | 690.69 | 9209.20 | 8518.51 |
| 0681 | 22935000002 | 111690 | 6436 | 16597.25 | 1244.79 | 16597.25 | 15352.46 |
| 0681 | 22935000003 | 111690 | 1960 | 4976.57 | 373.24 | 4976.57 | 4603.33 |
| 0681 | 22935000004 | 111690 | 2114 | 4942.53 | 370.69 | 4942.53 | 4571.84 |
| 0681 | 22950 | 111980 | 6528 | 15836.60 | 1187.75 | 15836.60 | 14648.85 |
| 0681 | 22960 | 113120 | 8828 | 22967.77 | 1722.58 | 22967.77 | 21245.19 |
| 0681 | 23130 | 111220 | 2438 | 5892.13 | 441.91 | 5892.13 | 5450.22 |
| 0681 | 24490 | 111980 | 3966 | 11806.90 | 885.52 | 11806.90 | 10921.38 |
| 0681 | 24790000001 | 111720 | 9473 | 27589.35 | 2069.20 | 27589.35 | 25520.15 |
| 0681 | 24790000002 | 111720 | 8982 | 22674.95 | 1700.62 | 22674.95 | 20974.33 |
| 0681 | 29600 | 110620 | 1229 | 2286.71 | 0.00 ✓ | 2286.71 | 2286.71 |
| 0681 | 29960000001 | 111500 | 1653 | 3115.09 | 0.00 | 3115.09 | 3115.09 |
| 0681 | 80960 | 111900 | 12545 | 33962.45 | 2547.18 1316.04 1 | 35278.49 | 32731.31 |
| 0681 | 96310000006 | 111850 | 3192 | 8964.57 | 0.00 ✓ | 8964.57 | 8964.57 |

TWIN MONTANA, INC.

BOX 720
GRAHAM, TEXAS 76046

No. 19600

| DATE | | |
|------|-----|-----|
| MO. | DAY | YR. |
| 9 | 04 | 81 |

PAY TO THE ORDER OF

STATE OF TEXAS
GENERAL LAND OFFICE
STEPHEN F AUSTIN BLDG
1700 N CONGRESS AVE
AUSTIN, TEXAS 78701

| AMOUNT | |
|----------|-------|
| DOLLARS | CENTS |
| *****211 | 88 |

TWIN MONTANA, INC.
ROYALTY DISTRIBUTION ACCOUNT

NON NEGOTIABLE

GRAHAM NATIONAL BANK • GRAHAM, TEXAS 76046

TWIN MONTANA, INC.
GRAHAM, TEXAS

OIL & GAS PURCHASE STATEMENT

No. 19600

| DATE MO. YR. | LEASE NUMBER | * | BARRELS OR MCF | TAX | NET VALUE | OWNER DECIMAL | OWNER VALUE |
|----------------------------|-----------------|---|----------------|------------------|-----------|------------------|----------------|
| 7 81 | 1068 | G | 1231.00 | 274.87 | 3,390.08 | .062500000 | 211.88 |
| * G-GAS O-OIL A-ADJUSTMENT | | | | OWNERS NUMBER | 3947 | TOTAL | 211.88 |

July 81 production

1231 MCF

2312.13 NET X .0625 = \$144.51

1077.95 Price Adj. = \$67.37

*(See enclosed copy of Lone Star
Check # 3986 for additional
Rate 12/80 thru 5/81)*

*Both 7-81 production & this
rate adj. paid together on
Twin Montana ck # 19600*

Billy Lancaster

Jessie Burr

1935

Lone Star Gas Company

0903

003986

PAY TO THE ORDER OF

08/17/81

\$1,165.35

TWIN MONTANA INCORPORATED
P O BOX 720
GRAHAM TX 76046

OIL AND GAS PURCHASE ACCOUNT

EESEHick

Detach and retain for tax purposes. Duplicate copies not available.

OIL AND GAS PURCHASE STATEMENT

Refer to meter number and owner number on all correspondence.

| METER NUMBER | BTU | VOLUME MCF/BBL | GROSS VALUE | TAXES | ADJUSTMENTS DEDUCTIONS | YOUR INTEREST | |
|---------------|---------|----------------|-------------|-------|---------------------------|---------------|-----------|
| | | | | | | GROSS VALUE | NET VALUE |
| 1280058129600 | 1100,00 | 00 | 00.00 | 0.00 | | 1165.35 | 1165.35 |

27.40

1077.95

Escalation 12/80 - 5/81

*Twin Montana, Inc.
Waltman #1
Daly Field
Wise Co, Texas*

*ION: 90341
GP 4560
Meter 2960
GX-54*

| | mcf | addm | rt | value | | |
|-------|------|---------|----|---------|------------------|--------|
| 12/80 | 1092 | .167520 | | 182.93 | (1912 - 1.752) x | 1.047 |
| 1/81 | 1137 | - | | 190.47 | - | - |
| 2/81 | 1191 | - | | 199.52 | - | - |
| 3/81 | 1269 | - | | 212.58 | - | - |
| 4/81 | 961 | - | | 160.97 | - | - |
| 5/81 | 1288 | .169920 | | 218.86 | - | X 1062 |
| | 6938 | | | 1165.35 | | |

622

TOTAL PAY

\$1,165.

090341

0003986

08/17/81

73-0724002

These should
help clarify the
missing payments
6-11/80

WILLIAM G. STREET
H. T. HUNNEWELL

TWIN MO

FIFT
GRAHAM



TWIN MONTANA, INC.

BOX 720

GRAHAM, TEXAS 76046

No. 16784

47240

| DATE | | |
|------|-----|-----|
| MO. | DAY | YR. |
| 1 | 08 | 81 |

PAY TO THE ORDER OF

STATE OF TEXAS
GENERAL LAND OFFICE
STEPHEN F. AUSTIN BLDG
1700 N. CONGRESS AVE
AUSTIN, TEXAS 78701

PAID

JAN 15 1981

| AMOUNT | |
|----------|-------|
| DOLLARS | CENTS |
| *****851 | 94 |

TWIN MONTANA, INC.
ROYALTY DISTRIBUTION ACCOUNT

[Signature]

GRAHAM NATIONAL BANK • GRAHAM, TEXAS 76046

GRAHAM NATIONAL BANK

84116

0101 54527

PAY TO ANY BANK OR CO. P.E.G.

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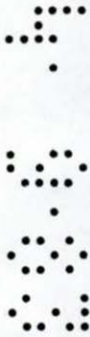
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all included
with 9/80
or 16784



9/80

8/80

7/80

6/80

5459
1420

927

2232

880

MCF

745.59
195.36

127.53

307.07

115.63

TAY

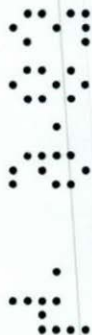
9195.64
2409.01

1572.91

3989.19

1426.13

NET



UNION PAC MOUNTAIN 1000

78-33

EXP. DATE 12/31/80

NON NEGOTIABLE

1/08/81

PAY TO THE ORDER OF

*****851.94

STATE OF TEXAS
GENERAL LAND OFFICE
STEPHEN F AUSTIN BLDG
1700 N CONGRESS AVE
AUSTIN, TEXAS 78701

TWIN MONTANA, INC.
ROYALTY DISTRIBUTION ACCOUNT

NON NEGOTIABLE

GRAHAM NATIONAL BANK • GRAHAM, TEXAS 76048

TWIN MONTANA, INC.
GRAHAM, TEXAS

OIL & GAS PURCHASE STATEMENT

No. 16784

| DATE | | LEASE | * | BARRELS OR MCF | TAX | NET VALUE | OWNER | OWNER |
|------|-----|--------|---|--|--------|-----------|------------|--------|
| MO. | YR. | NUMBER | | | | | DECIMAL | VALUE |
| 11 | 80 | 1088 | G | 1263.00 | 173.76 | 2,143.02 | .062500000 | 133.94 |
| 9 | 80 | 1088 | G | ✓1420.00 | 745.59 | 9,195.64 | .062500000 | 574.73 |
| 10 | 80 | 1088 | G | ✓1351.00 | 185.87 | 2,292.33 | .062500000 | 143.27 |
| | | | | <p>9.80 MCF should be 5459 production 6/80 - 7/80</p> | | | | |
| | | | | <p>* G-GAS O-OIL A-ADJUSTMENT OWNERS 3947 TOTAL 851.94</p> | | | | |

| DATE | | |
|------|-----|-----|
| MO. | DAY | YR. |
| 9 | 04 | 81 |

PAY TO THE ORDER OF

STATE OF TEXAS
GENERAL LAND OFFICE
STEPHEN F AUSTIN BLDG
1700 N CONGRESS AVE
AUSTIN, TEXAS 78701

| AMOUNT | |
|----------|-------|
| DOLLARS | CENTS |
| *****211 | .88 |

TWIN MONTANA, INC.
ROYALTY DISTRIBUTION ACCOUNT

NON NEGOTIABLE

GRAHAM NATIONAL BANK • GRAHAM, TEXAS 76046

TTWIN MONTANA, INC.
GRAHAM, TEXAS

OIL & GAS PURCHASE STATEMENT

No. 19600

| DATE MMO. | YR. | LEASE NUMBER | * | BARRELS OR MCF | TAX | NET VALUE | OWNER DECIMAL | OWNER VALUE |
|-----------------------------|-----|-----------------|---|----------------|------------------|-----------|------------------|----------------|
| 7 | 81 | 1088 | G | 1231.00 | 274.87 | 3,390.08 | .062500000 | 211.88 |
| 7 | 81 | | | 1231 | 187.47 | 2312.13 | 144.51 | |
| 12-80 thru 5-81 adj. | | | | - 0 - | 87.40 | 1077.95 | 67.37 | |
| ** G-GAS O-OIL A-ADJUSTMENT | | | | | OWNERS NUMBER | 3947 | TOTAL | 211.88 |

1st
escalation
12-80

0.*

0.0069+
0.0069+
0.00713+
0.00713+
0.00713+
0.00774+
0.00774+
0.00774+
0.00843+
0.00843+
0.00843+
0.00843+
0.00744+
0.09114*

1.762x
0.09114=
0.16058868*

1.762+
0.1605+
1.9225*

2nd
escalation
12-81

0.*

0.00744+
0.00744+
0.00904+
0.00904+
0.00904+
0.00643+
0.00643+
0.00643+
0.00503+
0.00503+
0.00503+
0.00767+
0.08405*

1.923x
8,405.=
.16,162.815*

1.923+
0.16+
2.083*

3rd
escal.
12-82

0.00767+
0.00767+
0.0069+
0.0069+
0.0069+
0.00311+
0.00311+
0.00311+
0.00447+
0.00447+
0.00447+
0.00455+
0.06333*

2.083x
0.06333=
0.13191639*

2.083+
0.13+
2.213*

TABLE III—INFLATION ADJUSTMENT

| Month of delivery | Factor by which price in preceding month is multiplied |
|-------------------|--|
| 1977: | |
| May | 1.00638 |
| June | 1.00638 |
| July | 1.00431 |
| August | 1.00431 |
| September | 1.00431 |
| October | 1.00463 |
| November | 1.00463 |
| December | 1.00463 |
| 1978: | |
| January | 1.00587 |
| February | 1.00597 |
| March | 1.00597 |
| April | 1.00889 |
| May | 1.00889 |
| June | 1.00889 |
| July | 1.00581 |
| August | 1.00581 |
| September | 1.00581 |
| October | 1.00581 |
| November | 1.00581 |
| December | 1.00581 |
| 1979: | |
| January | 1.00581 |
| February | 1.00667 |
| March | 1.00667 |
| April | 1.00667 |
| May | 1.00713 |
| June | 1.00713 |
| July | 1.00713 |
| August | 1.00805 |
| September | 1.00805 |
| October | 1.00805 |
| November | 1.00690 |
| December | 1.00690 |
| 1980: | |
| January | 1.00690 |
| February | 1.00713 |
| March | 1.00713 |
| April | 1.00713 |
| May | 1.00774 |
| June | 1.00774 |
| July | 1.00774 |
| August | 1.00843 |
| September | 1.00843 |
| October | 1.00843 |
| November | 1.00744 |
| December | 1.00744 |
| 1981: | |
| January | 1.00744 |
| February | 1.00904 |
| March | 1.00904 |

TABLE III—INFLATION ADJUSTMENT—Continued

| Month of delivery | Factor by which price in preceding month is multiplied |
|-------------------|--|
| April | |
| May | 1.00904 |
| June | 1.00643 |
| July | 1.00643 |
| August | 1.00643 |
| September | 1.00693 |
| October | 1.00503 |
| November | 1.00503 |
| December | 1.00767 |
| 1982: | |
| January | 1.00767 |
| February | 1.00690 |
| March | 1.00690 |
| April | 1.00690 |
| May | 1.00311 |
| June | 1.00311 |
| July | 1.00311 |
| August | 1.00447 |
| September | 1.00447 |
| October | 1.00447 |
| November | 1.00455 |
| December | 1.00455 |
| 1983: | |
| January | 1.00455 |
| February | 1.00367 |
| March | 1.00367 |
| April | 1.00367 |

[Reprinted from 48 FR 3721, Jan. 27, 1983]

April 8, 1983

Lone Star Gas Company
301 South Harwood Street
Dallas, Texas 75201

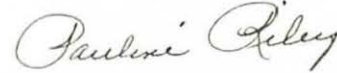
Re: LS-T-GP-#4560
Waltman
Daly Field
Wise County, Texas

Gentlemen:

I am enclosing a copy of a letter dated March 30, 1983 from the General Land Office. While checking their royalty due, I believe one of our problems is that we are being paid by Lone Star Gas based on an original base price of \$1.752 instead of \$1.762.

Also enclosed is a worksheet and a copy of page 9 of our gas contract. Please verify our calculations and let me know if you concur.

Yours very truly,

A handwritten signature in cursive script, reading "Pauline Riley".

Pauline Riley
Royalty Distribution

| | | |
|-------------|----------|------|
| Prepared By | Initials | Date |
| Approved By | | |

Waltman Lease
 Meter 2960
 Daly Field, West Co. Texas

| COLUMN WRITE | Production mo. & yr. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|-----------------|----------------------|------|---------------|-------|---------------|--------------|---------------|-------|-------------|-----------------------|-------------------|--------------------|---------|----|----|
| | | MCF | BTU FACTOR | MMBTU | BASE PRICE | GROSS DUE | GROSS PAID | DUE | Adj MADE | DUE FROM LONE STAR | STATE OF TEXAS | ACCUM. SHORTAGE | PENALTY | | |
| | | | | | | | | | | | .0625 | | | | |
| 1 | 6-80 | 880 | 1.047 | 921 | 1.762 | 162280 | 154176 | 8104 | | 8104 | 507 | 507 | 05 | | 1 |
| 2 | 7-80 | 2332 | 1.047 | 2337 | 1.762 | 411779 | 409426 | 2353 | | 2353 | 147 | 654 | 07 | | 2 |
| 3 | 8-80 | 927 | 1.047 | 971 | 1.762 | 171090 | 170044 | 1046 | | 1046 | 65 | 719 | 07 | | 3 |
| 4 | 9-80 | 1420 | 1.047 | 1487 | 1.762 | 262009 | 260477 | 1532 | | 1532 | 96 | 815 | 08 | | 4 |
| 5 | 10-80 | 1351 | 1.047 | 1414 | 1.762 | 249147 | 247820 | 1327 | | 1327 | 83 | 898 | 09 | | 5 |
| 6 | 11-80 | 1263 | 1.047 | 1322 | 1.762 | 232936 | 231678 | 1258 | | 1258 | 79 | 977 | 10 | | 6 |
| 7 | 12-80 | 1092 | 1.047 | 1143 | 1.923 | 219799 | 200310 | 19489 | (18293) | 1196 | 75 | 1052 | 11 | | 7 |
| 8 | 1-81 | 1137 | 1.047 | 1190 | 1.923 | 228837 | 208565 | 20272 | (19047) | 1225 | 77 | 1129 | 11 | | 8 |
| 9 | 2-81 | 1191 | 1.047 | 1247 | 1.923 | 239798 | 218470 | 21328 | (19952) | 1376 | 86 | 1215 | 12 | | 9 |
| 10 | 3-81 | 1269 | 1.047 | 1329 | 1.923 | 255567 | 232778 | 22789 | (21258) | 1531 | 96 | 1311 | 13 | | 10 |
| 11 | 4-81 | 961 | 1.047 | 1006 | 1.923 | 193454 | 176280 | 17174 | (16099) | 1075 | 67 | 1378 | 14 | | 11 |
| 12 | 5-81 | 1288 | 1.062 | 1368 | 1.923 | 263066 | 239648 | 23418 | (21886) | 1532 | 96 | 1474 | 15 | | 12 |
| 13 | 6-81 | 1229 | 1.062 | 1305 | 1.923 | 250952 | 228671 | 22281 | (20883) | 1398 | 87 | 1561 | 16 | | 13 |
| 14 | 7-81 | 1231 | 1.062 | 1307 | 1.923 | 251336 | 249960 | 1376 | | 1376 | 86 | 1647 | 16 | | 14 |
| 15 | 8-81 | 1265 | 1.062 | 1343 | 1.923 | 258259 | 256864 | 1395 | | 1395 | 87 | 1734 | 17 | | 15 |
| 16 | 9-81 | 1064 | 1.062 | 1130 | 1.923 | 217299 | 216050 | 1249 | | 1249 | 78 | 1812 | 18 | | 16 |
| 17 | 10-81 | 1314 | 1.062 | 1395 | 1.923 | 268259 | 266813 | 1446 | | 1446 | 90 | 1902 | 19 | | 17 |
| 18 | 11-81 | 1139 | 1.062 | 1210 | 1.923 | 232683 | 231279 | 1404 | | 1404 | 88 | 1990 | 20 | | 18 |
| 19 | 12-81 | 834 | 1.062 | 886 | 2.083 | 184554 | 183953 | 601 | | 601 | 38 | 2028 | 20 | | 19 |
| 20 | 1-82 | 723 | 1.064 | 769 | 2.083 | 160183 | 159470 | 713 | | 713 | 45 | 2073 | 21 | | 20 |
| 21 | 2-82 | 780 | 1.064 | 830 | 2.083 | 172889 | 172042 | 847 | | 847 | 53 | 2126 | 21 | | 21 |
| 22 | 3-82 | 775 | 1.064 | 825 | 2.083 | 171848 | 170940 | 908 | | 908 | 57 | 2183 | 22 | | 22 |
| 23 | 4-82 | 669 | 1.064 | 712 | 2.083 | 148310 | 147559 | 751 | | 751 | 47 | 2230 | 22 | | 23 |
| 24 | 5-82 | 713 | 1.059 | 755 | 2.083 | 157267 | 156525 | 742 | | 742 | 46 | 2276 | 23 | | 24 |
| 25 | 6-82 | 661 | 1.059 | 700 | 2.083 | 145810 | 145110 | 700 | | 700 | 44 | 2320 | 23 | | 25 |
| 26 | 7-82 | 784 | 1.059 | 830 | 2.083 | 172889 | 172112 | 777 | | 777 | 49 | 2369 | 24 | | 26 |
| 27 | 8-82 | 682 | 1.059 | 722 | 2.083 | 150393 | 149720 | 673 | | 673 | 42 | 2411 | 24 | | 27 |
| 28 | 9-82 | 655 | 1.059 | 692 | 2.083 | 139978 | 139402 | 576 | | 576 | 36 | 2447 | 24 | | 28 |
| 29 | 10-82 | 419 | 1.059 | 444 | 2.083 | 92485 | 91983 | 502 | | 502 | 31 | 2478 | 25 | | 29 |
| 30 | 11-82 | 522 | 1.059 | 553 | 2.083 | 115190 | 114595 | 595 | | 595 | 37 | 2515 | 25 | | 30 |
| 31 | 12-82 | 579 | 1.059 | 613 | 2.213 | 135637 | 135141 | 516 | | 516 | 32 | 2547 | 25 | | 31 |
| 32 | 1-83 | 595 | 1.059 | 630 | 2.213 | 139419 | 138875 | 544 | | 544 | 34 | 2581 | 26 | | 32 |
| 33 | 2-83 | 597 | 1.059 | 611 | 2.213 | 135214 | 134674 | 540 | | 540 | 34 | 2615 | 26 | | 33 |
| 34 | | | | | | | | | | 41808 | 2615 | | 579 | | 34 |
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Due State of Texas
 upon receipt from Lone
 Star Gas Co.

2615 Add. Royalty
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Waltman Lease

3947

State of Texas

| Index | Production Mo. - yrs. | MRF # | Lone Star Lease | Royalty .0625 | Semi-Monthly paid | Due Land Office | Accumulated Shortage | Penalty | |
|-------|----------------------------|-------|-----------------|---------------|-------------------|-----------------|----------------------|--------------------|----|
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| 1 | 1.047 June 1980 | 880 | 154176 | 9636 | | | | | 1 |
| 2 | 1.047 July 1980 | 2232 | 409426 | 25589 | | | | | 2 |
| 3 | 1.047 Aug 1980 | 927 | 170044 | 10628 | | | | | 3 |
| 4 | 1.047 Sept 1980 | 1420 | 260477 | 16280 | 57473 | 4660 | 4660 | 46 | 4 |
| 5 | 1.047 Oct 1980 | 1351 | 247820 | 15489 | 14327 | 1162 | 5822 | 58 | 5 |
| 6 | 1.047 Nov 1980 | 1263 | 231678 | 14480 | 13394 | 1086 | 6908 | 69 | 6 |
| 7 | 1.047 Dec 1980 | 1092 | 200310 | 12519 | 11580 | 939 | 7847 | 78 | 7 |
| 8 | 1.047 Jan 1981 | 1137 | 208565 | 13035 | 12058 | 977 | 8824 | 88 | 8 |
| 9 | 1.047 Feb 1981 | 1191 | 218470 | 13654 | 12630 | 1024 | 9848 | 98 | 9 |
| 10 | 1.047 March 1981 | 1267 | 232778 | 14549 | 13458 | 1091 | 10939 | 109 | 10 |
| 11 | 1.047 April 1981 | 961 | 176280 | 11017 | 10191 | 826 | 11765 | 118 | 11 |
| 12 | 1.062 May 1981 | 1288 | 239648 | 14978 | 13855 | 1123 | 12888 | 129 | 12 |
| 13 | 1.062 June 1981 | 1229 | 228671 | 14292 | 13220 | 1072 | 13960 | 140 | 13 |
| 14 | 1.062 July 1981 | 1231 | 249960 | 15622 | 14451 | 1171 | 15677 | 157 | 14 |
| 15 | 1.062 Aug 1981 | 1265 | 256864 | 16054 | 14850 | 1204 | 16881 | 169 | 15 |
| 16 | - Sept 1981 | 1064 | 216050 | 13503 | 12490 | 1013 | 17894 | 179 | 16 |
| 17 | - Oct 1981 | 1314 | 266813 | 16676 | 15425 | 1251 | 19145 | 191 | 17 |
| 18 | - Nov 1981 | 1139 | 231277 | 14458 | 13371 | 1084 | 20229 | 202 | 18 |
| 19 | 1.062 Dec 1981 | 834 | 183953 | 11497 | 10635 | 862 | 21091 | 211 | 19 |
| 20 | 1.064 Jan 1982 | 723 | 159470 | 9967 | 7218 | 749 | 21840 | 218 | 20 |
| 21 | 1.064 Feb 1982 | 780 | 172042 | 10753 | 9945 | 808 | 22648 | 226 | 21 |
| 22 | - March 1982 | 775 | 170940 | 10684 | 9882 | 802 | 23450 | 235 | 22 |
| 23 | - April 1982 | 667 | 147559 | 9222 | 8531 | 691 | 24141 | 241 | 23 |
| 24 | 1.059 May 1982 | 713 | 156525 | 9783 | 9048 | 735 | 24876 | 249 | 24 |
| 25 | 1.059 June 1982 | 661 | 145110 | 9069 | 8390 | 679 | 25555 | 256 | 25 |
| 26 | 1.059 July 1982 | 784 | 172112 | 10757 | 9950 | 807 | 26362 | 264 | 26 |
| 27 | 1.059 Aug 1982 | 682 | 149720 | 9358 | 8656 | 702 | 27064 | 271 | 27 |
| 28 | Sept 1982 | 635 | 139402 | 8713 | 8059 | 654 | 27718 | 277 | 28 |
| 29 | Oct 1982 | 419 | 91983 | 5749 | 5318 | 431 | 28149 | 281 | 29 |
| 30 | 1.059 Nov 1982 | 522 | 114595 | 7162 | 6625 | 537 | 28686 | 287 | 30 |
| 31 | 1.059 Dec 1982 | 577 | 135141 | 8446 | 7813 | 633 | 29319 | 293 | 31 |
| 32 | 1.059 Jan 1983 | 595 | 138895 | 8680 | 8680 | -0- | | | 32 |
| 33 | 1.062 Jan 1983 (6-81 adj.) | | 20883 | 1305 | 1305 | -0- | | | 33 |
| 34 | 1.059 Feb 1983 | 577 | 134674 | 8417 | 8417 | -0- | | | 34 |
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APR 9 1983
General Land Office

(22)

M. F. 84116

CORRESPONDENCE FILE

TO

Twin Montana Inc.

FROM

DATED 12-27-82

WILLIAM G. STREET
H. T. HUNNEWELL

P.O. BOX 1210
PHONE AC817-549-3292

TWIN MONTAÑA, INC.

FIFTH & ECHO
GRAHAM, TEXAS 76046

April 8, 1983

General Land Office
Stephen F. Austin Building
1700 N. Congress Avenue
Austin, Texas 78701

RE: State Lease M-84116
W. O. Waltman Lease

59264?
-B-File

Dear Mr. Lancaster:

Thank you for the schedules you sent us and it is amazing that the old adage is true "a picture is worth a thousand words". What we have is a comedy of errors from the beginning and I hope that you will help me straighten them out. I tried to reach you by phone this morning, however the circuits were busy. It is difficult to explain all of this in a letter, so if you will call me when you go over the enclosures, I would appreciate it.

Yours very truly,

Pauline Riley

Pauline Riley

Necrut Bond
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Wesley Boyd

(23)

M. F. -84116-

CORRESPONDENCE FILE

TO

Iwin Montana
FROM Inc.

DATED 4-8-83

006 4

ASSIGNMENT OF OIL AND GAS LEASE

STATE OF TEXAS

*

COUNTY OF WISE

* KNOW ALL MEN BY THESE PRESENTS:

That TWIN MONTANA, INC., the Assignor, for value received from MONTGOMERY FIRST CORP., the Assignee, has bargained, sold, transferred and assigned, and by these presents does bargain, sell, transfer and assign unto said Assignee an undivided one-half (1/2) interest in and to the following described oil and gas lease and leasehold estate situated in Wise County, Texas, to-wit:

Created by oil and gas lease from Hidalgo Oil & Gas Co., Inc., as lessor, to Twin Montana, Inc., as lessee, dated May 17, 1979, and recorded in Volume 226, Page 817, of the Lease Records of Wise County, Texas, and covering the following described land in said county, to-wit:

Being 181.3 acres, known as the Middle 1/4 of Survey No. 60, Certificate No. 48, M.E.P. & P. R.R. Co. Survey, patented to S. R. Ponder, Abstract No. 1509, about 18 miles South 41 deg. 30 min. West from Decatur, Texas, and described by metes and bounds in said lease, to which reference is here made for descriptive purposes;

together with a like interest in and to all personal property and well equipment situated on or used in connection with said oil and gas lease.

The interest hereby acquired by the Assignee is subject to the following:

(1) Its proportionate part of an outstanding overriding royalty interest held by Hidalgo Oil & Gas Co., Inc., equal to 1/32 of 8/8 of gross production; and

(2) Any gas purchase contract hereafter made and entered into by the Assignor respecting the sale of gas produced, saved and sold from the above described premises; and the Assignee, by the acceptance of this assignment, does further hereby authorize and empower the Assignor to make and enter into any such gas purchase agreement upon such terms and conditions as said Assignor shall find advisable, in its discretion.

TO HAVE AND TO HOLD said interest in said oil and gas lease unto the said Assignee, its successors and assigns; and for the same consideration above recited Assignor warrants and agrees to defend the title thereto against all persons whomsoever claiming or to claim the same by, through and under it but not otherwise.

EXECUTED this 17th day of May, 1979.

ATTEST:

TWIN MONTANA, INC.

Barry M. Street
Secretary

By:

H. J. Hammett
President

STATE OF TEXAS

*

COUNTY OF YOUNG

*

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 17th day of May, 1979.

Mary Lou Cook

(Type or print name of Notary)

Mary Lou Cook
Notary Public, Young County, Texas

My Commission Expires: 7/31/80

FILED FOR RECORD 30 DAY OF Jan. A.D. 1980 at 9⁰⁰ a.m.
FILED DULY RECORDED 1 DAY OF Feb. A.D. 1980 at 9⁰⁰ a.m.

LA VERNE FORMAN, COUNTY CLERK,
WISE COUNTY, TEXAS

BY *Mary P. Leake* DEPUTY
0-0-0-0

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This is to certify that the foregoing instrument is a true and correct
copy of the original instrument as recorded in vol. 227
page 17, Lease Records of Wise County,
Texas.

Witness my hand and seal of office at Decatur, this 7
day of June 19 84

Mrs. La Verne Forman, County Clerk, Wise County, Texas

By L. H. Stett Deputy

39/251
Dud

42400

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

STATE OF TEXAS

*

COUNTY OF WISE

* KNOW ALL MEN BY THESE PRESENTS:

That TWIN MONTANA, INC., Assignor, for Ten Dollars (\$10) and other valuable consideration, cash in hand paid by HIDALGO OIL & GAS CO., INC., Assignee, receipt of which is hereby acknowledged, does hereby bargain, sell, transfer, assign and convey unto Assignee, as an overriding royalty interest, an undivided 1/32 of 8/8 of the oil and gas produced, saved and marketed from the lands affected by the following described oil and gas leasehold estate situated in Wise County, Texas, viz:

Created by oil and gas lease from Hidalgo Oil & Gas Co., Inc., as lessor, to Twin Montana, Inc., as lessee, dated May 17, 1979, and recorded in Volume 226, Page 817, of the Lease Records of Wise County, Texas, and covering the following described land in said county, to-wit:

Being 181.3 acres, known as the Middle 1/4 of Survey No. 60, Certificate No. 48, M.E.P. & P. R.R. Co. Survey, patented to S. R. Ponder, Abstract No. 1509, about 18 miles South 41 deg. 30 min. West from Decatur, Texas, and described by metes and bounds in said lease, to which reference is here made for descriptive purposes.

All production attributable to the overriding royalty herein assigned shall be delivered to Assignee free and clear of all costs except applicable taxes into the pipeline connected to the well or wells situated on said lease, or, in the absence of a pipeline connection, into the storage facilities situated thereon.

TO HAVE AND TO HOLD the overriding royalty interest herein assigned unto Assignee, its successors and assigns; and, for the same consideration above recited, Assignor warrants and agrees to defend the title thereto against all persons whomsoever claiming or to claim the same.

EXECUTED this 17th day of May, 1979.

TWIN MONTANA, INC.

ATTEST:

Dorothy M. Street
Secretary

By: H. T. Hunnewell
President

STATE OF TEXAS

*

COUNTY OF YOUNG

*

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 17th day of May, 1979.

Mary Lou Cook
(Type or print name of Notary)
My Commission Expires: 7/31/80

Mary Lou Cook
Notary Public, Young County, Texas

FILED FOR RECORD DAY OF Jan. A.D. 1980 at 7:10 M.
FILED DULY RECORDED DAY OF Feb. A.D. 1980 at 9:10 M.

LA VERNE FORMAN, COUNTY CLERK,
WISE COUNTY, TEXAS

BY Milly Hanes DEPUTY
0-0-0-0

GENERAL LAND OFFICE

DATE
Reg. No.

RECEIVED AS STATED

Garry Mauro, Commissioner

File dated

6-16-84

Assignment

84116

M

This is to certify that the foregoing instrument is a true and correct
copy of the original instrument as recorded in vol. 399
page 251, Ord Records of Wise County,
Texas.

Witness my hand and seal of office at Decatur, this 2
day of June 19 84.

Mrs. La Verne Forman, County Clerk, Wise County, Texas

By Birda Stett Deputy

TWIN MONTANA, INC., SPECIAL

GRAHAM, TEXAS 76046

✓ DETACH AND RETAIN THIS STATEMENT
THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW.
IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT DESIRED.

DELUXE - FORM NWC-3 V-4

INVOICE

| DATE | NO. | DESCRIPTION | TOTAL AMOUNT | DEDUCTIONS | | NET AMOUNT |
|---------|-----|--|-----------------|------------|---------|------------------------------|
| | | | | DISCOUNT | FREIGHT | |
| 6/12/84 | | Waltman Lease Wise County, TX Lease MF-089116 Filing Fee | 171 | | | 132531 \$25.00 |

TWIN MONTAÑA, INC.

FIFTH & ECHO
GRAHAM, TEXAS 76046

June 14, 1984

General Land Office
Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701

Attn: Robin Jamail

Re: MF-089116
Waltmann Lease
Wise County, Texas

59264?

Dear Ms. Jamail:

Enclosed is a certified copy of the Assignment of Oil and Gas Lease from Twin Montana, Inc., Assignor, to Montgomery First Corp., Assignee. Also enclosed is a check in the amount of \$25.00 to cover the filing cost.

If I can be of further assistance, please feel free to contact me.

Sincerely yours,

Marian McCain

Marian McCain
Secretary, Land Department

Enclosures

X 25.00

132531

Neenah Board
65% COTTON FIBER

M. F. 84114 ⁽²⁸⁾

CORRESPONDENCE FILE

To Lwin Montana Inc
From

Dated 6-14-84

0.70.04

General Land



July 18, 1984

Ms. Marian McCain
Twin Montana, Inc.
5th & Echo
Graham, Texas 76046

59264?

Re: Assignment of Free Royalty Lease M-84116
Twin Montana, Inc. to Montgomery First Corp.
Wise County, Texas

Dear Ms. McCain:

The certified copy of an assignment covering the captioned oil and gas lease has been filed in our records.

We are requesting a refund of your \$25.00 remittance from our accounting department as the General Land Office does not require filing fees on assignments of free royalty leases. If you have any questions, please call.

Sincerely,

Diana Dickson, Assistant
Oil and Gas Division
Legal Department
512 475-446

/dd
6/16/84

20

M. P. 84114

CORRESPONDENCE FILE

To Quinn-McIntosh Inc.

FROM

Dated 7-18-84

DIVISION ORDER

WELL NAME: CROWLEY GAS UNIT NO. 1

PROSPECT: PINCH

COUNTY & STATE: WISE, TEXAS

DATE: FEBRUARY 1, 1990

TO: Duer Wagner & Co.
3400 City Center Tower II
301 Commerce Street
Fort Worth, TX 76102

The undersigned severally warrant that we are the legal owners of the interests set opposite our names on Exhibit "A" attached hereto in the hydrocarbons (which term as used herein includes oil, gas, and associated liquid and gaseous hydrocarbons) in and under and that may be produced from:

352 acres, more or less, out of M.E.P. & P. RR. CO. Surveys No. 60 and 61 and the S.R. Ponder Survey, Abstract No. 1509, as more completely described in that certain Designation of Pooled Unit, Crowley Gas Unit No. 1, dated September 11, 1989, recorded in Volume 335, Page 9, Real Records of Wise County, Texas.

Effective as of December 1, 1989, and until further written notice from either you or the undersigned, you or any person or corporation designated by you are authorized to account for and disburse to the undersigned, in the proportions shown on Exhibit "A", the proceeds of sale of hydrocarbons which have been or may be paid to you by the purchasers thereof for the account of the undersigned, less all taxes required by law to be deducted. Each of the undersigned hereby ratifies, adopts and confirms as to that party's interest the Oil, Gas and Mineral Leases covering the land described above and grants, leases and lets that party's interest in the land. The ratification in this paragraph will be effective notwithstanding a revocation of this Division Order.

In case of adverse claim, questions or dispute, which in your opinion affects title to the hydrocarbons or the proceeds thereof, you may withhold the proceeds, without interest until the matter has been resolved to your satisfaction. If any suit is filed in any court affecting the title or interest of any party hereto, that party shall immediately furnish you written notice of the suit. Each party hereto agrees to indemnify and hold you harmless against any costs, liabilities, expenses (including reasonable attorney's fees,) and judgements on account of receiving or paying proceeds to that party.

You will not be responsible for any change of ownership until you have been furnished evidence thereof consisting of certified copies of recorded documents and complete proceedings legally binding upon all parties, and each party hereto agrees to promptly notify you of any change of ownership affecting that party's interest. If any interest set out in Exhibit "A" is a limited interest which will terminate or revert at a future date or upon the payment of a specified amount, you will not be required to make a determination of any change in ownership on account of the limitation, but you may continue to make payments as specified herein until you have been furnished with such evidence of termination as may be satisfactory to you. Transfers of interest will be made effective not earlier than the first day of the calendar month following receipt by you of the required evidence of transfer.

Payment for sales made during each calendar month will be made in the month following receipt by you of the proceeds of sale, less any taxes required by law to be deducted, by mailing a check or draft for the amount due to the undersigned at the addresses shown. You are authorized to withhold, without interest, payment due any owner until at least thirty dollars has accrued to the credit of the owner.

You are authorized to deduct the proportionate share of each of the undersigned of the costs of transportation, dehydration, compression, treatment, and other similar costs necessary to market the hydrocarbons, and you are authorized to deduct all taxes of every nature whether state, federal or local, levied or assessed against the hydrocarbons, or against the production, transportation, gathering or marketing thereof, and to pay the same for the account of the undersigned. In the event of any dispute as to the correctness of any levy or assessment of taxes against production, you are authorized to withhold an amount sufficient to satisfy the levy or assessment until the correctness of the tax is ascertained.

If the price of any hydrocarbons sold hereunder is regulated by any governmental authority, the value of the hydrocarbons for the purpose of computing the royalties hereunder shall not be in excess of the price permitted by the regulation. Should it ever be determined by any governmental authority, or any court of final jurisdiction, or otherwise, that you are required to make any refund on hydrocarbons produced or sold by you, then the undersigned shall bear its proportionate part of the cost of the refund to the extent that royalties paid to the undersigned have exceeded the permitted price, plus any interest thereon ordered by the regulatory authority or court, or agreed to by you. If you advance funds to satisfy the undersigned's proportionate part of a refund, you shall be subrogated to the refund order or refund claim, with the right to enforce same for the undersigned's proportionate contribution, and with the right to apply rentals and royalties accruing hereunder toward satisfying the undersigned's refund obligations.

This division order is binding upon the undersigned, their heirs, personal representatives, successors and assigns, and is subject to all present and future valid orders, rules and regulations of any regulatory body having jurisdiction of the subject matter hereof. This division order is binding upon each party when signed by that party, regardless of whether or not signed by any other party.

WITNESS TO OWNER'S SIGNATURE:

OWNER SIGN BELOW:

OWNER'S ADDRESS AND SOCIAL SECURITY (OR TAX) NUMBER:

BE SURE TO GIVE ADDRESS AND SOCIAL SECURITY (OR TAX) NUMBER.

WELL NAME: CROWLEY GAS UNIT NO. 1
PROP. NO.: 168510

OWNER NAME
DESCRIPTION

TYPE
INTEREST

DECIMAL
INTEREST

PETCO LIMITED R BFO
P.O. BOX 911 0.00520801 APD
300 N. BRECKENRIDGE AVE.
BRECKENRIDGE , TX 76024-09

FLOYD H. SCOTT R BFO
0.00680513 APD

JOHN D. SPIELMAN R BFO
0.00092587 APD

THE STATE OF TEXAS R BFO
GENERAL LAND OFFICE 0.01611328 APD

AUSTIN , TX 78701

JACK C. TUNSTILL R BFO
810 WEST TENTH STREET 0.00173601 APD
P.O. BOX 17707
FORT WORTH , TX 76102

MERCEDES TUNSTILL, INDIV R BFO
EST/O.E. TUNSTILL 0.00144077 APD

R. E. WEAVER R BFO
0.00061663 APD

JOHN E. WITHERS R BFO
& BARBARA WITHERS IVY 0.0006944 APD
4713 N.W. 76TH STREET
OKLAHOMA CITY , OK 73132

MF 84116
ITEM 20.
TO
FROM Over Wagen
DATE 3.3.90

2 3 3 0

Garry Mauro
Commissioner
General Land Office



July 05, 1990

Duer Wagner & Co.
Attn: Division Order Department
3400 City Center Tower II
Fortr Worth, Tx. 76102

RE: Mineral File No. M-84116

59264?

This letter is issued in lieu of the Division Order prepared by your company for execution by the individual royalty owners.

Inasmuch as the statutes provide for the royalties that the State shall receive, it would not be in conformity with the law for the General Land Office to execute your division order, and thereby attempt to bind the State by the provisions contained therein.

The General Land Office, insofar as permitted under the law, acquiesces in the sale of the oil and/or gas to you under the lease, which oil and/or gas shall become your property when the State has been properly paid for same, as prescribed by law and under the terms and conditions set out in the lease covering the land in question.

Please refer to the mineral file number referenced above in all correspondence with this office. If you have any questions, please feel free to call me at (512) 463-5042.

Sincerely,

A handwritten signature in cursive script that reads "Drew Reid".

Drew Reid, Landman
Lease Compliance
Energy Resources

DR/dr

MF 04116
ITEM CRC
TO Over Wagner
FROM
DATE 7-5-90



University of California
Library



Texas General Land Office
Garry Mauro, Commissioner

Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701-1495
(512) 463-5001

December 7, 1994

Texaco Trading and Trans. Inc. (TTTI)
Lease Ownership
P. O. Box 5568
Denver, CO 80217-5568

Re: Mineral File No. M-84116
TTTI Lease No. 031177

59264?

Dear Sir or Madam:

We have received the division order submitted by your company for the above referenced lease and filed same in our files. Please be sure to reference this mineral file number in all future royalty payments, reports and correspondence concerning the lease.

The payment of royalties to the State of Texas is set by statute. As the execution of the division order may, in some cases, effect the payments of such royalties, it is not the policy of this office to execute them. Insofar as allowed by law, the Texas General Land Office acquiesces in the sale of oil and gas under the terms and conditions set out in the lease.

If you should have any questions, please feel free to call me at (512) 475-1527.

Sincerely,

Eugene H. Moore, Jr.

Eugene H. Moore, Jr.
Accounts Examiner
Royalty and Revenue Processing
Energy Resources

EHM:mrg

90.75 in unit

M-84116

AUTHORIZATION TO RECEIVE OIL AND DIRECTION FOR PAYMENT

TO: **TEXACO TRADING AND TRANSPORTATION INC. (TTTI)**
Lease Ownership
Post Office Box 5568
Denver, Colorado 80217-5568
Toll Free 1-800-992-8470

Lease No. **031177**

Date: **OCTOBER 7, 1994**

Effective at 7:00 A.M. SEPTEMBER 1, 1994 and until the first day of the month following thirty (30) days advance written notice of change of ownership or termination, you are authorized to receive the production of the undersigned from the following described lease in accordance with your agreement with the lease operator:

ECHO PRODUCTION INC

-- W D WALTMAN #1

LEASE

located in **WISE** County, State of **TEXAS**

described as:

BEGIN 181.3 ACRES, KNOWN AS THE MIDDLE 1/4 OF SURVEY NO. 60, M.E. P. & P.R. R. COMPANY SURVEY, ABSTR
ACT NO. 1509

The undersigned warrants to TTTI ownership of the interest indicated below next to their name in the oil produced and saved from the above lease and directs TTTI to distribute payment for such oil as provided below.

CREDIT TO OWNER NUMBER: **000031659** TYPE: **ROYALTY** INTEREST: **0.0625000**
TRANSFERRED FROM: **999999999**

CURRENT INTEREST(S) IN PAY STATUS FOR THIS LEASE:

GENERAL LAND OFFICE
STATE OF TEXAS
1700 N CONGRESS AVENUE
AUSTIN TX 78701-1436

CONFIRMATION



In the event of a dispute concerning title to any portion of the proceeds of this interest, TTTI may hold the proceeds until it receives evidence of title satisfactory to TTTI. The undersigned agrees to notify TTTI in writing of any change in the decimal interest and all changes shall be effective the first day of the month following TTTI's receipt of such notice. For any claims arising from the undersigned's failure to provide written notice, the undersigned will fully indemnify and hold TTTI harmless. If action or inaction by the undersigned causes TTTI to over-pay this interest, then TTTI may recoup the overpaid amount from the undersigned's interests in other leases. Finally, all payments shall be subject to all present and future laws, regulations and orders.

SIGNATURE OF OWNER(S)

X _____

X _____

SOCIAL SECURITY OR TAX ID NUMBER

DAYTIME TELEPHONE NUMBER (_____) _____

PAYMENT FOR THIS INTEREST SHOULD BE SENT TO:

CORRESPONDENCE AND IRS FORM 1099 SHOULD BE SENT TO:

ZIP + 4 CODE IS REQUESTED

TTTI ROUTING:

| | | |
|----------|--|--|
| REC'D | | |
| N/A | | |
| SUSPENSE | | |
| D of I | | |
| ANALYST | | |

☐ Please check if these are **NEW ADDRESSES** and apply to all leases with this owner number.

TEXACO TRADING AND TRANSPORTATION INC.
CORPORATE OFFICES
(Office Hours 7:30 A.M. - 4:30 P.M. MTN)

Title Analyst: A. OBRIEN at 303-860-3608

If you need assistance with:

Questions about this Authorization
Telecopy (FAX)
Telecopy Verification
TDD - Service for Hearing and Speech Impaired
All Other Departments

Please call:

(303) 860-3608
(303) 860-3699
(303) 860-3569
(303) 860-3504
(303) 861-4475

- * Please send written notice of any name or address change to:
Title Department/Name and Address, P.O. Box 5568, Denver, CO. 80217
- * **Be sure to indicate your owner and tax identification numbers.**

FOR YOUR INFORMATION

Payments will be made monthly for oil received during the previous month unless the amount due is less than \$25.00. Amounts of less than \$25.00 will be accumulated and paid when the total either equals or exceeds \$25.00 or at such time during each fiscal year when all amounts due of \$5.00 or more are released to owners whose accounts are in pay status. Amounts due of less than \$5.00, will be released when requested by owner.

If a question arises as to the legal adequacy of title to any interest, sufficient evidence of clear title may be required before payment is made for interest.

GENERAL LAND OFFICE
STATE OF TEXAS
1700 N CONGRESS AVENUE
AUSTIN TX 78701-1436

AUTHORIZATION TO RECEIVE OIL AND DIRECTION FOR PAYMENT

TO: **TEXACO TRADING AND TRANSPORTATION INC. (TTTI)** Lease No. **031177**
Lease Ownership
Post Office Box 5568
Denver, Colorado 80217-5568
Toll Free 1-800-992-8470 Date: **OCTOBER 7, 1994**

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ECHO PRODUCTION INC -- W D WALTMAN #1 LEASE

located in **WISE** County, State of **TEXAS**

described as:
BEGIN 181.3 ACRES, KNOWN AS THE MIDDLE 1/4 OF SURVEY NO. 60, M.E. P. & P.R. R. COMPANY SURVEY, ABSTR
ACT NO. 1509

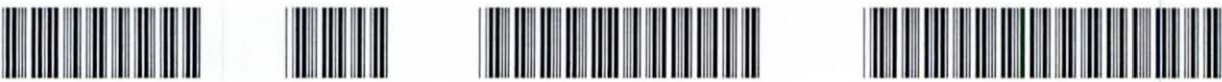
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TRANSFERRED FROM: **999999999**

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GENERAL LAND OFFICE
STATE OF TEXAS
1700 N CONGRESS AVENUE
AUSTIN TX 78701-1436

CONFIRMATION



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SIGNATURE OF OWNER(S) PAYMENT FOR THIS INTEREST SHOULD BE SENT TO:
X _____
X _____

SOCIAL SECURITY OR TAX ID NUMBER _____

DAYTIME TELEPHONE NUMBER (_____) _____ CORRESPONDENCE AND IRS FORM 1099 SHOULD BE SENT TO:

☐ Please check if these are NEW ADDRESSES and apply to all leases with this owner number.

TTTI ROUTING:

| | | |
|----------|--|--|
| REC'D | | |
| N/A | | |
| SUSPENSE | | |
| D of I | | |
| ANALYST | | |

ZIP + 4 CODE IS REQUESTED

TEXACO TRADING AND TRANSPORTATION INC.
CORPORATE OFFICES
(Office Hours 7:30 A.M. - 4:30 P.M. MTN)

Title Analyst: A. OBRIEN at 303-860-3608

If you need assistance with:

Questions about this Authorization
Telecopy (FAX)
Telecopy Verification
TDD - Service for Hearing and Speech Impaired
All Other Departments

Please call:

(303) 860-3608
(303) 860-3699
(303) 860-3569
(303) 860-3504
(303) 861-4475

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- * **Be sure to indicate your owner and tax identification numbers.**

FOR YOUR INFORMATION

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If a question arises as to the legal adequacy of title to any interest, sufficient evidence of clear title may be required before payment is made for interest.

GENERAL LAND OFFICE
STATE OF TEXAS
1700 N CONGRESS AVENUE
AUSTIN TX 78701-1436

| | | | | |
|-----------|----------------|--------------------|---|-----------|
| 000009535 | PETCO LIMITED | | R | 0.0059787 |
| 000012631 | MONTGOMERY FIR | ST CORP | W | 0.4218750 |
| 000029683 | JOYER | FLOYD H | W | 0.0042188 |
| 000029685 | HODGES | CHARLES F | W | 0.0010956 |
| 000031659 | TEXAS | STATE OF | R | 0.0625000 |
| 000032312 | TWIN MONTANA I | NC | W | 0.4050000 |
| 000043870 | ECHO PRODUCTIO | N INC | W | 0.0073419 |
| 000077120 | TUNSTILL | JACK C | R | 0.0019929 |
| 000337061 | HOFMANN | LILLIAN | W | 0.0042188 |
| 000337656 | BAER | A G | R | 0.0031250 |
| 000337657 | BENTSEN ESTATE | EDNA RUTH | R | 0.0312500 |
| 000337658 | BENTSEN | LLOYD M | R | 0.0312500 |
| 000337659 | GIBBON | J M | R | 0.0017708 |
| 000337660 | HOLLINGSWORTH | W W | R | 0.0000014 |
| 000337661 | KNUTSON | W W | R | 0.0003539 |
| 000337665 | SCOTT | FLOYD | R | 0.0078125 |
| 000337666 | SPILLMAN | JOHN D | R | 0.0010629 |
| 000337667 | SUGGS | MILLARD L | R | 0.0000014 |
| 000337668 | TUNSTILL | ORVILLE D | R | 0.0016528 |
| 000337669 | WEAVER | GRACE | R | 0.0003539 |
| 000337670 | BUCHANAN | ANNA MAE | R | 0.0002657 |
| 000337671 | CARLISLE | JOHNETTA | R | 0.0002657 |
| 000337672 | CAUDLE | ILAH MAE | R | 0.0005315 |
| 000337673 | FITCH | EMERSON | R | 0.0002657 |
| 000337674 | GARRISON | DANA R HUDSON | R | 0.0005315 |
| 000337676 | HUDSON | JANICE LEE | R | 0.0002657 |
| 000337677 | HUDSON III | JOHN H | R | 0.0002657 |
| 000337678 | HUDSON | RHONI SUE | R | 0.0002657 |
| 000337679 | HUDSON | BARRY LYNN | R | 0.0002657 |
| 000337680 | WITHERS | JOHN E AND BARBARA | R | 0.0007972 |
| 000337726 | AVINGER J M | | R | 0.0001389 |
| 000337727 | AVINGER RM | | R | 0.0001389 |
| 000337728 | BURNS JAN M | | R | 0.0002772 |
| 000337729 | GIVENS | JAME L | R | 0.0002657 |
| 000337730 | LOW LAURICE | | R | 0.0002773 |
| 000337731 | LOW WILLIAM RA | LPH | R | 0.0016177 |
| 000337732 | PEMBROKE V E | | R | 0.0007079 |



#84 116

Texaco Trading and Transportation Inc 1670 Broadway
Denver CO 80202-4899
303 861 4475

MAIL ADDRESS: PO BOX 5568 TA
Denver, CO 80217-5568
(303)860-3608

October 13, 1994

RE: Lease No. 31177 - W. D. Waltman #1
Wise County, Texas

Dear Interest Owner:

We are pleased to advise you that Texaco Trading and Transportation Inc., will be disbursing the oil proceeds from the captioned lease based upon an ownership paysheet from the prior purchaser. Enclosed is our Authorization to Receive Oil and Direction for Payment covering your interest.

Please examine the Authorization form for accuracy and if you are in agreement with the interest set forth, execute the original, retaining the copy provided for file and future reference. A correct mailing address and Social Security or Tax Identification Number are necessary and should be included in the spaces provided. The executed original should then be returned to our office. If the current ownership or owner's name is different from what is shown on the Authorization, **please attach legal documentation to support the change.**

Your return of the fully executed Authorization form verifies that your interest is correctly stated and continues your interest in a current pay status. Payment for our purchases will be released to you on the 20th day of the month following our purchase, if the accruals to your interest total at least \$25.00. Any interest accruing less than \$25.00 by year-end, will be released at that time.

Please refer to our lease number and your owner number in any communication with our company so that we can respond promptly.

Very truly yours,

Ann O'Brien
Lease Ownership - Analyst

AO/ras
Enclosures

M- 84116
Division Order

File Dated DEC 08 1994

(29)



Texas General Land Office
Garry Mauro, Commissioner

Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701-1495
(512) 463-5001

June 28, 1995

Ms. Lori Bartlett
Total Petroleum, Inc.
515 Central Park Dr, Suite 200
Oklahoma City, OK 73105-1700

Re: Mineral File No. M-084116
Lease No. 00309396-000

59264

Dear Ms. Bartlett,

We have received the division order submitted by your company for the above-referenced lease and added it to our files. Please be sure to reference this mineral file number in all future royalty payments, reports, and correspondence concerning the lease.

The payment of royalties to the State of Texas is set by statute. As the execution of the division order may in some cases affect the payments of such royalties, it is not the policy of this office to execute them. Insofar as allowed by law, the Texas General Land Office acquiesces in the sale of oil and gas under the terms and conditions set out in the lease.

If you should have any questions, please feel free to call me at (512) 475-2266.

Sincerely,

Sabrina Pope

Sabrina Pope
Accounts Examiner
Royalty and Revenue Processing
Energy Resources

MF 84116
TOTAL PETROLEUM, INC.
515 CENTRAL PARK DR, STE 200
OKLAHOMA CITY, OK 73105 - 1700
LORI BARTLETT
(405) 557-7063

DIVISION ORDER

LB / 02 / TAK
DATE: 06/09/1995
EFFECTIVE: 5-1-95
LEASE NO.: 00309396-000

=====

The undersigned hereby warrants ownership of a net revenue decimal interest, as set forth below, in the production of hydrocarbons, from the:

ECHO PRODUCTION INC -- WALTMAN 1 W D

lease insofar as said lease covers the following described real property situated in the County of WISE, State of TX, to wit:

181.3 AC MIDDLE 1/4 SUR 60 MEP&PRR COMPANY SUR....
(FOR THE PURPOSE OF THIS DOCUMENT, THE LEGAL DESCRIPTION MAY BE ABBREVIATED.)

The undersigned also warrants that ownership is in conformity with the lease agreement and state and federal laws. Proceeds will be paid to the undersigned, whose address and tax ID are listed below, by Total Petroleum, Inc. (TOTAL), monthly (or when \$25 or more accrues). Written notice of ownership or operator change must be given to TOTAL at least 30 days prior to the intended effective date. All changes will be made effective the first day of the month following the end of said notice period.

TOTAL is authorized to suspend payment, without liability for interest, until resolution of any title question, dispute, or claim which affects the undersigned, who agrees to refund to TOTAL any amount attributable to an interest the undersigned does not own and indemnify and hold harmless TOTAL for all payments made pursuant to this Division Order. Upon request by the operator, TOTAL is authorized by the undersigned to deduct leasehold operating expenses (only if same is a participating or pooled working interest owner), for payment to the operator who will provide detailed statements.

TOTAL PETROLEUM, INC. TOOK OVER AS PURCHASER FROM TEXACO TRADING & TRANSPORTATION EFFECTIVE 5-1-95.

DO NOT DETACH

OWNER NUMBER: 00-081134 DECIMAL INTEREST: 0.0625000 RI

TAX ID/SOCIAL SECURITY#: _____ PHONE#: () _____

OWNER SIGNATURE(S): _____

WITNESS SIGNATURE(S): _____

OR CORPORATE ATTEST: _____

PLEASE INDICATE ANY ADDRESS CHANGES ON THE LINES BELOW:

STATE OF TEXAS
GENERAL LAND OFFICE
STEPHEN F. AUSTIN BLDG.
1700 CONGRESS AVE
AUSTIN TX 78701-1436

TOTAL

TOTAL PETROLEUM, INC.

INSTRUCTIONS TO ALL INTEREST OWNERS

(Read carefully before signing the enclosed Division Order.)

SIGNATURE:

Sign your name as shown on the enclosed Division Order. Please type or print your name below your signature together with your current address and social security number or taxpayer identification number. Have your signature witnessed by two disinterested people. If you are already receiving checks from this company, please be certain to use the same address to which we are now mailing checks.

**SOCIAL SECURITY OR
TAXPAYER
IDENTIFICATION
NUMBER:**

Please provide your social security or taxpayer identification number. Failure to furnish this number will result in a 31% backup withholding tax in accordance with federal income tax law and may subject you to a \$50.00 penalty by the I.R.S.

LEASE NUMBER:

The lease number that appears on the enclosed Division Order will appear on the detail attached to your check and should ALWAYS be used when corresponding with this company.

ADDRESS CHANGE:

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.

SUSPENSE:

If a "requirement" appears on the Division Order, you should take whatever steps are called for to clear the title problems so the interest can be released for payment.

CHECKS:

No check will be issued by Total Petroleum unless \$25.00 or more is accrued for a particular owner in a lease.

THE ENCLOSED DIVISION ORDER SHOULD NOT BE ALTERED IN ANY WAY UNLESS ACCOMPANIED BY DOCUMENTATION SUPPORTING THE ALTERATION.



M-84110 (39)
47+ Do to Total
6-08-95



Texas General Land Office

Garry Mauro, Commissioner

Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701-1495
(512) 463-5001

September 27, 1995

Ray Richey Management Company, Inc.
724 N. Jim Wright Freeway
Fort Worth, Texas 76108

Re: Mineral File No. M-84116

Dear Sir or Madam:

We have received the division order submitted by your company for the above referenced lease and filed same in our files. Please be sure to reference this mineral file number in all future royalty payments, reports and correspondence concerning the lease.

The payment of royalties to the State of Texas is set by statute. As the execution of the division order may, in some cases, effect the payments of such royalties, it is not the policy of this office to execute them. Insofar as allowed by law, the Texas General Land Office acquiesces in the sale of oil and gas under the terms and conditions set out in the lease.

If you should have any questions, please feel free to call me at (512) 475-2317

Sincerely,

Metha Kester
Accounts Examiner
Royalty and Revenue Processing
Energy Resources

M.F. 84116

COPY

DIVISION ORDER

Division Order No.16231
Effective: July 1, 1995
Issued: August 24, 1995_

TO: RAY RICHEY MANAGEMENT COMPANY, INC.
724 N. Jim Wright Freeway
Fort Worth, Texas 76108

This division order applies to oil, gas, distillate, condensate and/or liquid hydrocarbons or the proceeds from the sale thereof produces from the following described well and land:

Well Name: Crowley #1

Land description: See Exhibit "B"

Until further written notice of a change in ownership as hereinafter provided, you will give credit for such interest shown on EXHIBIT "A".

Each of the undersigned, for himself and without regard to any other party, certifies, warrants and guarantees that the interest set out in EXHIBIT "A", attached hereto and made a part hereof, opposite his name respectively is the interest owned by him in the oil, gas distillate, condensate and/or liquid hydrocarbons or proceeds from the sale thereof from the above described property. Each party further agrees that he has signed his name in each capacity indicated by his name(s) set out in Exhibit "A", attached hereto, and by execution hereof, covenants and agrees to hold Ray Richey Management Company, Inc. harmless from any liability in determining if and when a life estate, if any, terminates in the absence of 30 days written notice by registered mail.

1. Until further written notice you or your assignees, nominees, or vendees are authorized to purchase or to deliver to other purchasers for our account and to receive the proceeds thereof, the oil, gas, condensate, distillate or other liquid hydrocarbons as above defined.

2. For all gas taken hereunder, the undersigned will be paid the market value at the well or wells of such gas which for all purposes hereunder shall be considered the price received by Ray Richey Management Company, Inc., for such gas, under any presently existing or any future contracts for the sale of gas, at the delivery point, less, the costs of gathering, dehydrating, compressing, treating and transporting the gas.

3. For all oil, condensate, distillate, or other liquid hydrocarbons taken hereunder, the price therefore shall be the same price received by Ray Richey Management Company, Inc., therefore at the well. Proper deductions will be made for water, dirt, sediment, and other impurities and corrections for temperature will be made in accordance with established rules prevailing at the time and place of delivery.

4. You are authorized to pay the proceeds derived from the sale of oil and gas production to the undersigned on or before 180 days after the end of the month of first purchase by a payor. After the initial payment has been made, subsequent proceeds must be paid no later than 60 days after the end of the calendar month in which oil is sold and 90 days afterwards in the event gas production is sold.

5. If payment is not timely made as provided for in paragraph 4 above, the undersigned shall be entitled to the exclusive rights and remedies provided for in TEX. NAT. RES. Code Ann., Section

91.404 (Vernon Supp. 1984), it being understood that the rights created in Section 91.403 (a) is expressly waived by the undersigned. You are authorized to temporarily withhold such proceeds until the receipt of a signed division order from the undersigned.

6. You are authorized to pay when required or permitted by law, all taxes, fees and charges imposed by the federal or state governments, or any political subdivisions thereof, in respect to or which may be a lien upon said production or the proceeds therefrom, or the lease from which the production is obtained and to deduct from any amount accrued hereunder to the undersigned such party's proportionate share of the payment so made. The undersigned agrees to indemnify you and hold you harmless from any liabilities resulting from any payments made in satisfaction of such taxes, fees or charges.

7. If the proceeds accruing to any interest hereunder should amount to less than Twenty Five dollars (\$25.00) per month, you are hereby authorized to withhold payment until such accruals amount to \$25.00. If such accrued amount equals less than \$25.00 at the end of any calendar year, you hereby agree to release such accrued amount at that time.

8. Each of the undersigned warrants the title to the particular interest credited to him herein, but without impairment of such warranty, agrees that in case of any adverse claim, question or dispute of title, he will furnish satisfactory evidence of title and further agrees that you may retain the purchase (or sales) price of the oil, gas, condensate, distillate or other liquid hydrocarbons without any obligation to pay interest thereon until the question or dispute as to ownership has been finally determined or settled in a manner satisfactory to you, and, in the event any action or suit is filed in any court affecting the title either to the real property above described or to the oil, gas, distillate, condensate or other liquid hydrocarbons produced therefrom in which any of the undersigned are parties, written notice of the filing of said action shall be immediately furnished to you by the undersigned stating the court in which same is filed and the title of such action or suit. Each of the undersigned hereby ratifies and confirms the oil and gas lease or leases and assignments and/or subleases pertaining thereto covering the tract or tracts as to which he or it is credited with an interest, and recognizes said agreements to be presently valid and subsisting in accordance with its or their terms, and the consideration for the execution of this ratification is the proceeds from production obtained from the well on the above described property.

9. Each of the undersigned agrees to notify you in writing of any change in ownership or of interest and to furnish you with a certified copy of instrument evidencing such change. Any transfer, assignment, or conveyance of any interest in said oil or gas shall be made subject to this division order and effective at seven o'clock A.M. on the first day of the calendar month following receipt of such notice by you. You shall be held harmless in the event said written notice isn ot received and are hereby relieved of any responsibility for loss arising out of an overpayment or otherwise as a result of the failure to receive sia written notice.

10. With respect to any interest in the statement of ownership and order of division which is credited to a married person, the spouse of such married person joins herein and becomes a part hereto and authorizes and directs Ray Richey Management Company, Inc., its successors and assigns, to receive and market production under the terms hereof, and to pay the value thereof to the spouse of such married person in the proportion and interest set forth on Exhibit "A" which such payment shall be in full and complete discharge of all obligations hereunder, inthe same manner as though such payment had been made directly to such spouse or to such married couple jointly. Each interest owner warrants and represents that his or her marital status has remained constant subsequent to his or her acquisition of interest in the lands described.

11. This division order shall be effective as to each party signing same irrespective of whether or not any other party whose name appears on Exhibit "A", attached hereto, executes this instrument or any instrument of similar import.

12. This division order shall inure to the benefit of the parties hereto, their heirs, successors, and assigns; and the undersigned, and each of them, by executing this division order, hereby agrees that the persons, partnerships, corporations, or firms to whom you may sell or market all, or any part of, the production for all production purchased from the undersigned; that they will look solely to you for payment of their interest in such production which is being purchased from them hereunder; and that, insofar as concerns and to the extent of their interest owned hereunder that they will hold harmless, protect, and indemnify all purchasers from you against any and all claims, damages, and expenses of whatsoever nature in connection with the purchase of such production by said purchaser and the payment to you for the same on the basis of one hundred percent of eight-eighths.

We hereby authorize you to run said oil, gas, distillate, condensate and/or other liquid hydrocarbons and, until further notice, to pay for same taken from said property as herein indicated:

WITNESSES:
(two witnesses per signature)

WITNESSES:
(two witnesses per signature)

SIGNATURE OF INDIVIDUAL OWNER:
DATE: _____

ADDRESS: _____

SS# _____ - _____ - _____

or (check one)
____ Corporation ____ Trust
____ Partnership ____ Estate
____ Other Association

Name: _____

Address: _____

Tax I.D. # _____ - _____

BY: _____
Authorized Representative

RAY RICHEY MANAGEMENT CO., INC.
Operator

DIVISION ORDER # 16231
Dated Issued: 8-24-95

EXHIBIT "A"

STATEMENT OF OWNERSHIP AND ORDER OF DIVISION

CREDIT TO:

DIVISION OF INTEREST:

Robert L. Avinger
12419 Olympia Drive
Houston, TX 77077

.000120830 RI

John M. Avinger
10802 Wickersham
Houston, TX 77042

.000120830 RI

Estate of Arthur G. Baer
c/o Dorothy Baer Huebner
Box 566
Bay City, TX 77414

.002722170 RI

Estate of Lloyd M. Bentsen
Estate of Edna Ruth Bentsen
P.O. Box 593
Mission, TX 78572

.013383340 RI

Anna Mae Buchanan
c/o Wilson Smithen
205 Chickasha Ave.
Suite #4
Chickasha, OK 73108

.000231460 RI

Jan Burns
2531 Shirley
Fort Worth, TX 76109

.000241650 RI

William Fred Bursey
Rt. 2, Box 143A
Cleburne, TX 76031

.015462240 RI

Ernest H. Bursey, Jr.
11744 East Court
Azle, TX 76020

.015462240 RI

Ilah Mae Caudle
351 Elmwood Lane
Hayward, CA 94541

.000462940 RI

George T. Crowley, Jr.
Route 1, Box 619
Springtown, TX 76082

.017866660 RI

Sandra Dark
3901 Hiddleston Circle
Oklahoma City, OK 73135

.000115730 RI

Emerson Fitch
116 West Lilac Court
Midwest City, OK 73110

.000231460 RI

Dana Rhea H. Garrison
7070 West Iowa
Lakewood, CO 80232

.000462940 RI

Dixie Crockett Gibbon
c/o Meredith etal
P.O. Box 35688
Dallas, TX 75235

.001543420 RI

. Exhibit "A" (Cont.)

| | | |
|--|------------|----|
| James L. Givens 8578 Spruce Circle Rogers, AR 72756-9166 | .000231460 | RI |
| Rhoni Sue Hudson Hall 1629 Canterbury Circle Fort Worth, TX 76112 | .000231460 | RI |
| Barry Lynn Hudson 3012 Gunnison Trail Fort Worth, TX 76116 | .000231460 | RI |
| Janice Lee Hudson 7777 Glen America Dr. #367 Dallas, TX 75225 | .000231460 | RI |
| John H. Hudson, III 2425 Mistletoe Boulevard Fort Worth, TX 76110 | .000231460 | RI |
| Alicia Low P.O. Box 39 Montalba, TX 75853 | .000120830 | RI |
| Laurise Low P.O. Box 1701 Cedar Hill, TX 75104 | .000120830 | RI |
| William Ralph Low 911 Leslie Drive Arlington, TX 76012 | .001409170 | RI |
| Florence Mae Bilbrey 4805 Hollowbrook Road Fort Worth, TX 76103-1706 | .015462240 | RI |
| Donald R. Pembroke 6022 Parkdale Dallas, TX 75227 | .000617560 | RI |
| Petco Limited P.O. Box 911 Breckenridge, TX 76024-0911 | .005208010 | RI |
| Virginia A. Pybas 3520 Timberview Road Dallas, TX 75229 | .000925870 | RI |
| Karen Ray 3713 Shadybrook Midwest City, OK 73110 | .000115730 | RI |
| Floyd Scott Mineral Trust R.E. Jones & Anna Jones, Trustees 1517 Aztec Drive Fort Worth, TX 76112 | .006805130 | RI |
| The State of Texas/General Land Office Austin, TX 78701 | .016113280 | RI |
| Jack C. Tunstill 810 West Tenth Street P.O. Box 17707 Fort Worth, TX 76102 | .001736010 | RI |
| Mercedes Tunstill Estate O.E. Tunstill Estate P.O. Box 17707 Fort Worth, TX 76102 | .001440770 | RI |

Exhibit "A" (Cont.)

| | | |
|---------------------|------------|----|
| R.E. Weaver | .000616630 | RI |
| 513 Woodlawn | | |
| Henderson, TX 75652 | | |

| | | |
|-------------------------|------------|----|
| John E. Withers | .000694400 | RI |
| & Barbara Withers Ivy | | |
| 4713 N.W. 76th Street | | |
| Oklahoma City, OK 73132 | | |

| | | |
|----------------------------|------------|------|
| D & C Trust | .020000000 | ORRI |
| Joel N. Goldblatt, Trustee | | |
| 20 North Clark, Suite 2715 | | |
| Chicago, IL 60602 | | |

| | | |
|--------------------------|------------|------|
| Lloyd M. Bentsen Estate | .029363450 | ORRI |
| Edna Ruth Bentsen Estate | | |
| P.O. Box 593 | | |
| Mission, TX 78572 | | |

| | | |
|-------------------------|------------|------|
| Kelly Mitchell, Trustee | .020000000 | ORRI |
| c/o Medi-Plex No. 2 | | |
| P.O. Box 1020 | | |
| Wewoka, OK 74886 | | |

| | | |
|-------|-------------------|--|
| Total | <u>.190335120</u> | |
|-------|-------------------|--|

EXHIBIT "B"

Name of Well: Crowley #1

Legal Description:

The Crowley #1 consists of 352 acres, more or less, out of M.E.P.&P. RR. Co. Surveys No. 60 and 61 and the S.R. Ponder Survey, Abstract No. 1509, described as follows:

Commencing at the Southwest corner of the M.E.P.&P. RR Co. Survey No. 60;
Thence East 404.2/3 varas;
Thence North 7 varas;
Thence North 01 Deg. 43'34" East 1416.54 feet to an iron pin for corner;
Thence North 01 Deg. 13'29" West 685.3 feet to an iron pin for the beginning point of the tract herein described; said point being the Northwest corner of a 126.76 acre tract described in a Partition Deed dated March 25, 1981 between Allen L. Crowley and George T. Crowley, Jr., recorded in Volume 415, Page 414 Deed Records of Wise County, Texas;
Thence North 0 Deg. 07' West 2,053.8 feet to point for corner;
Thence South 89 Deg. 17' West 1260.5 feet to point for corner;
Thence North 0 Deg. 21' East 7.76 feet to point for corner;
Thence North 61 Deg. 59' East 2,576'.3 feet to point for corner;
Thence South 8 Deg. 01' East 276.60 feet to an iron pin for corner;
Thence North 59 Deg., 49' East 1613.3 feet to an iron pin for corner;
Thence North 61 Deg. 18' East 2,992.46 feet to an iron pin for corner;
Thence South 2,775.14 feet to point for corner in South boundary line of S.R. Ponder Survey, Abstract No. 1509;
Thence West approximately 1400 feet to point for corner, said point being the Northeast corner of a 14.2 acre tract described in Warranty Deed dated December 15, 1971 from Mark Horenstine to Raymond C. Davies and wife, recorded in Volume 315, Page 595, Deed Records of Wise County, Texas;
Thence South 0 Deg. 49' West 787.9 feet to point for corner;
Thence South 82 Deg. 40' West 664.09 feet to point for corner;
Thence South 7 Deg. 25' East 400 feet to point for corner;
Thence South 82 Deg. 40' West 434.51 feet to point for corner;
Thence South 9 Deg. 4' East 1,133.74 feet to point for corner;
Thence South 84 Deg. 19'48" West 2,991.07 feet to the place of beginning and containing 352 acres of land, more or less.

m-84116

Ltr & DO

9-26-95

3. 132

*** IMPORTANT TAX INFORMATION ***

PLEASE READ THIS BEFORE SIGNING YOUR DIVISION/TRANSFER ORDER!

We have been advised by the Internal Revenue Service (IRS) that:

We are required by the IRS to withhold 31% in tax, called backup withholding, when you do not give us your correct Taxpayer Identification Number (TIN). You may be subject to a \$50 penalty by the IRS for failing to provide us with your correct TIN.

For individuals, the TIN is your Social Security Number (SSN). Often a TIN is incorrect because of a name change due to marriage, divorce, adoption, or some other reason that has not been communicated to the Social Security Administration (SSA) and recorded on its records. Often, the account may not contain the correct SSN of the actual owner. For example, an account in a child's name may contain a parent's SSN. An account should be titled in the name of the actual owner of the account with that person's SSN.

For most non-individuals (such as trusts, estates, partnerships, and similar entities), the TIN is the Employer Identification Number (EIN). The EIN on your account may be incorrect because it does not contain the number of the actual owner of the account. For example, an account of an investment club or bowling league should reflect the organization's own EIN and name rather than the SSN of a member. (The account of a sole proprietor who may have both an EIN and an SSN should reflect the individual name of the sole proprietor and his or her SSN.)

Please make sure the TIN you write on the Division/Transfer Order matches the name shown on the Division/Transfer Order. Should you have any doubts about the number and name matching, send us a copy of your Social Security card, Notice of Employer Identification Number (Form 8501), Application for Employer Identification Number (Form SS-4) or Notice of New Employer Identification Number Assigned (Form 5372).

*** IMPORTANT TAX INFORMATION ***

INSTRUCTIONS FOR EXECUTION OF DIVISION ORDERS

Read Carefully Before Signing the Instrument

This Division Order should not be altered in any way unless accompanied by documentary evidence supporting the change. Please do not detach any attachments from the Division Order.

Examine for correctness of spelling and net revenue interest. If your name and interest are correctly shown:

1. Sign your name as shown on the instrument since it reflects record title. If your name has changed, please alter the Division Order when executing and attach a copy of the marriage certificate, divorce decree, change of name certificate or other supporting document.
2. All signatures must be witnessed. The witness should not be a relative.
3. If the owner is a corporation, this division order must be signed and attested to by duly authorized officers, and title of signatory party shown.
4. If signing for a partnership, all partners must sign unless signed by an authorized partner, in which case we must be furnished evidence of his authority.
5. If signed by agent, attorney-in-fact or any party other than the named interest owner, we must be furnished evidence of the rights vested in the signatory party.
6. For the joint interests or life estate interest, execution of this division order and/or its counterparts should include signatures of all joint owners or remaindermen.
7. Insert your Social Security Number or Tax Identification Number in the space provided. **Failure to furnish your number will result in 31% withholding tax in accordance with federal law, and any tax withheld will not be refundable. (See the back of these instructions for further tax information).**
8. If the address shown is not correct, please indicate the correct address to which checks are to be mailed. If there is a change in your mailing address, we should be promptly notified in writing. Include your Owner Number which appears on your checks from our company.
9. After completing your Division Order, please return one copy and keep the other one for your records.

Return to the address below by the 5th of the month to ensure payment on the next payment date.

PRIDE PIPELINE COMPANY

P. O. Box 2436
Abilene, Texas 79604
(915) 674-8110

IMPORTANT: TO AVOID DELAY IN PAYMENT--YOUR CORRECT ADDRESS AND YOUR SOCIAL SECURITY NUMBER OR TAX IDENTIFICATION NUMBER SHOULD BE SHOWN.

ALL SIGNATURES SHOULD BE SIGNED EXACTLY AS SHOWN ON THE DIVISION ORDER AND MUST BE PROPERLY WITNESSED.





Texas General Land Office
Garry Mauro, Commissioner

Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701-1495
(512) 463-5001

*Pride purchases
the oil*

March 20, 1996

Pride Pipeline Company
P.O. Box 2436
Abilene, Texas 79604

RE: Mineral File No. M-84116

TO WHOM IT MAY CONCERN:

We have received the division order submitted by your company for the above referenced lease and filed same in our files. Please be sure to reference the mineral file number in all future royalty payments, reports and correspondence.

The payment of royalties to the State of Texas is set by statute. As the execution of the division order may, in some cases, effect the payments of such royalties, it is not the policy of this office to execute them. Insofar as allowed by law, the Texas General Land Office acquiesces in the sale of oil and gas under the terms and conditions set out in the lease.

If you should have any questions, please feel free to call me at (512) 475-2317.

Sincerely,

Metha Kester

Metha Kester
Accounts Examiner
Royalty and Revenue Processing
Energy Resources

TO: PRIDE PIPELINE COMPANY
P.O. BOX 2436
ABILENE, TEXAS 79604

DIVISION ORDER

CR
12/06/95

No. 20-088409

AUGUST 1, 1995

Effective as of the date of first runs by you.

The undersigned certify and guarantee that they are the legal owners of, and hereby warrant title to, in the proportions set out below, all the oil produced from the
RAY RICHEY MANAGEMENT CO INC/CROWLEY

Lease,

LOCATED IN THE COUNTY OF WISE STATE OF TEXAS and described as follows: to wit:

THE CROWLEY LEASE CONSISTING OF 352 ACRES, MORE OR LESS, OUT OF THE ME P&P
RR CO SURVEYS NO. 60 AND 61 AND THE S R PONDER SURVEY, ABSTRACT NO. 1509,
WISE COUNTY, TEXAS.

Until further written notice, you are authorized to purchase oil therefrom and pay therefor, as follows:

| OWNER NO. | CREDIT TO | NET REVENUE INTEREST |
|-----------|----------------|----------------------|
| 4577 | STATE OF TEXAS | .01611328 RI |

SEE EXHIBIT 'A', ATTACHED HERETO AND MADE A PART HEREOF.

- Oil run hereunder shall become your property upon delivery thereof into any tank, pipeline, or other conveyance designated by you, and shall be paid for by you monthly, except as hereinafter provided, according to the division of interest shown above at the price being posted or paid by you at the time of such delivery.
- Payments for such oil shall be made on or before the 25th day of the month succeeding such purchases. Payments may be made to the owners shown above in person or by mailing your check therefor to the address of the owners designated to receive same as shown above. Provided, however, that at your option no payments shall be made to an owner until the sum due on account of such interest shall amount to \$25.00 or more.
- Quantities shall be computed from regularly compiled tank tables or by other reliable methods of computation (the owners to have the privilege of witnessing the gauge tickets), and correction shall be made for temperature and impurities according to the prevailing practice and the rules and regulations prescribed by the Commission or other legal authority of the State where the purchases hereunder are made. You may require the owners to treat or steam any unmerchantable oil at the owners' expense, before acceptance hereunder.
- The owners severally agree to notify you in writing of any change in ownership, and that their successors shall be bound by the terms hereof. Orders transferring interests, supported by certified copy of deed, assignment, or other legal document, shall be in your hands by the 20th day of the month in which the transfer becomes effective, it being understood that transfers of interests are effective only on the first day of any current month at 7:00 o'clock A.M.
- 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 a claim or controversy, which in your opinion, concerns title to any interest hereunder, you may hold, without interest and without any liability, the proceeds of all oil received by you hereunder until indemnity satisfactory to you has been furnished or until such claim or controversy has been settled to your satisfaction. In the event any action or suit is filed in any court affecting the title either to the real property above described or to the oil produced therefrom in which any of the owners are parties, written notice of the filing of said action or suit shall be immediately furnished to you by such owner against whom such action or suit is commenced, stating the court in which same is filed and the title of such action or suit. Each owner agrees to hold you harmless and to protect and indemnify you and/or any carrier transporting oil for your account from, against and for any loss or expense which you and/or such carrier may suffer or sustain or become liable for by reason of your purchase hereunder of said owner's interest, as above set out, in said oil and the payment therefor to said owner regardless of how the same may arise and including, but not limited to, the following: Any judgment rendered in an action or suit affecting the title to either the real property above described or the oil produced therefrom; all reasonable costs or expenses incurred in defending in such action or suit your position or that of your carrier receiving the oil; any claim or claims or judgment arising therefrom, for any tax, State or Federal, which may be asserted by any taxing authority against you in connection with, incident or in any manner related to, any sum or sums of money held in Suspense by you during the existence of any claim, controversy or suit, as above provided. You may deduct any such loss or expense from any amount owed by you to such owner at any time. Upon written notification to you by any Operator of the above lease that the undersigned is in default in the payment of its share of the leasehold expenses, you may pay direct to such Operator the proceeds of the oil run hereunder until notified by such Operator that the default is cured, and the undersigned agrees to hold you harmless and to protect and indemnify you for any such payments. You shall further be authorized to withhold funds in the event you are due money from owner and apply the funds to the payment of your account. In the event you are notified of a mispayment to any owner on any lease from which you purchase or that all parties have not been properly paid from any lease from which you purchase, each owner agrees to allow you to suspend funds until the claim is satisfied.
- You are hereby authorized to withhold from the proceeds of any and all runs made hereunder the amount of any tax, either State or Federal, placed thereon, and to pay the same in our behalf.
- This division order shall become valid and binding upon each and every owner as soon as signed by such owner, regardless of whether or not any other owners have so signed, and this division order supercedes all former division orders given on the property described above.
- This contract shall continue in force for Thirty days and thereafter, until terminated by you giving notice of your intent to so terminate, or by any owner giving notice of intent to so terminate, without, however, affecting the same as to the interest of the other owners.
- Where the term "oil" is used herein, it is intended also to include "distillate, condensate or other liquid hydrocarbons."

STATE OF TEXAS

BY

STATE OF TEXAS
GENERAL LAND OFFICE
STEPHEN F AUSTIN BLDG
AUSTIN TX 78701-1495

TITLE

TAX ID

WITNESS:

IMPORTANT:

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

DUPLICATE

12/06/95

ATTACHMENT-EXHIBIT 'A'

PAGE 1

RAY RICHEY MANAGEMENT CO INC/CROWLEY
WISE COUNTY
PRIDE LEASE #20-88409

| CREDIT | DIVISION OF INTEREST |
|---|----------------------|
| <u>ROYALTY INTEREST</u> | |
| PETCO LIMITED | 0.00520801 |
| EMERSON FITCH | 0.00023146 |
| JOHN E WITHERS & BARBARA WITHERS IVY | 0.00069440 |
| STATE OF TEXAS | 0.01611328 |
| RHONI SUE HUDSON HALL | 0.00023146 |
| WILLIAM FRED BURSEY | 0.01546224 |
| JAMES L GIVENS | 0.00023146 |
| ILAH MAE CAUDLE | 0.00046294 |
| DIXIE CROCKETT GIBBON | 0.00154342 |
| GEORGE T CROWLEY JR | 0.01786666 |
| DANA RHEA H GARRISON | 0.00046294 |
| SANDRA DARK | 0.00011573 |
| R E WEAVER | 0.00061663 |
| JACK C TUNSTILL | 0.00173601 |
| MERCEDES TUNSTILL ESTATE O E TUNSTILL ESTATE | 0.00144077 |
| RAY RICHEY AND COMPANY INC | 0.00092587 |
| FLOYD SCOTT MINERAL TRUST R E JONES & ANNA JONES TRUSTEES | 0.00680513 |
| KAREN RAY | 0.00011573 |
| JOHN M AVINGER ESTATE PAULA KRUEGER AVINGER EXECUTRIX | 0.00012083 |
| DONALD RAY PEMBROKE | 0.00061756 |
| ROBERT L AVINGER | 0.00012083 |

12/06/95

ATTACHMENT-EXHIBIT 'A'

PAGE 2

RAY RICHEY MANAGEMENT CO INC/CROWLEY
WISE COUNTY
PRIDE LEASE #20-88409

| CREDIT | DIVISION OF INTEREST |
|---------------------------------|----------------------|
| <hr/> | |
| ROYALTY INTEREST | |
| <hr/> | |
| ARTHUR G BAER ESTATE | 0.00272217 |
| WILLIAM RALPH LOW | 0.00140917 |
| LLOYD M BENTSEN ESTATE | 0.01338334 |
| EDNA RUTH BENTSEN ESTATE | |
| LAURISE LOW | 0.00012083 |
| ALICIA LOW | 0.00012083 |
| FLORENCE MAE BILBREY | 0.01546224 |
| JOHN H HUDSON III | 0.00023146 |
| ANNA MAE BUCHANAN | 0.00023146 |
| JANICE LEE HUDSON | 0.00023146 |
| JAN BURNS | 0.00024165 |
| BARRY LYNN HUDSON | 0.00023146 |
| ERNEST H BURSEY JR | 0.01546224 |
| OVERRIDING ROYALTY INTEREST | |
| <hr/> | |
| LLOYD M BENTSEN ESTATE | 0.02936345 |
| EDNA RUTH BENTSEN ESTATE | |
| KELLY MITCHELL TRUSTEE | 0.02000000 |
| D & C TRUST | 0.02000000 |
| JOEL N GOLDBLATT TRUSTEE | |
| WORKING INTEREST | |
| <hr/> | |
| RAY RICHEY MANAGEMENT CO INC | 0.80966488 |

DIVISION OF INTEREST

PROPERTY INTEREST

| | |
|------------|--------------------------|
| 0.00000000 | ARTHUR A BARK ESTATE |
| 0.00140017 | WILLIAM KALPH LOW |
| 0.01333334 | LLOYD M BENTLEY ESTATE |
| | EDNA KATH BENTLEY ESTATE |
| 0.00000000 | LARRY LOW |
| 0.00000000 | ALICE LOW |
| 0.00000000 | FLORENCE MRS GILBERT |
| 0.00000000 | JOHN M HUDSON III |
| 0.00000000 | ANNA MRS BUCHANAN |
| 0.00000000 | JANICE LEE HUDSON |
| 0.00000000 | JAN BURKE |
| 0.00000000 | BARRY LYNN HUDSON |
| 0.00000000 | ERNEST H BURKE JR |

OVERLAPPING PROPERTY INTEREST

| | |
|------------|--------------------------|
| 0.00000000 | LLOYD M BENTLEY ESTATE |
| | EDNA KATH BENTLEY ESTATE |
| 0.00000000 | KELLY MITCHELL TRUSTEE |
| 0.00000000 | D & C TRUST |
| | JOEL M COLLETT TRUSTEE |

WORKING INTEREST

| | |
|------------|------------------------------|
| 0.00000000 | RAY RICHIE MANAGEMENT CO INC |
|------------|------------------------------|



MF 084116

210 Park Avenue Suite 1600
Oklahoma City, OK 73102-5630
Phone: 405-606-5468
Fax: 405-605-0433

copy

September 5, 2006

TO: All Interest Owners

RE: Those certain wells described on attached Exhibit "A"--
previous payor was Sunoco

RECEIVED
06 SEP - 7 PM 1:56

Effective August 1, 2006, TEPPCO Crude Oil, L.P. will be making payment to you in lieu of Sunoco on those certain interests in wells described on Exhibit "A" (new TEPPCO Lease Numbers can be found on this Exhibit). If you are receiving this letter, you have previously been paid on one or more of the above wells. Future revenue check payments will be handled by TEPPCO in accordance with Divisions of Interest provided to TEPPCO by Sunoco. New Division Orders will not be forwarded to royalty and overriding royalty interest owners.

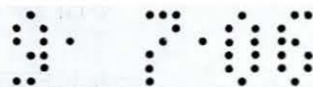
There will be no interruption in payment due to this change of payor. TEPPCO's crude oil check run is the 20th day of each month. However, in accordance with state law, if your revenues do not exceed \$100.00, unpaid amounts will remain in your account until the \$100.00 is reached. Cumulative amounts of less than \$100 will be issued once yearly, in August. Many interest owners already have accounts with TEPPCO, and if so, the new interest will simply be added to the existing owner accounts and paid on the same check.

To assist you with any questions you may have regarding this change, please contact the Royalty Relations Department in the Oklahoma City office—405-606-5468. Mail all future documentation regarding interest changes to TEPPCO Crude Oil, L.P., Attention: Royalty Relations Department., 210 Park Avenue, Suite 1600; Oklahoma City, OK 73102-5630. TEPPCO can also be reached by e-mail at RoyaltyRelationsOKC@teppco.com.

TEPPCO Crude Oil, L.P. appreciates the opportunity to be of service to you.

If you may know the current address or whereabouts of the owners listed on the Exhibit B, please note your remarks in the appropriate space, as TCO was unable to locate them.

kaw



THIS EXHIBIT "A" IS ATTACHED HERETO AND MADE A PART OF THAT CERTAIN LETTER DATED 9/05/06 AND EFFECTIVE 8/01/2006.

| | | | |
|--------|----------------------------|--|--------------|
| 405309 | GRAHAM NATIONAL BANK 2A | BEING 120 ACRES OF LAND DESCRIBED IN 2 TRACTS AS FOLLOWS: FIRST TRACT: 80 ACRES OUT OF THE E PART OF THE J LAFFERTY SVY, A-175..... | YOUNG CO, TX |
| 405310 | G B HAMILTON C | W/2 OF ENE/4 OF T.E. & L. CO SVY NO 1394, A- 852. LIMITED TO PRODUCTION FROM THE CADDO FORMATION. | YOUNG CO, TX |
| 405311 | HAWKINS 1 | BEING ALL OF THE B.R.I.R. SURVEY #98, A-2150, PATENTED TO A. BURCH, PATENT NO. 93, VOL 5-A, IN YOUNG CO, TX, CONTAINING 162 ACRES MORE OR LESS | YOUNG CO, TX |
| 405312 | JOHN HORN B | THE PROPERTY TO BE COVERED BY THE JOHN HORN B LEASE CONSISTS OF 2 TRACTS LABELED B & C OUT OF ONE LARGER TRACT LABELED 2. A TOTAL OF 102.75 ACRES OUT OF TRACT 2. TRACT 2: 106.5 ACRES, ALL OF THE W.F. WHITE SVY..... | JACK CO, TX |
| 405314 | MOREN | 330 5/6 ACRES, M/L, IN YOUNG CO, TX, DESCRIBED IN FOUR TRACTS: 1ST TRACT: 160 ACRES OUT OF THE E WINBURNE SVY, A-1558..... | YOUNG CO, TX |
| 405315 | WADE MOREN | A 40 ACRE UNIT OUT OF THE BBB & CO SVY, A-29 DESCRIBED AS FOLLOWS: BEGINNING AT THE SWC OF SAID SVY, | YOUNG CO, TX |
| 405316 | MOREN KISINGER SAND UT | TRACT A: E 372.60 ACRES, M/L, OUT OF THE JAMES ROSE SVY, A-245, YOUNG CO, TX. TRACT B: 100 ACRES OF THE HEIRS OF JAMES ROSE SVY, A-245 BEING THE W 100 ACRES OF THE E 472.60 ACRES OF SAID SVY | YOUNG CO, TX |
| 405317 | RHOADES 4 | J.W. HOWARD SURVEY, A-1604, A/K/A SEC 43, B.R.I.R., YOUNG CO, TX, CONTAINING 160 ACRES MORE OR LESS | YOUNG CO, TX |
| 405319 | FROST A 1 & 3 | ALL OF THE MATHIAS CARAHER SVEY, A-929, PAT 339, VOL 44, BEGINNING 50 VRS S & 520 VRS E OF THE NE/C OF A 250 ACRE SVY..... | JACK CO, TX |
| 405320 | RUTLEDGE 1 | 227.525 ACRES, M/L, OUT OF A 240.625 ACRE TRACT OF THE SION PRITCHARD SVY, A-458..... | JACK CO, TX |
| | | | |

| | | | |
|--------|-------------------|---|---------------------|
| 405321 | L D SMITH B | 1ST TRACT: BEING 33.8 ACRES OF THE E.W. SVY, A-133, & DESCRIBED BY METES & BOUNDS AS FOLLOWS..... | CLAY CO, TX |
| 405328 | W H THOMAS EST B | 40 ACRES MORE OR LESS OUT OF BLOCK 3 OF THE N. 680 ACRES OF THE N. THOMAS SVY, A-454 & BLKS 3 & 8 OF THE S 600 ACRES..... | ARCHER CO, TX |
| 405324 | JACKSON UNIT | THE JACKSON UNIT BEING THE FRED H JACKSON LEASE & THE RUTH JACKSON LEASE EACH COMPRISED OF 20 ACRES EACH & DESCRIBED IN TWO TRACTS OF LAND..... | THROCKMORTON CO, TX |
| 405329 | C H BELDING A 2 | N/2 OF SECTION 14, CONTAINING 320 ACRES OF LAND MORE OR LESS. THE NE/4 OF SEC 15, CONTAINING 160 ACRES OF LAND, MORE OR LESS..... | PALO PINTO, TX |
| 405330 | C H BELDING B 1 | THE WEST 100 ACRES OF THE E/2 OF SEC 16, & THE E 220 ACRES OF SEC 16, A-1233 & A-1778. 1 1/4 OF SEC 16, A-1143, BELOW THE DEPTH OF 2600 FT | PALO PINTO, TX |
| 405332 | CANTY | BEING ALL OF SEC NO. 24, BLK 3, T & P RR CO LANDS A-2006, CONTAINING 640 ACRES, MORE OR LESS | PALO PINTO, TX |
| 405333 | CANTEY 2 | BEING ALL OF SEC 24, BLK 3, T & P RR CO CO LANDS A-2006, CONTAINING 640 ACRES, MORE OR LESS | PALO PINTO, TX |
| 405334 | FLUEGGE 3 | T & P RR CO SVY, SEC 48, BLK 3 | PALO PINTO, TX |
| 405338 | TEXACO 1 | N/2 OF SEC 23, BLK 3, T & P R CO SVY, A-789 | PALO PINTO, TX |
| 405366 | HARTNETT | 202.8 ACRES, MORE OR LESS, OUT OF THE THOMAS HARRELL SVY, A-236; & 69.5 ACRES MORE OR LESS OUT OF THE R J KYLE SVY, A-1039 | PALO PINTO, TX |
| 405664 | G B HAMILTON DEEP | THE N 40 ACRES OF THE E 80 ACRES, THE SW/4 & THE SE/4 OF THE T.E. & L. CO SVY NO. 1393, LIMITED TO PRODUCTION FROM THE CADDO FORMATION | YOUNG CO, TX |
| 401220 | THOMAS UNIT | BEING 120 ACRES, MORE OR LESS, OUT OF THE JOSEPH LUCE SVY, A-499, & DESCRIBED AS FOLLOWS: BEGINNING AT THE SW CORNER OF SAID..... | WISE CO, TX |
| 405318 | BOLEY 1 | 100 ACRES MORE OR LESS; FURTHER DESCRIBED AS THE S 100 ACRES OF LOT 28, BLK 1, HENDERSON CO SCHOOL LANDS, A-257 | JACK CO, TX |

9 7 06

THIS EXHIBIT "A" IS ATTACHED HERETO AND MADE A PART OF THAT CERTAIN LETTER DATED 9/05/06 AND EFFECTIVE 8/01/2006.

| <u>TCO PROPERTY #</u> | <u>PROPERTY NAME</u> | <u>LEGAL DESCRIPTION</u> | <u>COUNTY, ST</u> |
|-----------------------|----------------------|--|-------------------|
| 10592 | HOLCOMB | 120 ACRES OF THE I L HILL SURVEY, A-126, AND BEING ALL OF THE EAST 140 ACRES OF SAID SURVEY, SAVE & EXCEPT A TRACT OF 20 ACRES OF THE SE CORNER | YOUNG CO, TX |
| 40308 | SLOAN A | TEXAS EMIGRATION AND LAND COMPANY SURVEY, ABSTRACT NO. 564 | STEPHENS CO, TX |
| 40309 | SLOAN C | T E & L COMPANY SURVEY, ABSTRACT NO 564 | STEPHENS CO, TX |
| 401186 | PRIDEAUX C | 20 ACRES MORE OR LESS OUT OF I.&G.N. RR CO. SURVEY, A-1324 IN YOUNG CO, TX & A-683 IN ARCHER CO, TX, DESCRIBED BY METES & BOUNDS..... | ARCHER CO, TX |
| 401188 | PRIDEAUX UNIT | THE POOLED UNIT SHALL CONTAIN 80 ACRES, COMPRISED OF A 40 ACRE TRACT COVERED BY THE RICHARD B PRIDEAUX LEASE & | ARCHER CO, TX |
| 401191 | BERNGEN 1 | SE 140AC SEC 91 BLOCK H W&NW RR CO SVY, CERT 1/46, A-417, PATENT 319, VOL 104 | HARDEMAN CO, TX |
| 401192 | CASCADE 1 | W 80AC OF N 200AC SEC 65 BLK H W&NW RR CO.... | HARDEMAN CO, TX |
| 401193 | C G CONLEY | SEC 81 BLOCK H W&NW RR CO SVY | HARDEMAN CO, TX |
| 401197 | C G CONLEY B 2-L | NE/4 SEC 89 BLK H W&NW RR CO SVY, CERT 1/45, A-416 | HARDEMAN CO, TX |
| 401198 | C G CONLEY D 1L | 173.3AC NW PART SEC 90 BLK H W&NW RR CO SVY | HARDEMAN CO, TX |
| 401200 | W H FLYNN 3 | TRACT 1: N/2 OF W/234 ACRES OF SEC 80, BLK H W &NW RR CO. SURVEY. TRACT 2: S/2 OF W/234 ACRES OF SEC 80, BLK H W&NW RR CO SVY | HARDEMAN CO, TX |
| 401201 | H L IRVIN 1 U | E 140AC W/4 SECTION 90, BLOCK H, W&NW RR CO SVY | HARDEMAN CO, TX |
| 401202 | F E LAMBERTON 1 L | NE 180AC N 360AC SEC 92, BLOCK H, W&NW RR CO SURVEY, CERTIFICATE 1/46, A-417, PATENT 319, VOL 104 | HARDEMAN CO, TX |
| 401204 | W A MELEAR 201 | SECTION 66, BLOCK 74, W & NW RR CO SVY | HARDEMAN CO, TX |

| | | | |
|---------|----------------------|--|-----------------|
| 401205 | E B SCHUR 1 2 | W 180AC OF N 360AC OF SECTION 91, BLK H, W&NW RR CO SVY | HARDEMAN CO, TX |
| 401206 | D R SELF 1 2 | 236AC OUT OF MIDDLE PART SECTION 80, BLK H W&NW RR CO SURVEY, CERT 1/40, A-864, PATENT 307, VOL 12 | HARDEMAN CO, TX |
| 401207 | SITTA A 1 | S 60AC W/2 NE/4 SEC 11 BLK H W&NW RR CO SVY ABSTRACT 489 | HARDEMAN CO, TX |
| 401208 | R E SITTA ETAL 1M | NO. 1 SITTA WELL, LOCATED APPROX 853' FROM THE N LINE AND 617' FROM THE E LINE OF SEC 11, BLK H, W&NW RR CO. SVY, A-489, HARDEMAN CO, TX & THE WELL'S PRORATION UNIT OF 80 ACRES, BEING THE E/2 OF THE NE/4 OF SAID SEC 11 | HARDEMAN CO, TX |
| 401209 | P G WILSON 1 3 4 | S 22.4AC OF E 369.4AC OF SEC 90, BLK H, W&NW RY CO SVY | HARDEMAN CO, TX |
| 401210 | C G CONLEY A | 146.8AC NE PART SEC 90 BLK H W&NW RR CO SVY | HARDEMAN CO, TX |
| 401212 | J H CARR 1 | W 77.89AC S 120AC ELIJAH EMBERSON SVY | WISE CO, TX |
| 401213 | HETTYE HENSON 1A | 115AC WILLIAM WILSON SVY A-3722... | WISE CO, TX |
| 401221 | W D WALTMAN 1 | BEING 181.3 ACRES, KNOWN AS THE MIDDLE 1/4 OF SVY NO. 60, M.E.P. & P.R.R. CO. SVY, A-1509 | WISE CO, TX |
| 401226A | CONLEY A1 INDIAN OIL | ALL OF SEC 82, BLK H, WACO & NW RR CO, CERT 1/41, A-894, PATENT 491, VOL 42 | HARDEMAN CO, TX |
| 401226B | CONLEY A 1,3,4,5 | ALL OF SEC 82, BLOCK H, WACO & NW RR CO, CERT 1/41, A-894, PATENT 491, VOL 42 | HARDEMAN CO, TX |
| 401227 | YOUNG K | B L WEST SVY, A-534 | HARDEMAN CO, TX |
| 401228 | YOUNG BARNETT A 2 | SEC 14, BLOCK 16, H&TC RR SVY, A-1474 | HARDEMAN CO, TX |
| 405307 | ALLAR | 569.4 ACRES OUT OF THE J. POITEVENT SVY, A-229; 1022.25 ACRES OFF E SIDE OF FRACTION 5 OF T.E.& L. CO. SVY NO 3410, A-1230 | YOUNG CO, TX |
| 405308 | OWENS 1 | BEING 40 ACRES OUT OF THE S/2 (OF WHICH THE N LINE IS PARALLEL WITH THE S LINE OF THE SVY) OF THE J.A. HARKENESS SVY, A-1442 | YOUNG CO, TX |

* ME084116

9 7 06

| THIS EXHIBIT "B" IS ATTACHED HERETO AND MADE A PART OF THAT CERTAIN LETTER DATED 9/5/06 AND EFFECTIVE 8/1/06. | | |
|---|------------------|-------------------------|
| NAME OF OWNER | ADDRESS OF OWNER | OR, NAME OF NEXT OF KIN |
| SARAH PHILLIPS AIMONETTE | | |
| KATHERINE H ROGERS | | |
| J M GIBBON | | |
| V E PEMBROKE | | |
| WERNDA WEAVER KNUTSON | | |
| W W HOLLINGSWORTH | | |
| MILLARD L SNUGGS | | |
| WALTER H CHANDLER | | |
| ALMA L COLLIER | | |
| HOSEA V PRICE | | |
| RAYMOND I LAWRENCE | | |

207 0

| | | |
|------------------------|--|--|
| ROBERT C LAWRENCE | | |
| KATHERINE COOK SMITH | | |
| FRANK AUSANKA | | |
| ROBERT V CROW | | |
| VIRGINIA L MANUEL | | |
| EDWARD PAUL MYERS | | |
| EDWIN J MYERS | | |
| R.M. HILL | | |
| FRED A. SANDERS | | |
| MARIONELL CONNER | | |
| ELEANOR DURSTON SNYDER | | |
| kaw | | |

From: "Wallace, Kathleen A." <KAWALLACE@eprod.com>
To: "Beverly Boyd" <Beverly.Boyd@GLO.STATE.TX.US>
Date: 9/11/2006 1:57:29 PM
Subject: RE: Letter of 9/5/06 - Previous Payor- Suncoco

MF 084116

Ms. Boyd,

I am handling all those properties on that letter dated 9/5/06; out of all those properties, The Texas General Land Office is only set up on the Property #401221 W D Waltman 1, with a 0.0625 tax exempt RI. The legal description is: Being 181.3 acres, known as the middle 1/4 of Svy No. 60, M.E.P. & P.R.R. Co Svy, a-1509, Wise County, TX. If you have any other questions, please feel free to contact me.

Sincerely,

Kathleen Wallace
Division Order Analyst
TEPPCO Crude Oil, LP
phone: 405-606-5468
fax: 405-606-4568

-----Original Message-----

From: Beverly Boyd [mailto:Beverly.Boyd@GLO.STATE.TX.US]
Sent: Monday, September 11, 2006 1:23 PM
To: RoyaltyRelationsOKC
Subject: Letter of 9/5/06 - Previous Payor- Suncoco

We are in receipt of your letter dated 9/5/06 stating that Teppco will become payor on certain wells, listed in your exhibit A.

Are any of these wells on State of Texas lands? If so, please advise of State lease numbers.

Thank You
Beverly Boyd
Texas General Land Office
Energy Resources
Mineral Leasing
512-463-6521

File No. MF084916

Letter - See Exhibit "A"

Date Filed: 9/1/06

Jerry E. Patterson, Commissioner

By [Signature]

Unit # 2297

DO NOT DESTROY

GLO-36-10-84

-MEMO-

Operator MidPar L. P.

Unit Name Newberry Horizontal NO. 1

County Brazos & Burleson

Effective Date August 11, 1994

Unitized for: Oil Gas Oil & Gas X

1. M.F. No. 95091

Area Brazos River Tr. 11-A

Sec. Blk. Survey

71.80
378.72 x = 04.2657 %
189586 .725 042657

2. M.F. No.

Area Tr.

Sec. Blk. Survey

 x = %

3. M.F. No.

Area Tr.

Sec. Blk. Survey

 x = %

4. M.F. No.

Area Tr.

Sec. Blk. Survey

 x = %

REMARKS:

Ray Kickey Opta
WISE COUNTY

84116

INV. 335 DEC 014

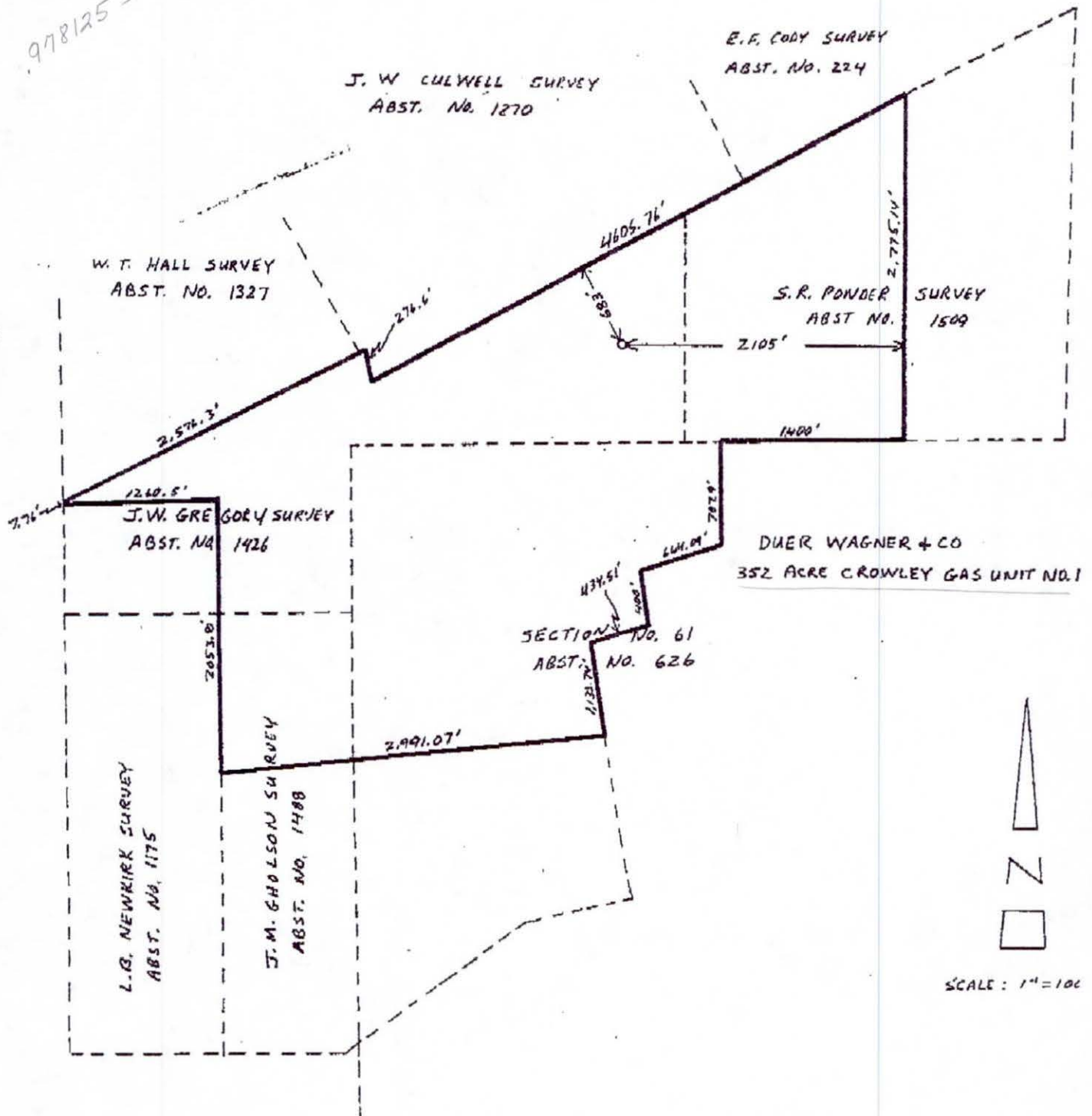
EXHIBIT "B"

Boonsville Bend
Crowley 1-R

09-132816

978125 =

344.3/352 acres



CERTIFIED CORRECT ACCORDING TO THE BEST
OF MY KNOWLEDGE.

By: W. K. Kickey
Date: 9-11-89

Ray Richey Management Company, Inc.

Oil and Gas Properties

FAX TRANSMITTAL

DATE 11-17-98
TO Denna Smith
FROM Zac Martin

REMARKS:

PAGES TO FOLLOW 6

150164

REAL RECORDS

DESIGNATION OF POOLED UNIT
CROWLEY GAS UNIT NO. 1*Crowley Gas Unit
T.D.*

STATE OF TEXAS

§

COUNTY OF WISE

§

§

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, being the owner of mineral interest under certain valid and subsisting oil, gas and mineral leases listed in Exhibit "A", attached hereto and made a part hereof for all purposes, covering and affecting certain contiguous tracts of land in Wise County, Texas, do by virtue of the authority conferred by the terms of such oil, gas and mineral leases and all amendments, ratifications and corrections thereto, hereby pool, consolidate, combine and unitize said oil, gas and mineral leases, as to gas, distillate, condensate and other gaseous substances only, to form a 352 acre gas unit in and under the lands described in Exhibit "B" and outlined on the plat attached thereto (which lands are hereinafter referred to as "Unit Acreage"), and do pool, consolidate, combine and unitize the royalties, working interest, overriding royalties, production payments and other interest pertaining to said leases and the Unit Acreage and the production therefrom insofar, and only insofar, as said leases and other interest cover and include all gas and gas rights in and under the Unit Acreage from a depth of 3,250 feet beneath the surface of the earth down to and including a depth of 6,000 feet (hereinafter referred to as the "Pooled Interval".)

This unit covers all production from the Pooled Interval that is produced from any "gas well" located on the Unit Acreage. A "gas well" as used herein means a well so classified by the rules and regulations of the Railroad Commission of Texas. The term "gas and gas rights" refers to all production and to products from any gas well that is produced from the Pooled Interval. This unit shall not apply to or cover production from an oil well as classified by the rules and regulations of the Railroad Commission of Texas.

The production of such gas, distillate, condensate and other gaseous substances from the Pooled Interval from a gas well located on any part of said Unit Acreage shall constitute production of such products from

all of the leases contained in such unit. Drilling or reworking operations or other operations conducted on said lands or leases within such unit for the production of gas, distillate, condensate and other gaseous substances covered by this Designation of Pooled Unit shall constitute such operations for the production of gas, distillate,

The unit hereby created shall become effective when a copy of this Designation of Pooled Unit is filed for record in the office of the County Clerk of Wise County, Texas, and shall remain in force as long as the pooled minerals are being produced from said unit, or so long as leases covering the Unit Acreage are maintained in force insofar as

they are included in the Pooled Unit by payment or tender of shut-in gas well royalties or by other means, in accordance with the terms of said leases.

Executed this 11th day of September, 1989.

PINCH JOINT VENTURE

BY: 

TITLE: Managing Joint Venturer

DUER WAGNER & CO.

BY: 

TITLE: President

STATE OF TEXAS

COUNTY OF TARRANT

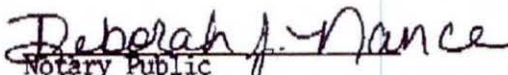
On this the 11th day of September, 1989, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared DUER WAGNER III, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its Managing Joint Venturer and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

My commission expires:

STATE OF TEXAS

COUNTY OF TARRANT


Notary Public



On this the 11th day of September, 1989, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared DUER WAGNER III, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its President and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above

condensate and other gaseous substances on all lands and leases included within the unit.

All gas, distillate, condensate and other gaseous substances produced from the Pooled Interval from any gas well in such unit shall be allocated proportionately among all the tracts within such unit in the proportion the number of surface acres in each of the tracts included in the unit bears to the total number of surface acres in such unit, and the share of production to which each interest owner is entitled shall be computed on the basis of such owners respective interest in each tract within the unit.

All parties owning any interest in the gas in and under said Unit Acreage who execute this agreement or a counterpart hereof, or who ratify the same, hereby adopt and confirm the creation of such unit, and agree to all the terms and provisions hereof, and any lease or leases affecting their interest are amended to the extent necessary to authorize the formation of this unit.

It is the intention of the undersigned to include, and they do hereby include in such unit designation all leases and other mineral or royalty interest which the undersigned now own covering the said unit and any additional lease or leases or mineral or royalty interest which may be hereinafter acquired by the undersigned, covering all or any part of the unit during the time said unit remains effective.

Duer Wagner & Co., as Operator, reserves the right to amend this Designation of Pooled Unit from time to time, and at any time, in order to correct any error herein or to include in this unit any unleased tract or tracts of land or interest therein located within the boundaries thereof by appropriate amendment or instruments correcting or committing any such outstanding interest to this gas unit.

This instrument may be executed as one document signed by all parties, or in multiple counterparts, or by ratification instrument, with the same effect as if all parties executed the same instrument. The failure of any one or more persons owning an interest in the gas rights in and under the Unit Acreage to execute this instrument or a counterpart or a ratification thereof shall not in any manner affect the validity of same as to the parties who do execute this instrument.

Given under my hand and seal of office the day and year last above written.

Deborah J. Nance
Notary Public

My commission expires:

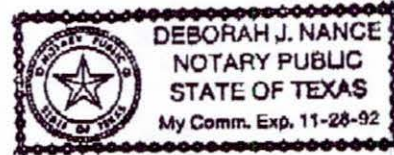


EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN DESIGNATION OF POOLED UNIT, CROWLEY GAS UNIT NO. 1, DATED SEPTEMBER 11, 1989.

1. Oil, Gas and Mineral Lease dated September 21, 1988 from Pearl Crowley Denison to Pinch Joint Venture, recorded in Volume 295, page 118, Real Records of Wise County, Texas, as amended by Amendment to Oil and Gas Lease dated February 15, 1989, recorded in Volume 312, page 571, Real Records of Wise County, Texas, covering 225.24 acres out of M.E.P.&P. RR Co. Surveys No. 60 and 61, Wise County, Texas.

2. Oil, Gas and Mineral Lease dated November 15, 1989, from Hidalgo Oil and Gas to Pinch Joint Venture, recorded in Volume 320, page 188, Real Records of Wise County, Texas, as ratified by Ratification of Oil, Gas and Mineral Lease dated July 31, 1989 executed on behalf of the Estate of Edna Ruth Bentsen, deceased, et al, recorded in Volume 334, page 413, Real Records of Wise County, Texas, covering the West 1/2 of the S. R. Ponder Survey, Abstract No. 1509, Wise County, Texas, below a depth of 3,250 feet only.

3. Oil, Gas and Mineral Lease dated July 15, 1989 from The Estate of Lloyd M. Bentsen, deceased, et al to Pinch Joint Venture, recorded in Volume 333, page 442, Real Records of Wise County, Texas, covering 60 acres out of M.E.P.&P. RR. Co. Surveys No. 60 and 61, Wise County, Texas.

exhibit 7

EXHIBIT "B"

ATTACHED TO AND MADE A PART OF THAT CERTAIN DESIGNATION OF POOLED UNIT,
CROWLEY GAS UNIT NO. 1, DATED SEPTEMBER 11, 1989.

The Crowley Gas Unit No. 1 consists of 352 acres, more or less, out of
M.E.P. & P. RR. Co. Surveys No. 60 and 61 and the S.R. Ponder Survey,
Abstract No. 1509, described as follows:

Commencing at the Southwest corner of the M.E.P. & P. RR. Co.
Survey No. 60;
THENCE East 404.2/3 varas;
THENCE North 7 varas;
THENCE North 01 Deg. 43'34" East 1416.54 feet to an iron pin
for corner;
THENCE North 01 Deg. 13'29" West 685.3 feet to an iron pin for
the beginning point of the tract herein described; said point
being the Northwest corner of a 126.76 acre tract described in
a Partition Deed dated March 25, 1981 between Allen L. Crowley
and George T. Crowley, Jr., recorded in Volume 415, page 414
Deed Records of Wise County, Texas;
THENCE North 0 Deg. 07' West 2,053.8 feet to point for corner;
THENCE South 89 Deg. 17' West 1260.5 feet to point for corner;
THENCE North 0 Deg. 21' East 7.76 feet to point for corner;
THENCE North 61 Deg. 59' East 2,576.3 feet to point for corner;
THENCE South 8 Deg. 01' East 276.60 feet to an iron pin for
corner;
THENCE North 59 Deg. 49' East 1613.3 feet to an iron pin for
corner;
THENCE North 61 Deg. 18' East 2,992.46 feet to an iron pin for
corner;
THENCE South 2,775.14 feet to point for corner in South bounda-
ry line of S.R. Ponder Survey, Abstract No. 1509;
THENCE West approximately 1400 feet to point for corner, said
point being the Northeast corner of a 14.2 acre tract de-
scribed in Warranty Deed dated December 15, 1971 from Mark
Hortenstine to Raymond C. Davies and wife, recorded in Volume
315, page 595, Deed Records of Wise County, Texas;
THENCE South 0 Deg. 49' West 787.9 feet to point for corner;
THENCE South 82 Deg. 40' West 664.09 feet to point for corner;
THENCE South 7 Deg. 25' East 400 feet to point for corner;
THENCE South 82 Deg. 40' West 434.51 feet to point for corner;
THENCE South 9 Deg. 4' East 1,133.74 feet to point for corner;
THENCE South 84 Deg. 19'48" West 2,991.07 feet to the place of
beginning and containing 352 acres of land, more or less.

exhibit8

(34)

File No. MF-084116

Designation of Pooled Unit

Date Filed: 8/11/1994

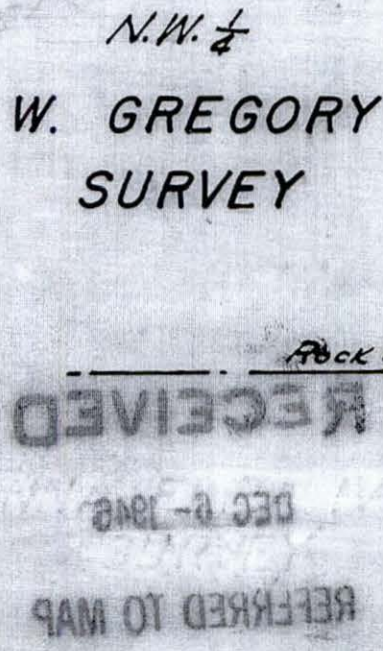
Jerry E. Patterson, Commissioner

By J.E. Luern

120753
Wise
County

Com Giles
December 21, 1846

File Clerk



RECEIVED
MAY 20 1971
COMMUNITY AND URBAN

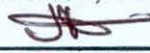
6" Lo. N. 48° W. 35 Vars
6" Lo. N. 38° W. 35 Vars

.CO. 30A.

DEC 28 1948

File No. M-84116School FILE PLAT OF 181.3ACDate Filed: 12/13/2011

Jerry E. Patterson, Commissioner

By 

Harriet Dunne - Re: Abandonment of 42 497 80961 and termination of MF084116

From: Susan Wauer
To: Harriet Dunne
Date: 6/11/2014 2:42 PM
Subject: Re: Abandonment of 42 497 80961 and termination of MF084116

I've removed the lease/well from RRAC.
Thanks for the head's up Harriet.

Susan

>>> Harriet Dunne 6/11/2014 2:11 PM >>>

Susan,

I was notified by Rhonda Wellman with Echo Production informed Energy that they have abandoned their Waltman well, API 497 80961 and agree that the lease MF084116 has terminated with that abandonment.

Please remove this well from RRAC records. If there is anything Echo needs to do, please let me know.

Harriet

Production ceased 9/1/13
Terminated 11/1/13

File No. MF 084116
Notice of termination
Fin Man, Energy, + Operator
Date Filed: 6/11/14
Jerry E. Patterson, Commissioner
By SSD

~~DUPPLICATE FILE~~

- | | |
|---|--|
| 1. Pooling Committee ^{missing} | |
| Report + Designation. 9/28/99 | |
| 2. Designation of Pooled Unit. | |
| Brouley Gas Unit #1. 9/28/99 | |
| 3. Division Order from Sunoco 12-10-99 | |
| 4. Pooling + Unit Agreement. 5/24/99 | |
| 5. Well Report #1/well. 3/12/99 | |
| 6. Well Report #1-R well. 3/12/99 | |

Scanned lw 12-9-2013

CONTENTS OF FILE NO. _____

[illegible]

150164

REAL RECORDS

DESIGNATION OF POOLED UNIT
CROWLEY GAS UNIT NO. 1*Crowley Gas Unit
T.D.*

STATE OF TEXAS

§

KNOW ALL MEN BY THESE PRESENTS:

§

COUNTY OF WISE

§

That the undersigned, being the owner of mineral interest under certain valid and subsisting oil, gas and mineral leases listed in Exhibit "A", attached hereto and made a part hereof for all purposes, covering and affecting certain contiguous tracts of land in Wise County, Texas, do by virtue of the authority conferred by the terms of such oil, gas and mineral leases and all amendments, ratifications and corrections thereto, hereby pool, consolidate, combine and unitize said oil, gas and mineral leases, as to gas, distillate, condensate and other gaseous substances only, to form a 352 acre gas unit in and under the lands described in Exhibit "B" and outlined on the plat attached thereto (which lands are hereinafter referred to as "Unit Acreage"), and do pool, consolidate, combine and unitize the royalties, working interest, overriding royalties, production payments and other interest pertaining to said leases and the Unit Acreage and the production therefrom insofar, and only insofar, as said leases and other interest cover and include all gas and gas rights in and under the Unit Acreage from a depth of 3,250 feet beneath the surface of the earth down to and including a depth of 6,000 feet (hereinafter referred to as the "Pooled Interval".)

This unit covers all production from the Pooled Interval that is produced from any "gas well" located on the Unit Acreage. A "gas well" as used herein means a well so classified by the rules and regulations of the Railroad Commission of Texas. The term "gas and gas rights" refers to all production and to products from any gas well that is produced from the Pooled Interval. This unit shall not apply to or cover production from an oil well as classified by the rules and regulations of the Railroad Commission of Texas.

The production of such gas, distillate, condensate and other gaseous substances from the Pooled Interval from a gas well located on any part of said Unit Acreage shall constitute production of such products from all of the leases contained in such unit. Drilling or reworking operations or other operations conducted on said lands or leases within such unit for the production of gas, distillate, condensate and other gaseous substances covered by this Designation of Pooled Unit shall constitute such operations for the production of gas, distillate,

condensate and other gaseous substances on all lands and leases included within the unit.

All gas, distillate, condensate and other gaseous substances produced from the Pooled Interval from any gas well in such unit shall be allocated proportionately among all the tracts within such unit in the proportion the number of surface acres in each of the tracts included in the unit bears to the total number of surface acres in such unit, and the share of production to which each interest owner is entitled shall be computed on the basis of such owners respective interest in each tract within the unit.

All parties owning any interest in the gas in and under said Unit Acreage who execute this agreement or a counterpart hereof, or who ratify the same, hereby adopt and confirm the creation of such unit, and agree to all the terms and provisions hereof, and any lease or leases affecting their interest are amended to the extent necessary to authorize the formation of this unit.

It is the intention of the undersigned to include, and they do hereby include in such unit designation all leases and other mineral or royalty interest which the undersigned now own covering the said unit and any additional lease or leases or mineral or royalty interest which may be hereinafter acquired by the undersigned, covering all or any part of the unit during the time said unit remains effective.

Duer Wagner & Co., as Operator, reserves the right to amend this Designation of Pooled Unit from time to time, and at any time, in order to correct any error herein or to include in this unit any unleased tract or tracts of land or interest therein located within the boundaries thereof by appropriate amendment or instruments correcting or committing any such outstanding interest to this gas unit.

This instrument may be executed as one document signed by all parties, or in multiple counterparts, or by ratification instrument, with the same effect as if all parties executed the same instrument. The failure of any one or more persons owning an interest in the gas rights in and under the Unit Acreage to execute this instrument or a counterpart or a ratification thereof shall not in any manner affect the validity of same as to the parties who do execute this instrument.

The unit hereby created shall become effective when a copy of this Designation of Pooled Unit is filed for record in the office of the County Clerk of Wise County, Texas, and shall remain in force as long as the pooled minerals are being produced from said unit, or so long as leases covering the Unit Acreage are maintained in force insofar as

they are included in the Pooled Unit by payment or tender of shut-in gas well royalties or by other means, in accordance with the terms of said leases.

Executed this 11th day of September, 1989.

PINCH JOINT VENTURE

BY: [Signature]
TITLE: Managing Joint Venturer

DUER WAGNER & CO.

BY: [Signature]
TITLE: President

STATE OF TEXAS)
)
COUNTY OF TARRANT)(

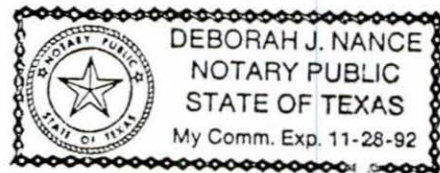
On this the 11th day of September, 1989, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared DUER WAGNER III, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its Managing Joint Venturer and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

Deborah J. Nance
Notary Public

My commission expires:

STATE OF TEXAS)
)
COUNTY OF TARRANT)(



On this the 11th day of September, 1989, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared DUER WAGNER III, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its President and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

Deborah J. Nance
Notary Public

My commission expires:

STATE OF TEXAS)
)
COUNTY OF TARRANT)(

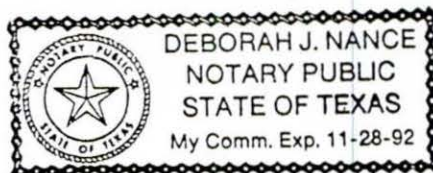


EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN DESIGNATION OF POOLED UNIT, CROWLEY GAS UNIT NO. 1, DATED SEPTEMBER 11, 1989.

1. Oil, Gas and Mineral Lease dated September 21, 1988 from Pearl Crowley Denison to Pinch Joint Venture, recorded in Volume 295, page 118, Real Records of Wise County, Texas, as amended by Amendment to Oil and Gas Lease dated February 15, 1989, recorded in Volume 312, page 571, Real Records of Wise County, Texas, covering 225.24 acres out of M.E.P.&P. RR Co. Surveys No. 60 and 61, Wise County, Texas.

2. Oil, Gas and Mineral Lease dated November 15, 1989, from Hidalgo Oil and Gas to Pinch Joint Venture, recorded in Volume 320, page 188, Real Records of Wise County, Texas, as ratified by Ratification of Oil, Gas and Mineral Lease dated July 31, 1989 executed on behalf of the Estate of Edna Ruth Bentsen, deceased, et al, recorded in Volume 334, page 413, Real Records of Wise County, Texas, covering the West 1/2 of the S. R. Ponder Survey, Abstract No. 1509, Wise County, Texas, below a depth of 3,250 feet only.

3. Oil, Gas and Mineral Lease dated July 15, 1989 from The Estate of Lloyd M. Bentsen, deceased, et al to Pinch Joint Venture, recorded in Volume 333, page 442, Real Records of Wise County, Texas, covering 60 acres out of M.E.P.&P. RR. Co. Surveys No. 60 and 61, Wise County, Texas.

exhibit 7

EXHIBIT "B"

ATTACHED TO AND MADE A PART OF THAT CERTAIN DESIGNATION OF POOLED UNIT, CROWLEY GAS UNIT NO. 1, DATED SEPTEMBER 11, 1989.

The Crowley Gas Unit No. 1 consists of 352 acres, more or less, out of M.E.P. & P. RR. Co. Surveys No. 60 and 61 and the S.R. Ponder Survey, Abstract No. 1509, described as follows:

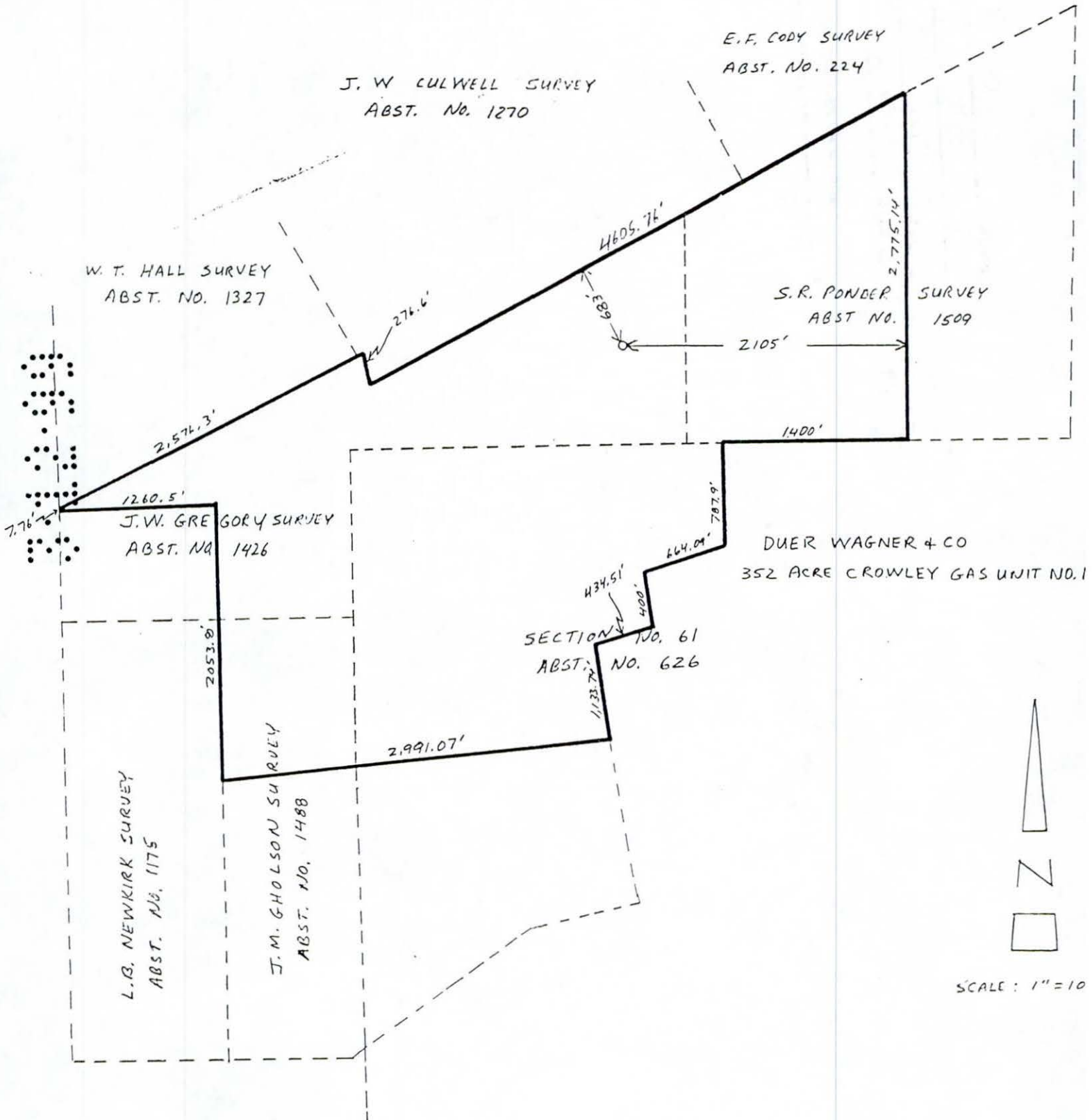
Commencing at the Southwest corner of the M.E.P. & P. RR. Co. Survey No. 60;
 THENCE East 404.2/3 varas;
 THENCE North 7 varas;
 THENCE North 01 Deg. 43'34" East 1416.54 feet to an iron pin for corner;
 THENCE North 01 Deg. 13'29" West 685.3 feet to an iron pin for the beginning point of the tract herein described; said point being the Northwest corner of a 126.76 acre tract described in a Partition Deed dated March 25, 1981 between Allen L. Crowley and George T. Crowley, Jr., recorded in Volume 415, page 414 Deed Records of Wise County, Texas;
 THENCE North 0 Deg. 07' West 2,053.8 feet to point for corner;
 THENCE South 89 Deg. 17' West 1260.5 feet to point for corner;
 THENCE North 0 Deg. 21' East 7.76 feet to point for corner;
 THENCE North 61 Deg. 59' East 2,576.3 feet to point for corner;
 THENCE South 8 Deg. 01' East 276.60 feet to an iron pin for corner;
 THENCE North 59 Deg. 49' East 1613.3 feet to an iron pin for corner;
 THENCE North 61 Deg. 18' East 2,992.46 feet to an iron pin for corner;
 THENCE South 2,775.14 feet to point for corner in South boundary line of S.R. Ponder Survey, Abstract No. 1509;
 THENCE West approximately 1400 feet to point for corner, said point being the Northeast corner of a 14.2 acre tract described in Warranty Deed dated December 15, 1971 from Mark Hortenstine to Raymond C. Davies and wife, recorded in Volume 315, page 595, Deed Records of Wise County, Texas;
 THENCE South 0 Deg. 49' West 787.9 feet to point for corner;
 THENCE South 82 Deg. 40' West 664.09 feet to point for corner;
 THENCE South 7 Deg. 25' East 400 feet to point for corner;
 THENCE South 82 Deg. 40' West 434.51 feet to point for corner;
 THENCE South 9 Deg. 4' East 1,133.74 feet to point for corner;
 THENCE South 84 Deg. 19'48" West 2,991.07 feet to the place of beginning and containing 352 acres of land, more or less.

exhibit8

WISE COUNTY

INCD 335 014

EXHIBIT "B"



CERTIFIED CORRECT ACCORDING TO THE BEST
OF MY KNOWLEDGE.

By: W. Patterson
Date: 9-11-89

2.

File No. MF 84116
Resignation of Poled
David Crowley, Gas Unit #1.
Date Filed: 9/28/99
by David Dewhurst, Commissioner

2003

**Texas General
Land Office**



**David Dewhurst
Commissioner**

December 30, 1999

SUNOCO REFINING AND MARKETING CO
ATTN: DIVISION ORDER DEPT.
P O BOX 2039
TULSA OK 74102-2039

Re: Property Name: W D WALTMAN #1
Mineral File No: M-084116
Property Number: 032612000000

Dear Sir or Madam:

We have received the division order submitted by your company for the above-referenced lease and added it to our files. Please be sure to reference this mineral file number in all future royalty payments, reports and correspondence concerning the lease.

The payment of royalties to the State of Texas is set by statute. As the execution of the division order may in some cases affect the payments of such royalties, it is not the policy of this office to execute them. Insofar as allowed by law, the Texas General Land Office is acquiescent in the sale of oil and gas under the terms and conditions set out in the lease.

If you should have any questions, please feel free to call me at (512) 463-5408.

Sincerely,

Shirley Chou
Shirley Chou
Accounts Examiner
Royalty and Revenue Processing
Energy Resources

Stephen F. Austin Building

1700 North
Congress Avenue

Austin, Texas
78701-1495

512-463-5001

DIVISION ORDER CONTRACT

Property No. 032612000000 AXC

TO: Sunoco Refining and Marketing Co.
PO Box 2039
Tulsa, OK 74102-2039

12/10/1999

Effective 7 a m NOVEMBER 01, 1999

The undersigned, severally and not jointly, warrants and guarantees it is the owner of the interest set out below of all the oil (defined herein to include condensate), produced from the property described as:

Operator: ECHO PRODUCTION INC
Property Name: W D WALTMAN #1
County: WISE State: TX
Legal Description: BEING 181.3 ACRES, KNOWN AS THE MIDDLE 1/4 OF SURVEY NO. 60, M.E.P. & P.R.R. CO. SURVEY, ABSTRACT NO. 1509, WISE COUNTY, TEXAS.

M7084116

| OWNER NO. | TAX I.D./SOC. SEC. NO. | PAYEE | DIVISION OF INTEREST |
|------------|------------------------|---|----------------------|
| 0000000026 | | COMM OF THE GEN LAND OFFICE ID 1 23 1743284 2 STATE OF TX LAND OFFICE BLDG AUSTIN TX 78701 | .0625000000 RI |

THIS CONTRACT DOES NOT AMEND ANY LEASE OR OPERATING AGREEMENT BETWEEN THE INTEREST OWNERS AND THE LESSEE OR OPERATOR.

The following provisions apply to all interest owners ("owner") who execute this contract:

DELEGATION: The owner warrants and represents that it has delegated to the Lessee or Operator full authority to sell and deliver, and to Sunoco Refining & Marketing or its agent the right to receive, on such terms and conditions as the Lessee or Operator or his designee may determine, all oil produced from the described property and allocable to the interest of the owner as set forth herein. For the purpose of this provision, "Lessee" means the Lessee of the lease under which interest is owned, its successors or assigns and "Operator" means the operator of the described property, at the time the oil is sold.

PAYMENT: From the effective date, payment is to be made monthly by Sunoco R&M check, based on this Division of Interest, for oil run during the preceeding calendar month from the property listed above, less taxes required by law to be deducted and paid by Sunoco R&M as purchaser. Payments of less than \$25.00 may be accrued before disbursement until the total amount equals \$25.00 or more, or until December 31, of each year, whichever occurs first. The owner agrees to indemnify and hold Sunoco R&M harmless from all liability resulting from payments made to the owner in accordance with such division of interest, including but not limited to attorney's fees or judgements in connection with any suit affecting the owners interest to which Sunoco is made a Party.

DISPUTE/WITHHOLDING OF FUNDS: If a suit is filed affecting the interest of the owner, written notice shall be given to Sunoco R&M by the owner together with a copy of the complaint or petition filed.

In the event of a claim or dispute affecting title to the division of interest credited herein, Sunoco R&M is authorized to withhold payments accruing to such interest, without interest unless otherwise required by applicable statute, until the claim or dispute is settled.

CANCELLATION/REVOCATION: Cancellation or revocation of this contract shall be effective on the first day of that month commencing thirty (30) days after receipt of written notice of such cancellation or revocation to Sunoco R&M.

NOTICES: The owner agrees to notify Sunoco R&M in writing of any change in the division of interest, including changes of interest contingent on payment of money or expiration of time. No change of interest shall be binding upon Sunoco R&M until the recorded copy of the instrument of change, or documents satisfactorily evidencing such change, are furnished to Sunoco R&M at the time the change occurs.

Any change of interest shall be made effective on the first day of the month following receipt of such notice by Sunoco R&M.

All correspondence regarding this contract shall be furnished to the addresses listed above unless otherwise advised by either party.

Witnesses:

Signature of Interest Owner:

Social Security / Tax I.D. No.

Failure to furnish your Social Security / Tax I.D. Number will result in withholding tax in accordance with federal law, and any tax withheld will not be refunded by Sunoco.

31

W.L. 084116

Correspondence File

To

From Suvoco Retining

Dated Division order 12-10-99

DO NOT DESTROY



UNIT AGREEMENT MEMO

Unit No. 2825

Operator Ray Richey Management Co.

Unit Name Crowley Unit

County Wise

Effective Date 11/1/89

Unitized for: Oil ☐ Gas ☐ Oil & Gas ☒

1. M.F. No. 24116
Area _____ Tr. A-1509
Sec. _____ Blk. _____ Survey _____
0.75/352 x 1/16 1.611328%
257813.80625 016113

2. M.F. No. _____
Area _____ Tr. _____
Sec. _____ Blk. _____ Survey _____
_____ x _____ %

3. M.F. No. _____
Area _____ Tr. _____
Sec. _____ Blk. _____ Survey _____
_____ x _____ %

4. M.F. No. _____
Area _____ Tr. _____
Sec. _____ Blk. _____ Survey _____
_____ x _____ %

REMARKS:

Prepared by:

Date

Map & GIS updated by:

Date

Entered into database by:

Date

POOLING COMMITTEE REPORT

TO: SCHOOL LAND BOARD

DATE: May 4, 1999

OPERATOR: Ray Richey Management Co., Inc. COUNTY: Wise

UNIT NAME: Crowley Unit

FIELD: Boonsville (Bend
Congl., Gas)

STATE LEASE(S) IN UNIT

| Lease *Type | State Number | State Royalty | Expiration Date | Term Year | Acres Acres | Acres In Unit | Lessee of Record |
|----------------|-----------------|------------------|--------------------|--------------|----------------|------------------|---------------------|
| FR | M-84116 | 1/16 | HBP | 4 mos | 181.3 | 90.75 | Pinch J.V. |

* RAL = Relinquishment Act

* SF = State Fee

* FR = Free Royalty

| | |
|-------------------|---------------|
| PRIVATE ACRES: | <u>261.25</u> |
| STATE ACRES: | <u>90.75</u> |
| TOTAL UNIT ACRES: | <u>352.0</u> |

Unitized for:

Oil Gas Both x

Depth(s):

See Remarks

Formation:

See Remarks

Well Location:

State Land Private Land x

Participation:

| | |
|--------------------|------------------------|
| Basis | <u>Surface acreage</u> |
| State Acreage | <u>25.78</u> % |
| State Unit Royalty | <u>1.611328</u> % |

Railroad Commission Rules:

| | |
|----------------|---------------------|
| Spacing | <u>320/80</u> acres |
| Acreage Factor | <u>90.91</u> % |

Agree to drill to density of field rules:

Yes x No

Holds only acreage included in the unit

past primary term:

Yes x No

Satisfactory geological data furnished:

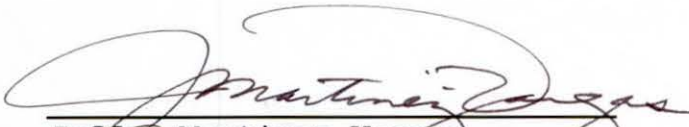
Yes x No


REMARKS:


- Ray Richey Management Company, Inc., is requesting permanent oil and gas pooling of the Boonsville Bend Conglomerate defined as the stratigraphic interval or its correlative equivalent occurring from 3,250 feet to 6,000 feet as shown on the Duer Wagner & Co. Crowley 1-R CDL/CNL/ML/GR.
- The Crowley 1-R was drilled and completed in November, 1989. Currently, it is producing approximately 25 MCFPD. This well was pooled in September, 1989 without GLO approval, but the GLO has received royalties from the date of first production.
- The state's unit royalty participation is 1.611328%.
- APPROVAL BY THE SCHOOL LAND BOARD IN NO WAY RATIFIES ANY OF THE STATE LEASES INCLUDED IN THIS PROPOSED UNIT.

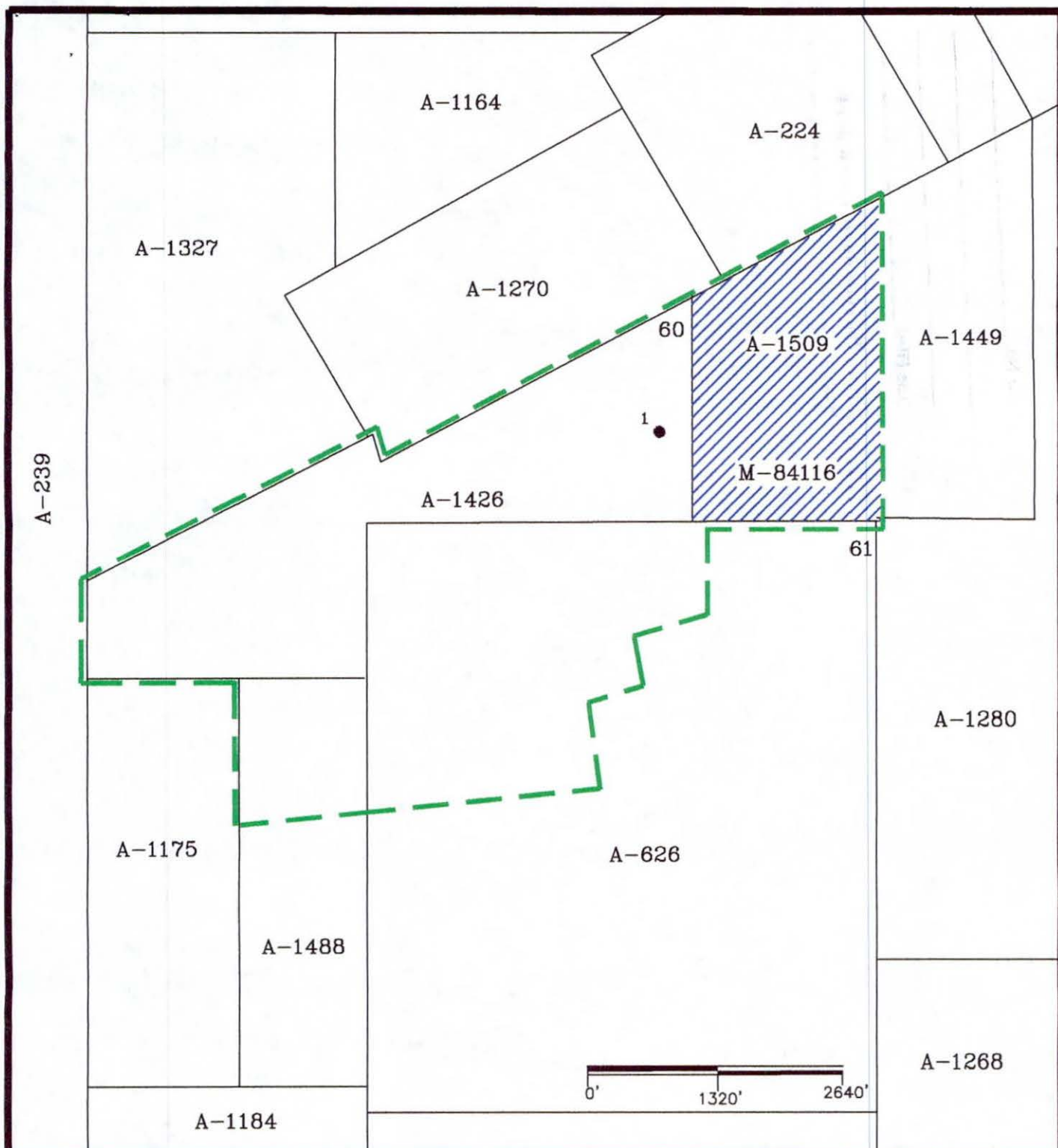
POOLING COMMITTEE RECOMMENDATION:

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


Jeffee Martinez-Vargas


John Howard


Peter A. Boone



99-18/ft/05-99

RAY RITCHEY MANAGEMENT, INC.

CROWLEY GAS UNIT NO. 1

M-084116

WISE COUNTY

File No. _____

Date Filed: _____

David Dewhurst, Commissioner

By _____

100' 0" 0.0000

100' 0" 0.0000

100' 0" 0.0000

100' 0" 0.0000

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100' 0" 0.0000

100' 0" 0.0000

RATIFICATION OF DESIGNATION OF POOLED UNIT
CROWLEY GAS UNIT NO. 1
WISE COUNTY, TEXAS

WHEREAS, a certain instrument, entitled, "Designation of Pooled Unit", ("Designation"), has been executed as of the 11th day of September, 1989, by various persons for conducting Unit Operations in Wise County, Texas as more particularly described in said Designation recorded at Volume 335, Page 9, of the Real Records of Wise County, Texas; and,

WHEREAS, the Designation, by Exhibit "A" describes the leases included within the Unit Area and By Exhibit "B" describes the unit area and shows a plat of the unit boundary, and,

WHEREAS, a person may become a party to said Designation by signing the original of said instrument, a counterpart thereof, or other instrument agreeing to be bound by the provisions thereof;

WHEREAS, the State of Texas is the owner of a Free Royalty Interest within the Unit Area, and pursuant to the provisions of Subchapter E, Chapter 52 of the Natural Resources Code, the School Land Board has approved said Designation, upon the condition, however, that the Working Interest Owners agree to the terms hereinafter set forth in consideration of the commitment of the State's Free Royalty Interests to said Designation, and the Commissioner of the General Land Office is authorized by said statute to commit the State's Free Royalty Interests to said Designation on behalf of the State:

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that the undersigned, the Commissioner of the General Land Office of the State of Texas, acting on behalf of the State, for and in consideration of the premises and the benefits anticipated to accrue to the State under said Designation, does hereby commit to said Designation the Free Royalty Interest of the State of Texas in all Tracts within the Unit Area as described in the Designation and does hereby agree that the State of Texas shall be bound by all of the provisions of said Designation, except as hereinafter set forth, the same as if the undersigned had executed the original or a counterpart of said Designation.

This instrument is executed by the undersigned upon the condition that the Working Interest Owners agree to the following terms in consideration of the commitment of the State's Free Royalty Interests to said Designation:

PURPOSES:

1.

This Ratification of Designation of Pooled Unit ("Ratification") is made for the purposes of conservation and utilization of the pooled mineral, to prevent waste, to facilitate orderly development and to preserve correlative rights. To such end, it is the purpose of this Ratification to effect equitable participation within the unit formed hereby. This Ratification is intended to be performed pursuant to and in compliance with all applicable statutes, decisions, regulations, rules, orders and directives of any governmental agency having jurisdiction over the production and conservation of the pooled mineral and in its interpretation and application shall, in all things, be subject thereto. No provision of this Ratification nor any provision of the Designation shall be construed or applied in a manner that abridges any law governing the Free Royalty Interest of the State.

MINERAL POOLED:

2.

The mineral pooled and unitized ("pooled mineral") hereby shall be oil and gas including all hydrocarbons that may be produced from an oil well or a gas well as such wells are recognized and designated by the Railroad Commission of Texas or other state regulatory agency having jurisdiction over the drilling and production of oil and gas wells. The pooled mineral shall extend to those depths underlying the surface boundaries of the pooled unit in the Boonsville Bend Conglomerate defined as the stratigraphic interval or its correlative equivalent occurring from 3,250 feet to 6,000 feet as shown on the log of the Duer Wagner & Co., Crowley No. 1-R well ("unitized interval").

POOLING AND EFFECT:

3.

The State's interests which are within the Unit Area are hereby committed thereto to the extent and as above described into said unit and do unitize and pool hereunder the State's tracts described in the Designation for and during the term hereof, so that such pooling or unitization shall have the following effect:

(a) The unit, to the extent as above described, shall be operated as an entirety for the exploration, development and production of the pooled mineral, rather than as separate tracts.

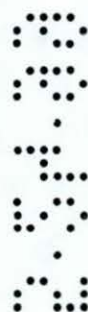
(b) All drilling operations, reworking or other operations with respect to the pooled mineral on land within the unit shall be considered as though the same were on each separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this Ratification.

(c) Production of the pooled mineral from the unit allocated to each separate tract, respectively, as hereinafter provided, shall be deemed to have been produced from each such separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this Ratification.

(d) All rights to the production of the pooled mineral from the unit, including royalties and other payments, shall be determined and governed by the lease or other contract pertaining to each separate tract, respectively, based upon the production so allocated to such tract only, in lieu of the actual production of the pooled mineral therefrom.

(e) A shut-in oil or gas well located upon any lease included within said unit shall be considered as a shut-in oil or gas well located upon each lease included within said unit; provided, however, that shut-in oil or gas well royalty shall be paid to the State on each State lease wholly or partially within the unit, according to the terms of such lease as though such shut-in oil or gas well were located on said lease, it being agreed that shut-in royalties provided in each State lease shall not be shared with other royalty owners or otherwise diminished by reason of this Ratification.

(f) Notwithstanding any other provision hereof, it is expressly agreed that each State lease may be maintained in force as to areas lying outside the unitized area described in Exhibit "A"



99 MAY 24 PM 2:45
LEGAL LAND OFFICE
LEGAL SERVICES

to the Unit Agreement only as provided in each such lease. "Area" as used in this paragraph shall be based upon surface acres to the end that, except as may be provided in each State Lease, the area inside the surface boundaries of the pooled unit, if held, will be held as to all depths and horizons.

(g) If the Railroad Commission of Texas (or any other Texas regulatory body having jurisdiction) shall adopt special field rules providing for oil and/or gas proration units of less than 352/80 acres, then Lessee agrees to either (1) drill to the density permitted by the Railroad Commission, (2) make application to the School Land Board of the State of Texas to reform the unit to comply with Railroad Commission unit rules, or (3) make application to the School Land Board of the State of Texas for such remedy as may be agreeable to the Board.

(h) There shall not be brought into the Unit Area any tract lying outside its boundaries until approval of such enlargement has been obtained from the School Land Board of the State of Texas.

(i) This Ratification shall not relieve Lessee from the duty of protecting the State Leases within the Unit Area from drainage from any well situated on privately owned land outside the Unit Area or as to any mineral not pooled hereby, but, subject to such obligation, Lessee may produce the allowable for the entire unit as fixed by the Railroad Commission of Texas or other lawful authority, from any one or more wells completed thereon.

(j) There shall be no obligation to drill internal offsets to any other well on separate tracts within the Unit Area, nor to develop the tracts separately, as to the pooled mineral.

(k) Should the Designation terminate for any cause, in whole or in part, the leases and other contracts affecting the lands within the unit, if not then otherwise maintained in force and effect, shall remain and may be maintained in force and effect under their respective terms and condition in the same manner as though there had been production or operations under said lease or contract and the same had ceased on the date of the termination of the Designation.

ALLOCATION OF PRODUCTION:

4.

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

TAKING ROYALTY IN KIND:

5.

Notwithstanding anything contained herein to the contrary, the State may, at its option, upon not less than sixty (60) days notice to Lessee, require that payment of all or any royalties accruing to the State under this Ratification be made in kind, without deduction for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting and otherwise making the oil, gas and other products produced hereunder ready for sale or use.

FULL MARKET VALUE:

6.

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

(a) As to royalty on oil by (1) the highest posted price, plus premium, if any, offered or paid for oil, condensate, distillate, or other liquid hydrocarbons, respectively, of a like type and gravity for the field where produced and when run, or (2) the highest market price thereof offered or paid for the field where produced and when run, or (3) the gross proceeds of the sale thereof, whichever is the greatest;

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

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

EFFECTIVE DATE:

7.

Upon execution by the Commissioner of the General Land Office of the State of Texas this Ratification shall become effective as of May 4, 1999, however, it is agreed that the State will participate in production from the Unit Well on a unitized basis from the date the pooled mineral was first produced.

TERM:

8.

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

STATE LAND:

9.

Insofar as the royalty interest of the State of Texas in and under any State tract committed to the unit is concerned, this Ratification is entered into, made and executed by the undersigned Commissioner of the General Land

Office by virtue of the authority and pursuant to the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, authorizing the same, after the prerequisites, findings and approval hereof, as provided in said Code having been duly considered, made and obtained.

DISSOLUTION:

10.

The Unit Area covered by this Ratification may be dissolved by Lessee, his heirs, successors or assigns, by an instrument filed for record in Wise County, Texas, and a certified copy thereof filed in the General Land Office at any time after the cessation of production on said unit or the completion of a dry hole thereon prior to production.

RATIFICATION/WAIVER:

11.

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

COUNTERPARTS:

12.

This Ratification may be executed in counterparts and if so executed shall be valid, binding and have the same effect as if all the parties hereto actually joined in and executed one and the same document. For recording purposes and in the event counterparts of this Ratification are executed, the executed pages, together with the pages necessary to show acknowledgments, may be combined with the other pages of this Ratification so as to form what shall be deemed and treated as a single original instrument showing execution by all parties hereto.

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

Date Executed 5-27-99

STATE OF TEXAS

Content du
Legal VP
Geology VP
GC VP
Executive BB

By: David Dewhurst
David Dewhurst, Commissioner
of the General Land Office

Date Executed 5-19-99

RAY RICHEY MANAGEMENT COMPANY, INC.

By: Ray Richey
Ray Richey
President
Its: _____

Judy Powell

CERTIFICATE

I, Judy Powell, Secretary of the School Land Board of the State of Texas, do hereby certify that at a meeting of the School Land Board duly held on the 4th day of May, 1999, the foregoing instrument was presented to and approved by said Board under the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, all of which is set forth in the Minutes of the Board of which I am custodian.

IN TESTIMONY WHEREOF, witness my hand this the 1st day of June, 1999.

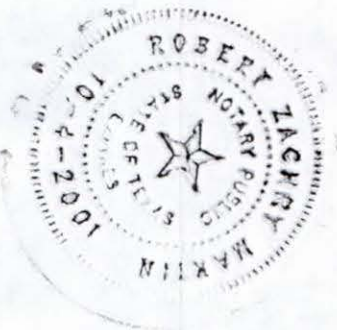
Judy Powell
Secretary of the School Land Board

STATE OF TEXAS

COUNTY OF Tarrant

This instrument was acknowledged before me on the 19th day of May, 1999, by Ray Richey as President of Ray Richey Management Company, INC. a TEXAS corporation on behalf of said corporation.

Robert Zachary Martin
Notary Public in and for the State of Texas



2.

File No. MT-08416
Boating and Unit
Agreement
Date Filed: 5/31/99
By: David D. Burch, Commissioner



06-07-99

M-84116

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

Application for Permit to Drill, Deepen, Plug Back, or Re-Enter

Form W-1
Rev. 9/1/83
483-060

• RRC Use Only •

00.31.8

5.

File No. MF 084116
Will Report
Date Filed: 3/12/99
Jerry E. Patterson, Commissioner
By [Signature]

RAILROAD COMMISSION OF TEXAS

Oil and Gas Division

Form G-1

Rev. 4/1/83

Type or print only

483-047

API No. 42-497-33464

7. RRC District No.

9

8. RRC Gas ID No.

Gas Well Back Pressure Test,
Completion or Recompletion Report, and Log

1. FIELD NAME (as per RRC Records or Wildcat)

2. LEASE NAME

Boonsville Bend (Conglomerate)

Crowley

9. Well No.

1R

3. OPERATOR'S NAME (Exactly as shown on Form P-5, Organization Report)

RRC Operator No.

Duer Wagner & Co.

890990

10. County of well site

Wise

4. ADDRESS

3400 City Center Tower II, 301 Commerce Street, Fort Worth, Texas 76102

5. Location (Section, Block, and Survey)

5b. Distance and direction to nearest town in this county.

MEP & PRR Co. #60/J.W. Gregory Survey

11. Purpose of filing

Initial Potential ☒Retest ☐Reclass ☐Well record only ☐

(Explain in remarks)

6. If operator has changed within last 60 days, name former operator

12. If workover or reclass, give former field (with reservoir) & Gas ID or oil lease no.

FIELD & RESERVOIR

GAS ID or

OIL LEASE #

Oil-O

Gas-G

WELL

13. Pipe Line Connection

Ensearch Gas Co.

14. Completion or recompletion date

11/21/89

15. Any condensate on hand at time of workover or recompletion? ☐ Yes ☐ No

16. Type of Electric or other Log Run.

Dual Induction

Section I

GAS MEASUREMENT DATA

Date of Test

11-21-89

Gas Measurement Method (Check One)

Orifice ☒ MeterFlange Taps ☒ Pipe TapsPositive Choke ☐Orifice Vent Meter ☐Pitot Tube ☐Critical-flow Prover ☐

Gas produced during test

741 MCF

| Run No. | Lin. Size | Orif. or Choke Size | 24 Hr. Coeff. | Static P _m or Choke Press | Diff. h _w | Flow Temp. °F | Temp. Factor F _T | Gravity Factor F _g | Compress Factor F _{pv} | Volume MCF/DAY |
|---------|-----------|---------------------|---------------|--------------------------------------|----------------------|---------------|-----------------------------|-------------------------------|---------------------------------|----------------|
| 1 | 2.067 | 1.000 | 6549.28 | 124.2 | 93 | 60 | 1.000 | .9258 | 1.017 | 663 |
| 2 | 2.067 | 1.000 | 6549.28 | 119.2 | 91 | 60 | 1.000 | .9258 | 1.017 | 642 |
| 3 | 2.067 | 1.000 | 6549.28 | 119.2 | 87 | 60 | 1.000 | .9258 | 1.017 | 628 |
| 4 | 2.067 | 1.000 | 6549.28 | 119.2 | 82 | 60 | 1.000 | .9258 | 1.017 | 610 |

Section II

FIELD DATA AND PRESSURE CALCULATIONS

| | | | | | | | | | | | |
|--|------------------------------------|----------------------------|--|------------------------|---|---|---|--------------------|--------------------------------|----------------------|--|
| Gravity (Dry Gas) | | Gravity Liquid Hydrocarbon | | Gas-Liquid Hydro Ratio | | Gravity of Mixture | | Avg. Shut-In Temp. | | Bottom Hole Temp. | |
| .700 | | Trace | | Trace | | CF/Bbl G _{mix} = .700 | | 108 °F | | 150°F @ 5820 (Depth) | |
| D _{eff} ^{8/3} = | | | √T _f = √ = | | | | √GL = √ = | | | | |
| C = $\frac{1118 \times (D_{eff})^{8/3}}{\sqrt{T}}$ = | | | | | | √ $\frac{GL}{C}$ = = | | | | | |
| Run No. | Time of Run Min. | Choke Size | Wellhead Press. PSIA P _w | Wellhead Flow Temp. °F | P _w ² (Thousands) | R | R ² (Thousands) | P ₁ | P _w /P ₁ | | |
| Shut-In | | | 1634.2 | 65 | | | | | | | |
| 1 | 1440 | 24/64 | 239.2 | 60 | | | | | | | |
| 2 | 60 | 22/64 | 269.2 | 60 | | | | | | | |
| 3 | 60 | 20/64 | 304.2 | 60 | | | | | | | |
| 4 | 60 | 18/64 | 359.2 | 60 | | | | | | | |
| Run No. | F | K | S = $\frac{1}{z}$ | E ^{ks} | P _f and P _s | P _f ² and P _s ² (thousands) | P _f ² - P _s ² (thousands) | Angle of Slope | | | |
| Shut-In | | | | | 1893 | 3583 | | θ .45° | | | |
| 1 | Recorded Bottom Hole Pressure With | | | | 487 | 237 | 3346 | n 1.000 | | | |
| 2 | Amerada RPG-3 Set @ 5820. | | | | 495 | 245 | 3338 | Absolute Open Flow | | | |
| 3 | | | | | 514 | 264 | 3319 | ...710.... MCF/DAY | | | |
| 4 | | | | | 540 | 292 | 3291 | | | | |

WELL TESTER'S CERTIFICATION: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I conducted or supervised this test and that data and facts shown in Sections I and II above are true, correct, and complete, to the best of my knowledge. Bottomhole temperature and the diameter and length of flow string were furnished by the operator of the well.

Signature: Well Tester

G. W. Wireline, Inc.

Name of Company

RRC Representative

OPERATOR'S CERTIFICATION: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this report, that I prepared or supervised and directed this report, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

Signature: Operator's representative

Prod. Supervisor 11-21-89

Title

Date

Tel: 817/ 335-2222

A/C Number

| SECTION III | | DATA ON WELL COMPLETION AND LOG (Not Required on Retest) | | | | | |
|--|-----------|--|---|--|---|---------------|---------------------|
| 17. Type of Completion: New Well <input checked="" type="checkbox"/> Deepening <input type="checkbox"/> Plug Back <input type="checkbox"/> Other <input type="checkbox"/> | | | | | 18. Permit to Drill, Plug Back or Deepen DATE 10/10/89 PERMIT NO. 365009 | | |
| 19. Notice of Intention to Drill this well was filed in Name of Duer Wagner & Co. | | | | | Rule 37 Exception Water Injection Permit Salt Water Disposal Permit Other | | |
| 20. Number of producing wells on this lease in this field (reservoir) including this well One | | 21. Total number of acres in this lease 352 | | PERMIT NO. | | | |
| 22. Date Plug Back, Deepening, WorkOver or Drilling Operations: 10/22/89 | | Completed 11/15/89 | | 23. Distance to nearest well, Same Lease & Reservoir None | | | |
| 24. Location of well, relative to nearest lease boundaries of lease on which this well is located 653 Feet From Northwest Line and 2091 Feet from East Line of the Lease | | | 25. Elevation (DF, RKB, RT, GR, ETC.) GR 1016' | | | | |
| 26. Was directional survey made other than inclination (Form W-12)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | 27. Top of Pay 5783 | | | | |
| 28. Total Depth 6,000 | | 29. P. B. Depth 5853' | | 30. Surface Casing Determined by: Field <input type="checkbox"/> Rules <input type="checkbox"/> Recommendation of T.D.W.R. Railroad Commission (Special) <input checked="" type="checkbox"/> | | | |
| 31. Is well multiple completion? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | 32. If multiple completion, list all reservoir names (completions in this well) and Oil Lease or Gas ID No. FIELD & RESERVOIR | | 33. Intervals Drilled by: Rotary Tools Cable Tools Dt. of Letter 10/02/89 | | | |
| 34. Name of Drilling Contractor L.D. Burns | | | 35. Is Cementing Affidavit Attached? <input checked="" type="checkbox"/> Yes | | | | |
| 36. CASING RECORD (Report All Strings Set in Well) | | | | | | | |
| CASING SIZE | WT #/FT. | DEPTH SET | MULTISTAGE TOOL DEPTH | TYPE & AMOUNT CEMENT (sacks) | HOLE SIZE | TOP OF CEMENT | SLURRY VOL. cu. ft. |
| 8-5/8" | 24# | 917' | | 250 sx | 12-1/4" | Surface | 496 |
| | | | | Pacesetter | | | |
| | | | | Lite 140 sx | | Surface | 445 |
| 4-1/2" | 10.5# | 5983' | | "C" 850 sx | 7-7/8" | 4554' | 1249 |
| 50/50 "C: POZ | | | | | | | |
| 37. LINER RECORD | | | | | | | |
| Size | | TOP | | Bottom | | Sacks Cement | |
| | | | | | | | |
| | | | | | | | |
| 38. TUBING RECORD | | | | | | | |
| Size | Depth Set | | Packer Set | | 39. Producing Interval (this completion) Indicate depth of perforation or open hole | | |
| 2-3/8" | 5724' | | 5724' | | From 5783 | To 5856 | |
| | | | | | From | To | |
| | | | | | From | To | |
| | | | | | From | To | |
| 40. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC. | | | | | | | |
| Depth Interval | | | | Amount and Kind of Material Used | | | |
| 5783-5856' | | | | 34,000 gals 75% quality foam and 42,000 # 4020 sand | | | |
| 41. FORMATION RECORD (LIST DEPTHS OF PRINCIPAL GEOLOGICAL MARKERS AND FORMATION TOPS) | | | | | | | |
| Formations | | Depth | | Formations | | Depth | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

REMARKS

6.
File No.

MT 084416

will report

Date Filed:

3/12/99

Jerry E. Patterson, Commissioner

By

