1521
1522

STATE LEASE MF086481

#	LeaseDate	Acres	Status	CONTROL	BASEFILE	COUNTY
A	Oct 06 1981	0.00	EXPIRED	01-2809	000 -	BRAZOS /021
				01-2818	000 -	GRIMES /093

T

TERMINATION
DATE 10/26/15
LEASING SSD
MAPS JA
GIS MC

Rentals:

Lease Admin:

Mineral Maps: JA

SURVEY : NAVASOTA RIVER
BLOCK :
TOWNSHIP : 00
SECTION/TRACT:
PART : PT
ACRES : 7.55
DEPTH LIMITS : NO

LESSEE : REPUBLIC ENERGY INC
LEASE DATE : Oct 06 1981
PRIMARY TERM : 3 yrs
BONUS ($) : 6334.20
RENTAL ($) : 5.00
ROYALTY : 0.25000000
VAR ROYALTY :

STOP

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

-M-
F
F283616
REPUBLIC ENERGY INC

Unit 7.55 net ac.
Non Unit 22.45 net ac EXPIRE A
RW

STATE LEASE M-86481 1

21493

COUNTY:	Brazos and Grimes
TRACT :	2, Navasota River
PART :	
ACRES :	30 approx.
LESSEE :	Republic Energy, Inc.
DATE :	October 6, 1981
TERM :	3 Years
BONUS :	$6,334.20
RENTAL:	$5.00 #150.00
FILE :	

01-00280-9
01-00281-8

Case Tot
Legal
Rental RW
Min. A/c
Min. Map

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SEP 23 1996

over

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scanned PS 11-14-2019

86481

MINERAL LEASE APPLICATION
(Oil and Gas Lease)
(Bid Form)

RECEIVED IN THE GENERAL LAND OFFICE ON OR BEFORE 10 A.M. OCT 6 - 1981

To the Commissioner of the General Land Office
and the School Land Board
Austin, Texas

By virtue of Article 5421c, Vernon's Civil Statutes, and other applicable laws, providing for the leasing of river beds and channels, unsold surveyed school lands, and areas within tidewater limits including islands, lakes, salt water lakes, bays, inlets, marshes, reefs, the bed of the sea, and that portion of the Gulf of Mexico within the jurisdiction of the State of Texas, I herewith tender my application for the following area:

	Survey	Tract	Blk	Tsp	Original Grantee	Acres	Designated Area	County
1. 54	Wilkinson A-236 Bowman A-72	2				30	Navasota River	Brazos & Grimes

(Only one tract may be included in this application, and it must be described the same as in the advertised list).

I accept and agree to the terms and requirements of said statutes, and I agree to pay to the State of Texas at the General Land Office, Austin, Texas, One-Fourth (1/4th) of the gross production of oil and/or gas, or the value of same that may be produced thereon.

And beginning with the second year of the lease, I agree to pay delay rental in the sum of Five and NO/100($5.00) Dollars per acre, which shall operate as a rental and cover the privilege of deferring the commencement of a well for twelve (12) months from said date. In like manner and upon like payments or tenders the commencement of a well may be further deferred for like periods of the same number of months successively during the primary term of my lease.

If production in commercial quantities should be secured within the three-year primary term, or any extension thereof, my lease shall continue as long thereafter as oil or gas is produced therefrom in commercial quantities.

8277

IN ADDITION TO THE ABOVE, I HEREBY BID AND ENCLOSE HEREWITH AS A CASH BONUS THE SUM OF Six Thousand, Three Hundred, Thirty-Four and 20/100 ($6,334.20)---------- 8278 DOLLARS.

There is also attached remittance in the amount of Sixty-Three and 34/100 ($63.35)---------- Dollars, being 1% of the cash bonus offered as a special sale fee as provided in Article 5382d-1, Vernon's Civil Statutes

PLEASE COMPLETE (ONE DIGIT PER SPACE)

MARGINAL NO. 1 5 4

APPLICANT: R E P U B L I C _ _ _ _ _

E N E R G Y , I N C . _ _ _ _ _ _ _

ROYALTY: _ _ _ _ _ _

BONUS: $ _ , _ _ 6, 3 3 4. 2 0

October 1, 1981
(Date)

REPUBLIC ENERGY, INC., a Texas corporation

By: J.D. Moon
(Applicant) J.D. Moon

2727 Osborn LA. - PO Box 4786
(Address)

Byran, TX 77805
(Post Office)

4-2-74

CERTIFICATE

I, _____, Secretary of the School Land Board, do hereby certify that at a regular meeting of said Board held in the General Land Office, Austin, Texas, on the _____ day of _____, A. D., 19____, the above application No. _____ was _____, all of which is shown in Vol. _____, Page _____, of the Minutes of said Board.

Given under my hand this the _____ day of _____, A. D., 19_____, at Austin, Texas.

_____
Secretary of the School Land Board

APPLICATION NO. 22270

CERTIFICATE

I, Linda K. Fisher, Secretary of the School Land Board, do hereby certify that at a regular meeting of said Board held in the General Land Office, Austin, Texas, the said application number was accepted, all of which is shown in the minutes of said Board.

GIVEN UNDER MY HAND this the 4th day of January, A.D., 1982, at Austin, Texas.

Linda K. Fisher

Secretary of the School Land Board

(1)
M-86481
Bid
10-6-81 gs

Revised
Lease Form 9-81

The State of Texas
General Land Office

Austin, Texas

OIL AND GAS LEASE
No. 86481

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

Tract 2, Navasota River, Brazos and Grimes Counties, Texas, containing approximately 30 acres, is bound on the North by a Southeasterly extension of the Northeast line of the Eli Wickson Survey, A-236, and is bound on the South by a Southeasterly extension of the most Easterly Southwest line of the Thos. Bowman Survey, A-72, both surveys being in Brazos County, Texas,

was, after being duly advertised, offered for lease on the 6th day of October, 19 81, at 10:00 o'clock A.M., by the Commissioner of the General Land Office of the State of Texas and the School Land Board of the State of Texas, for the sole and only purpose of prospecting and drilling for, and producing oil and/or gas that may be found and produced from the above described area; and

WHEREAS, after all bids and remittances which were received up to said time have been duly considered by the Commissioner of the General Land Office and the School Land Board at a regular meeting thereof in the General Land Office, on the 6th day of October, 19 81, and it was found and determined that REPUBLIC ENERGY, INC., a Texas corporation, whose address is 2727 Osborn LA., P. O. Box 4786, Bryan, Texas 77805, had offered the highest and best bid for a lease of the area above described and is, therefore, entitled to receive a lease thereon:

NOW, THEREFORE, I, BOB ARMSTRONG, Commissioner of the General Land Office of the State of Texas, hereinafter sometimes referred to as "Lessor", whose address is Austin, Texas, by virtue of the authority vested in me and in consideration of the payment by the hereinafter designated Lessee, the sum of Six Thousand Three Hundred Thirty-four and 20/100 Dollars ($6,334.20), receipt of which is hereby acknowledged and of the royalties, covenants, stipulations and conditions contained and hereby agreed to be paid, observed and performed by Lessee, do hereby demise, grant, lease and let unto Republic Energy, Inc., a Texas corporation, the exclusive right to prospect for, produce and take oil and/or gas from the aforesaid area upon the following terms and conditions, to-wit:

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

2. DELAY RENTALS: If no well be commenced on the land hereby leased on or before the 6th day of October, 19 82, this lease shall terminate as to both parties unless the Lessee on or before said date shall pay or tender to the Commissioner of the General Land Office of the State of Texas at Austin, Texas, the sum of FIVE AND NO/100 Dollars ($5.00), per acre, which shall operate as rental and cover the privilege of deferring the commencement of a well for twelve (12) months from said date. In like manner, and upon like payments or tenders the commencement of a well may be further deferred for like periods of the same number of months successively during the primary term hereof.

3. PRODUCTION ROYALTIES: When production of oil and/or gas is secured, the Lessee agrees to pay or cause to be paid to the Commissioner of the General Land Office in Austin, Texas, for the use and benefit of the State of Texas, during the term hereof:

(A) OIL: As a royalty on oil, which is defined as including all hydrocarbons produced in a liquid form at the mouth of the well and also all condensate, distillate, and other liquid hydrocarbons recovered from oil or gas run through a separator or other equipment, as hereinafter provided, ONE-FOURTH (1/4) part of the gross production or the market value thereof, at the option of the Lessor, such value to be determined by 1) the highest posted price, plus premium, if any, offered or paid for oil, condensate, distillate, or other liquid hydrocarbons, respectively, of a like type and gravity in the general area where produced and when run, or 2) the highest market price thereof offered or paid in the general area where produced and when run, or 3) the gross proceeds of the sale thereof, whichever is the greater. Lessee agrees that before any gas produced from the land hereby leased is sold, used or processed

in a plant, it will be run free of cost to Lessor through an adequate oil and gas separator of conventional type or other equipment at least as efficient to the end that all liquid hydrocarbons recoverable from the gas by such means will be recovered. Upon written consent of Lessor, the requirement that such gas be run through such a separator or other equipment may be waived upon such terms and conditions as prescribed by Lessor.

(B) NON-PROCESSED GAS: As a royalty on any gas (including flared gas), which is defined as all hydrocarbons and gaseous substances not defined as oil in subparagraph (A) above, produced from any well on said land (except as provided herein with respect to gas processed in a plant for the extraction of gasoline, liquid hydrocarbons or other products) ONE-FOURTH (1/4) part of the gross production or the market value thereof, at the option of the Lessor, such value to be based on the highest market price paid or offered for gas of comparable quality in the general area where produced and when run, or the gross price paid or offered to the producer, whichever is the greater; provided that the maximum pressure base in measuring the gas under this lease contract shall not at any time exceed 14.65 pounds per square inch absolute, and the standard base temperature shall be sixty (60) degrees Fahrenheit, correction to be made for pressure according to Boyle's Law, and for specific gravity according to test made by the Balance Method or by the most approved method of testing being used by the industry at the time of testing.

(C) PROCESSED GAS: As a royalty on any gas processed in a gasoline plant or other plant for the recovery of gasoline or other liquid hydrocarbons, ONE-FOURTH (1/4) part of the residue gas and the liquid hydrocarbons extracted or the market value thereof, at the option of the Lessor. All royalties due herein shall be based on one hundred percent (100%) of the total plant production of residue gas attributable to gas produced from this lease, and on fifty percent (50%) or that percent accruing to Lessee, whichever is the greater, of the total plant production of liquid hydrocarbons, attributable to the gas produced from this lease; provided that if liquid hydrocarbons are recovered from gas processed in a plant in which Lessee (or its parent, subsidiary or affiliate) owns an interest, then the percentage applicable to liquid hydrocarbons shall be fifty percent (50%) or the highest percent accruing to a third party processing gas through such plant under a processing agreement negotiated at arms' length (or if there is no such third party, the highest percent then being specified in processing agreements or contracts in the industry), whichever is the greater. The respective royalties on residue gas and on liquid hydrocarbons shall be determined by 1) the highest market price paid or offered for any gas (or liquid hydrocarbons) of comparable quality in the general area or 2) the gross price paid or offered for such residue gas (or the weighted average gross selling price for the respective grades of liquid hydrocarbons), whichever is the greater. In no event, however, shall the royalties payable under this paragraph be less than the royalties which would have been due had the gas not been processed.

(D) OTHER PRODUCTS: As a royalty on carbon black, sulphur or any other products produced or manufactured from gas (excepting liquid hydrocarbons) whether said gas be "casinghead", "dry" or any other gas, by fractionating, burning or any other processing, ONE-FOURTH (1/4) part of the gross production of such products, or the market value thereof, at the option of Lessor, such market value to be determined as follows:

(1) On the basis of the highest market price of each product, during the same month in which such product is produced, or
(2) On the basis of the average gross sale price for each of the products for the same month in which such products are produced; whichever is the greater.

(E) NO DEDUCTIONS: Lessee agrees that all royalties accruing to Lessor under this lease shall be without deduction for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting, and otherwise making the oil, gas and other products produced hereunder ready for sale or use.

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

(G) PLANT FUEL AND RECYCLED GAS: No royalty shall be payable on any gas as may represent this lease's proportionate share of any fuel used to process gas produced hereunder in any processing plant. Notwithstanding anything contained herein to the contrary, and subject to the consent in writing of the Commissioner of the General Land Office, Lessee may recycle gas for gas lift purposes on the leased premises or for injection into any oil or gas producing formation underlying the leased premises after the liquid hydrocarbons contained in the gas have been removed and no royalties shall be payable on the gas so recycled until such time as the same may thereafter be produced and sold or used by Lessee in such manner as to entitle Lessor to a royalty thereon under the royalty provisions of this lease.

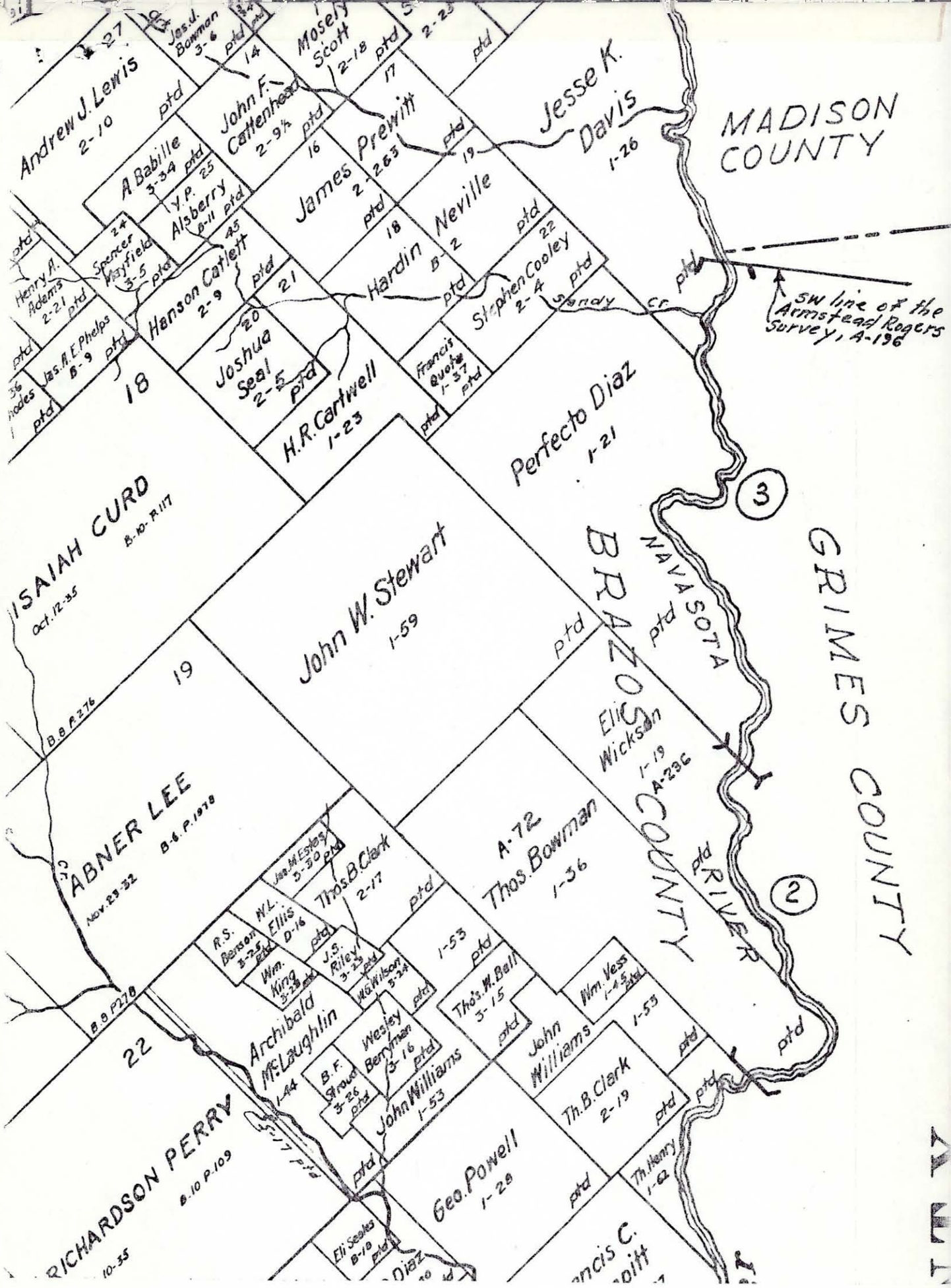
(H) MINIMUM ROYALTY: During any year after the expiration of the primary term of this lease, if this lease is maintained by production, the royalties paid to Lessor in no event shall be less than an amount equal to the total annual delay rental herein provided; otherwise, there shall be due and payable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

4. ROYALTY PAYMENTS AND REPORTS: All royalties not taken in kind shall be paid to the Commissioner of the General Land Office at Austin, Texas in the following manner:

Royalty on oil is due and must be received in the General Land Office on or before the 5th day of the second month succeeding the month of production, and royalty on gas is due and must be received in the General Land Office on or before the 15th day of the second month succeeding the month of production, accompanied by the affidavit of the owner, manager or other authorized agent, completed in the form and manner prescribed by the General Land Office and showing the gross amount and disposition of all oil and gas produced and the market value of the oil and gas, together with a copy of all documents, records or reports confirming the gross production, disposition and market value including gas meter readings, pipeline receipts, gas line receipts, and other checks or memoranda of amount produced and put into pipelines, tanks, or pools and gas lines or gas storage, and any other reports or records which the General Land Office may require to verify the gross production, disposition and market value. In all cases the authority of a manager or agent to act for the Lessee herein must be filed in the General Land Office. Each royalty payment shall be accompanied by a check stub, schedule, summary or other remittance advice showing by the assigned General Land Office lease number the amount of royalty being paid on each lease. Any royalty not paid or affidavits and supporting documents not filed when due shall become delinquent and shall have added to the sum owing a delinquency penalty of one percent (1%) of such sum for each thirty (30) day period of delinquency or a fractional period thereof; provided, however, that each such penalty shall never be less than Five Dollars ($5). The lessee shall bear all responsibility for paying or causing royalties to be paid as prescribed by the due date provided herein. Payment of the delinquency penalty shall in no way operate to prohibit the State's right of forfeiture as provided by law nor act to postpone the date on which royalties were originally due. The above penalty provisions shall not apply in cases of title dispute as to the State's portion of the royalty or to that portion of the royalty in dispute as to fair market value.

5. (A) RESERVES, CONTRACTS AND OTHER RECORDS: Lessee shall annually furnish the Commissioner of the General Land Office with its best possible estimate of oil and gas reserves underlying this lease or allocable to this lease and shall furnish said Commissioner with copies of all contracts under which gas is sold or processed and all subsequent agreements and amendments to such contracts within thirty (30) days after entering into or making such contracts, agreements or amendments. Such contracts and agreements when received by the General Land Office shall be held in confidence by the General Land Office unless otherwise authorized by Lessee. All other contracts and records pertaining to the production, transportation, sale and marketing of the oil and gas produced on said premises, including the books and accounts, receipts and discharges of all wells, tanks, pools, meters, and pipelines shall at all times be subject to inspection and examination by the Commissioner of the General Land Office, the Attorney General, the Governor, or the representative of any of them. The State shall have a first lien upon all oil and gas produced from the area covered by this lease, to secure payment of all unpaid royalty and other sums of money that may become due under this lease.

(B) DRILLING RECORDS: Written notice of all operations on a State of Texas lease shall be submitted to the Commissioner of the General Land Office by Lessee or operator within five (5) days of spud date, workover, re-entry, temporary abandonment or plug and abandonment of any well or wells. Such written notice to the General Land Office shall include copies of Railroad Commission forms for application to drill, well tests,



MAP SHOWING

PORTION OF NAVASOTA RIVER

BRAZOS AND GRIMES COUNTIES

TR. 2 ..... 30 AC. APPROX.
TR. 3 ..... 45 AC. APPROX.

MAP NO. 36

File No. MF086481
lease

Date Filed: 10/6/81
Jerry E. Patterson, Commissioner

By SSD

completion reports and plugging records. Lessee shall supply the General Land Office with any records, memoranda, accounts, reports, cuttings and cores, or other information relative to the operation of the above described premises, which may be requested by the General Land Office, in addition to those herein expressly provided for. Lessee shall have an electrical and/or radioactivity survey made on the bore-hole section, from the base of the surface casing to the total depth of well, of all wells drilled on the above described premises and shall transmit a true copy of the log of each survey on each well to the General Land Office within fifteen (15) days after the making of said survey.

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

7. OFFSET WELLS: If oil and/or gas should be produced in commercial quantities in a well on land privately owned or on State land leased at a lesser royalty, which well is within one thousand (1,000) feet of the area included herein, the Lessee shall, within sixty (60) days after such initial production on such land, begin in good faith and prosecute diligently the drilling of an offset well on this area, and such offset well shall be drilled to such depth as may be necessary to prevent the undue drainage of this area, and the Lessee, manager or driller shall use all means necessary in a good faith effort to make such offset well produce oil and/or gas in commercial quantities.

8. DRY HOLE CLAUSE: If, during the primary term hereof and prior to discovery and production of oil or gas on said land, Lessee should drill a dry hole or holes thereon, or if after discovery and production of oil or gas the production thereof should cease from any cause, this lease shall not terminate if on or before the rental paying date next ensuing after the expiration of sixty (60) days from date of completion of said dry hole or cessation of production Lessee commences additional drilling or reworking operations thereon, or commences or resumes the payment of annual delay rental in the same manner as provided in Paragraph Number 2 of this lease. If a dry hole be completed and abandoned during the last year of the primary term, Lessee's rights shall remain in full force and effect without further operations until the expiration of the primary term. Should the first well or any subsequent well drilled on the above described land be completed as a shut-in oil or gas well within the primary term hereof, Lessee shall resume payment of annual rental in the same manner as provided in Paragraph Number 2 in this lease on or before the rental paying date next ensuing after sixty (60) days from the date of completion of such shut-in oil or gas well and the failure to make such annual rental payment shall subject the lease to forfeiture under the provisions of Paragraph Number 17 hereof. If at the expiration of the primary term or at any time thereafter a shut-in oil or gas well is located on the leased premises payments shall be made in accordance with the provisions of Paragraph Number 10 hereof.

9. CESSATION, DRILLING, AND REWORKING: In the event production of oil or gas on the leased premises after once obtained shall cease from any cause at the expiration of the primary term hereof or at any time or times thereafter, this lease shall not terminate if Lessee commences additional drilling or reworking operations within sixty (60) days thereafter, and the lease shall remain in full force and effect so long as such operations continue in good faith and in workmanlike manner without interruptions totaling more than sixty (60) days during any one such operation; and if such drilling or reworking operations result in the production of oil or gas, the lease shall remain in full force and effect so long as oil or gas is produced therefrom in paying quantities or payment of shut-in oil or gas well royalties or compensatory royalties is made as hereinafter provided or as provided elsewhere in the statutes of the State of Texas. Lessee shall give written notice to the General Land Office within five (5) days of any cessation of production.

10. SHUT-IN ROYALTIES: If at the expiration of the primary term or at any time after the expiration of the primary term a well or wells capable of producing oil or gas in paying quantities are located on the leased premises but oil or gas is not being produced for lack of suitable production facilities or a suitable market and the lease is not being maintained in force and effect, before the expiration of the primary term or if the primary term has expired, within sixty (60) days after Lessee ceases to produce oil or gas from the well, Lessee may pay as a shut-in oil or gas royalty an amount equal to double the annual rental provided in the lease but not less than $1,200 a year for each well capable of producing oil or gas in paying quantities; if the shut-in oil or gas royalty is paid, the lease shall be considered to be a producing lease and the payment shall extend the term of the lease for a period of one year from the end of the primary term or from the first day of the month next succeeding the month in which production ceased and after that if no suitable production facilities or suitable market for the oil or gas exists, Lessee may extend the lease for four additional and successive periods of one year by paying the same amount each year on or before the expiration of the extended term; if, during the period the lease is kept in effect by payment of the shut-in oil or gas royalty, oil or gas is sold and delivered in paying quantities from a well located within 1,000 feet of the leased premises and completed in the same producing reservoir or in any case in which drainage is occurring, the right to continue to extend the lease by paying the shut-in oil or gas royalty shall cease, but the lease shall remain effective for the remainder of the year for which the royalty has been paid and for an additional period of not more than five years from the expiration of the primary term by Lessee paying compensatory royalty at the royalty rate provided in the lease of the value at the well of production from the well which is causing the drainage or which is completed in the same producing reservoir and within 1,000 feet of the leased premises; the compensatory royalty is to be paid monthly to the commissioner beginning on or before the last day of the month next succeeding the month in which the oil or gas is sold and delivered from the well located within 1,000 feet of or draining the leased premises and completed in the same reservoir; if the compensatory royalty paid in any 12-month period is in an amount less than the annual shut-in oil or gas royalty, Lessee shall pay an amount equal to the difference within 30 days from the end of the 12-month period; and none of these provisions will relieve Lessee of the obligation of reasonable development nor the obligation to drill offset wells as provided in Section 52.034 of the N.R.C.

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

12. USE OF WATER; SURFACE: Lessee shall have the right to use water produced on said land necessary for operations hereunder and solely upon the leased premises; provided, however, Lessee shall not use potable water or water suitable for livestock or irrigation purposes for water flood operations without the prior written consent of Lessor. Lessee shall have the right to use so much of the surface of the land that may be reasonably necessary for drilling and operating wells and transporting and marketing the production therefrom, such use to be conducted under conditions of least injury to the surface of the land.

13. POLLUTION: In developing this area, Lessee shall use the highest degree of care and all proper safeguards to prevent pollution. In the event of pollution, Lessee shall use all means at its disposal to recapture all escaped hydrocarbons or other pollutant and shall be responsible for all damage to public and private properties. Lessee shall build and maintain fences around its slush, sump, and drainage pits and tank batteries so as to protect livestock against loss, damage or injury; and upon completion or abandonment of any well or wells, Lessee shall fill and level off all slush pits and cellars and completely clean up the drilling site of all rubbish thereon.

14. IDENTIFICATION MARKERS: Lessee shall erect, at a distance not to exceed 25 feet from each well on the premises covered by this lease, a legible sign on which shall be stated the name of the operator, the lease designation and the well number. Where two or more wells on the same lease or where wells on two or more leases are connected to the same tank battery, whether by individual flow line connections direct to the tank or tanks or by use of a multiple header system, each line between each well and such tank or header shall be legibly identified at all times, either by a firmly attached tag or plate or an identification properly painted on such line at a distance not to exceed three (3) feet from such tank or header connection. Said signs, tags, plates or other identification markers shall be maintained in a legible condition throughout the term of this lease.

15. ASSIGNMENTS: The lease may be transferred at any time. All transfers must be recorded in the county where the area is located, and the recorded transfer or a copy certified to by the County Clerk of the county where the transfer is recorded must be filed in the General Land Office within ninety (90) days of the execution date, as provided by Section 52.026, N.R.C., accompained by a filing fee of Ten Dollars ($10.00).

16. RELEASES: Lessee may relinquish the rights granted hereunder to the State at any time by recording the relinquishment in the county where

this area is situated and filing the recorded relinquishment or certified copy of same in the General Land Office within ninety (90) days after its execution accompanied by a filing fee of Ten Dollars ($10.00). Such relinquishment will not have the effect of releasing Lessee from any liability theretofore accrued in favor of the State.

17. FORFEITURE: (A) If Lessee shall fail or refuse to make the payment of any sum within thirty days after it becomes due, or if Lessee or an authorized agent should knowingly make any false return or false report concerning production or drilling, or if Lessee shall fail or refuse to drill any offset well or wells in good faith as required by law and the rules and regulations adopted by the Commissioner of the General Land Office, or if Lessee should fail to file reports in the manner required by law or fail to comply with rules and regulations promulgated by the General Land Office or the School Land Board, or refuse the proper authority access to the records pertaining to operations, or Lessee or an authorized agent should knowingly fail or refuse to give correct information to the proper authority, or knowingly fail or refuse to furnish the General Land Office a correct log of any well, or if Lessee shall knowingly violate any of the material provisions of this lease, or if this lease is assigned and the assignment is not filed in the General Land Office as required by law, the rights acquired under this lease shall be subject to forfeiture by the Commissioner, and he shall forfeit same when sufficiently informed of the facts which authorize a forfeiture, and when forfeited the area shall again be subject to lease to the highest bidder, under the same regulations controlling the original sale of leases. However, nothing herein shall be construed as waiving the automatic termination of this lease by operation of law or by reason of any special limitation arising hereunder.

(B) Forfeitures may be set aside and this lease and all rights thereunder reinstated before the rights of another intervene upon satisfactory evidence to the Commissioner of the General Land Office of future compliance with the provisions of the law and of this lease and the rules and regulations that may be adopted relative thereto.

18. RIVERBED TRACTS: In the event this lease covers a riverbed, Lessee is hereby specifically granted the right of eminent domain and condemnation as provided for in Sections 52.092-52.093, N.R.C., as a part of the consideration moving to Lessor for the covenants herein made by Lessee.

19. DRILLING RESTRICTIONS: In the event this lease covers land leased under the provisions of Subchapter B, Chapter 52, N.R.C., no surface location on this area may be closer than six hundred sixty (660) feet from the center of any navigable ship channel, and special permission from the Commissioner of the General Land Office will be necessary to make any surface location between six hundred sixty (660) feet and two thousand one hundred sixty (2,160) feet from the center of any such navigable ship channel. Also in such event this lease shall be subject to all rules and regulations promulgated by the Commissioner of the General Land Office, and amendments thereto, governing drilling and producing operations on permanent free school lands.

20. REMOVAL OF EQUIPMENT: Upon the termination of this lease for any cause, Lessee shall not, in any event, be permitted to remove the casing or any part of the equipment from any producing, dry, or abandoned well or wells without the written consent of the Commissioner of the General Land Office or his authorized representative; nor shall Lessee, without the written consent of said Commissioner or his authorized representative remove from the leased premises the casing or any other equipment, material, machinery, appliances or property owned by Lessee and used by Lessee in the development and production of oil or gas therefrom until all dry or abandoned wells have been plugged and until all slush or refuse pits have been properly filled and all broken or discarded lumber, machinery, or debris shall have been removed from the premises to the satisfaction of the said Commisioner or his authorized representative.

21. FORCE MAJEURE: Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling operations thereon, or from producing oil and/or gas therefrom, after effort made in good faith, by reason of war, rebellion, riots, strikes, acts of God or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended upon proper and satisfactory proof presented to the Commissioner of the General Land Office in support of Lessee's contention and Lessee shall not be liable for damages for failure to comply therewith (except in the event of lease operations suspended as provided in the rules and regulations adopted by the School Land Board); and this lease shall be extended while and so long as Lessee is prevented, by any such cause, from drilling, reworking operations or producing oil and/or gas from the leased premises; provided, however, that nothing herein shall be construed to suspend the payment of rentals during the primary or extended term, nor to abridge Lessee's right to a suspension under any applicable statute of this state.

22. RAILROAD COMMISSION HEARINGS ON GAS: No natural gas or casinghead gas, including both associated and nonassociated gas, produced from the mineral estate subject to this lease may be sold or contracted for sale to any person for ultimate use outside the State of Texas unless the Railroad Commission of Texas, after notice and hearing as provided in Title 3 of the N.R.C., finds that:

(a) the person, agency, or entity that executed the lease in question does not require the natural gas or casinghead gas to meet its own existing needs for fuel;
(b) no private or public hospital, nursing home, or other similar health-care facility in this state requires the natural gas or casinghead gas to meet its existing needs for fuel;
(c) no public or private school in this state that provides elementary, secondary, or higher education requires the natural gas or casinghead gas to meet its existing needs for fuel;
(d) no facility of the state or of any county, municipality, or other political subdivision in this state requires the natural gas or casinghead gas to meet its existing needs for fuel;
(e) no producer of food and fiber requires the natural gas or casinghead gas necessary to meet the existing needs of irrigation pumps and other machinery directly related to this production; and
(f) no person who resides in this state and who relies on natural gas or casinghead gas to provide in whole or part his existing needs for fuel or raw material requires the natural gas or casinghead gas to meet those needs;
provided, however, the Railroad Commission of Texas may grant exceptions to these provisions as set forth in Section 52.296 of the N.R.C.

23. SUCCESSORS AND ASSIGNS: The covenants, conditions and agreements contained herein shall extend to and be binding upon the heirs, executors, administrators, successors or assigns of Lessee herein.

IN TESTIMONY WHEREOF, Witness the signature of the Commissioner of the General Land Office, under the seal of the General Land Office, this 6th day of October, 19 81. Bob Armstrong

COMMISSIONER OF THE GENERAL LAND OFFICE
ORIGINAL SIGNED

Approved

Audit
Legal
Engineering
Geology
Execution

OIL AND GAS LEASE NO. M-86481 (2)
DATE 10-6-81 BY

TX-00094.00

ASSIGNMENT OF OIL AND GAS LEASE VOL 453 PAGE 351

#67884

WHEREAS, under date of October 6, 1981 that certain Oil and Gas Lease was made and entered into by and between The State of Texas, as Lessor, and Republic Energy, Inc., a Texas corporation, as Lessee, covering the following described land in the County of Grimes, State of Texas to wit:

Tract 2, Navasota River, Brazos and Grimes Counties, Texas containing approximately 30 acres, is bound on the North by a Southeasterly extension of the Northeast line of the Eli Wickson Survey, A-236, and is bound on the South by a Southeasterly extension of the most Easterly Southwest line of the Thos. Bowman Survey, A-72, both surveys being in Brazos County, Texas.

WHEREAS, said lease is recorded in Volume 440, Page 866 in the Deed Records of Grimes County, Texas;

Whereas, said lease and all rights thereunder or incident thereto are now owned by Republic Energy, Inc.

NOW, THEREFORE, for and in consideration of ten dollars ($10.00) and other good and valuable consideration, Republic Energy, Inc. does hereby bargain, sell, transfer, assign and convey, without any warranty or covenants of title or other representations, express or implied, an undivided one-eighth of all rights, title and interest of the original Lessee in and to said lease to Tesoro Petroleum Corporation.

This Assignment is made expressly subject to all of the terms, provisions and conditions of that certain Lease Purchase and Drilling Agreement effective June 12, 1981 by and between Republic Energy, Inc. and Assignee, et al.

IN WITNESS WHEREOF, this Assignment is made this the 13th day of July, 1982 but effective October 6, 1981.

ATTEST:

Assistant Secretary

REPUBLIC ENERGY, INC.

By: J. D. Moon
President

THE STATE OF TEXAS,)
)
COUNTY OF Brazos)

BEFORE ME, the undersigned authority,

in and for said County, Texas, on this day personally appeared J. D. Moon 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 Republic Energy, 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 13th day of July, 1982.

Mary Wellbrock
Notary Public MARY WELLBROCK

Brazos County, Texas

My Commission Expires 5-28-86

NOTARY PUBLIC STATE OF TEXAS

Please return to:
Tesoro Petroleum Corporation
8700 Tesoro Dr.
San Antonio, Texas 78286
Attn: Janis Thorson

VOL 453 PAGE 352

FILED FOR RECORD AT
'82 JUL 26 AM 10 00

TRINSTON HARRIS CO. CLK.
GRIMES CO., TEX.
BY Gina Sicinski

067884

THE STATE OF TEXAS
COUNTY OF GRIMES

THIS CERTIFIES that the foregoing instrument, with its certificates of authentication was filed for record in my office on the 26th day of July, A. D. 1982 and duly recorded by me on the 27th day of July, A. D. 1982 in Vol. 453, Page 351, of the Real Property records of Grimes County, Texas.

Trinston Harris
County Clerk, Grimes County, Texas
By Gina Sicinski, Deputy

Examiner Print

THE STATE OF TEXAS }
COUNTY OF GRIMES }

I, TRINSTON HARRIS, Clerk of the County Court of Grimes County, Texas,

do hereby certify that the above and foregoing is a true and correct copy of the Assignment of Oil and Gas Lease between Republic Energy, Inc. to Tesoro Petroleum Corporation

as the same appears on record in volume 453, page 351 of the Real Property Records of Grimes County, Texas.

GIVEN UNDER MY HAND AND THE SEAL OF SAID COURT at office in Anderson, Texas, this the 4th day of August A. D. 19 82

TRINSTON HARRIS, CLERK COUNTY COURT
Grimes County, Texas.

BY Gina Sicinski
Deputy

TX-00094.00

ASSIGNMENT OF OIL AND GAS LEASE VOL 453 PAGE 351

#67884

WHEREAS, under date of October 6, 1981 that certain Oil and Gas Lease was made and entered into by and between The State of Texas, as Lessor, and Republic Energy, Inc., a Texas corporation, as Lessee, covering the following described land in the County of Grimes, State of Texas to wit:

Tract 2, Navasota River, Brazos and Grimes Counties, Texas containing approximately 30 acres, is bound on the North by a Southeasterly extension of the Northeast line of the Eli Wickson Survey, A-236, and is bound on the South by a Southeasterly extension of the most Easterly Southwest line of the Thos. Bowman Survey, A-72, both surveys being in Brazos County, Texas.

WHEREAS, said lease is recorded in Volume 440, Page 866 in the Deed Records of Grimes County, Texas;

Whereas, said lease and all rights thereunder or incident thereto are now owned by Republic Energy, Inc.

NOW, THEREFORE, for and in consideration of ten dollars ($10.00) and other good and valuable consideration, Republic Energy, Inc. does hereby bargain, sell, transfer, assign and convey, without any warranty or covenants of title or other representations, express or implied, an undivided one-eighth of all rights, title and interest of the original Lessee in and to said lease to Tesoro Petroleum Corporation.

This Assignment is made expressly subject to all of the terms, provisions and conditions of that certain Lease Purchase and Drilling Agreement effective June 12, 1981 by and between Republic Energy, Inc. and Assignee, et al.

IN WITNESS WHEREOF, this Assignment is made this the 13th day of July, 1982 but effective October 6, 1981.

ATTEST:

REPUBLIC ENERGY, INC.

By: J. D. Moon
President

Assistant Secretary

THE STATE OF TEXAS,)
)
COUNTY OF Brazos)

BEFORE ME, the undersigned authority,

in and for said County, Texas, on this day personally appeared J. D. Moon 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 Republic Energy, 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 13th day of July, 1982.

Mary Wellbrock
Notary Public MARY WELLBROCK

Brazos County, Texas

My Commission Expires 5-28-86

NOTARY PUBLIC STATE OF TEXAS

Please return to:
Tesoro Petroleum Corporation
8700 Tesoro Dr.
San Antonio, Texas 78286
Attn: Janis Thorson

235577

FILED
At 10 O'clock 4 M
AUG 9 1982
FRANK BORISKIE
County Clerk, Brazos County, Bryan, Texas
By _____ Deputy

DATE RECORDED 8-11-82

VOL 531 PAGE 468

VOL 453 PAGE 352

FILED FOR RECORD AT
'82 JUL 26 AM 10 00
TRINSTON HARRIS CO. CLK.
GRIMES CO., TEX.
BY Lina Sicinski

067884

THE STATE OF TEXAS
COUNTY OF GRIMES

THIS CERTIFIES that the foregoing instrument, with its certificates of authentication was filed for record in my office on the 26th day of July, A. D. 1982 and duly recorded by me on the 27th day of July, A. D. 1982 in Vol. 453, Page 351, of the Real Property records of Grimes County, Texas.

Trinston Harris
County Clerk, Grimes County, Texas
By Lina Sicinski, Deputy

COUNTY ★ GRIMES CO

Examiner Print

(3)

M 86481

Assignment

File Dated 8-18-82

Bob Armstrong, Commissioner

RECEIVED AS STATED
$10.00

DATE 8-18-82

Reg. No. 147886

GENERAL LAND OFFICE

THE STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Frank Boriskie, County Clerk of Brazos County, Texas, do hereby certify that the foregoing is a true and correct copy of the original as the same appears of record in Vol. 531, Page 468 in Deed Records of said County on file in my office.

ATTEST: 8-11-82

Frank Boriskie, County Clerk
Brazos County, Texas
By: Sally Thompson, Deputy

STANDARD FORM NO. 156 — Pound Printing & Stationery Co., 2325 Fannin, Houston, Texas 77002, (713) 659-3159

Republic Energy, Inc.
NAME OF COMPANY

Check No. 3230 21 Date September 19 82

Republic Energy, Inc. has this day

deposited in General Land Office the sum of

One hundred fifty 00/100---------- Dollars, for the credit of persons named below

in amounts stated in payment of Delay Rental, under oil and gas lease dated 6th day of

October 19 81 and recorded in Vol. 440, Page 866, Deed Records

Grimes/Brazos County or Parish and State of Texas

from October 6, 1982 to October 6, 1983 covering

LEASE NO.	FOR CREDIT OF	AMOUNT	COUNTY	ACRES
TX-00094.00 M-86481	General Land Office The State of Texas 1700 North Congress Austin, Texas 78701	$150.00	Grimes and Brazos	

08608

To be Retained by Bank
or Sent to Land Owner

Sign Here _____

By _____

Date Received _____

(4) M-86481
Rental Payment
9-23-82

FILED
At 10 O'clock a M
JUL 5 1983
FRANK BORISKIE
County Clerk, Brazos County, Bryan, Texas
By Deputy

VOL 480 PAGE 284 ASSIGNMENT OF OIL AND GAS LEASE
#73623

THE STATE OF TEXAS
COUNTIES OF BRAZOS & GRIMES

KNOW ALL MEN BY THESE PRESENTS:

Date Recorded JUL 6 1983

THAT, subject to the terms and conditions herein set forth, the undersigned. TESORO PETROLEUM CORPORATION, 8700 Tesoro Drive, San Antonio, Texas 78286, (herein referred to as "Assignor"), for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby assign, transfer, set over and convey, without warranty of title express or implied, unto Republic Energy, Inc., P.O. Box 4786, Bryan, Texas 77805 (hereinafter referred to as "Assignee"), its successors and assigns, all of Assignor's right, title and interest in and to the Oil and Gas Lease described to-wit:

#31023-028 - Oil and Gas Lease No. 86481 from Bob Armstrong, Commissioner of the General Land Office of the State of Texas, as Lessor, and Republic Energy, Inc., a Texas Corporation, as Lessee, containing approximately 30 acres, more or less, being Tract 2, Navasota River, Brazos and Grimes Counties, Texas, dated October 6, 1981 and recorded in Volume 440, Page 866, Real Property Records, Grimes County, Texas and Volume 66, Page 26, Oil and Gas Records, Brazos County, Texas.

This assignment and the provisions hereof shall be binding upon the parties hereto and their respective successors, representatives and assigns.

EXECUTED this 7th Day of June, 1983.

ATTEST:

Assistant Secretary

TESORO PETROLEUM CORPORATION

By: Conrad S. Preston
Conrad S. Preston
Group Vice-President

STATE OF TEXAS §

COUNTY OF BEXAR §

VOL 480 PAGE 285

Before me, the undersigned authority, on this day personally appeared Conrad S. Preston, known to me to be the person whose name is subscribed to the foregoing instrument, as Group Vice-President, of Tesoro Petroleum Corporation, a corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

Given under my hand and seal of office this 7th day of June, 1983.

Kathryn A. Frost
Notary Public in and for the
State of Texas

My Commission Expires:
4-05-84

NOTARY PUBLIC
COUNTY OF BEXAR

FILED FOR RECORD AT
'83 JUN 23 AM 9 20

GRIMES CO., TEX.
Gina Steinbeck

0736 23

Rec chrg 5.00
Cert. copy 3.00
Total 8.00

Q4 D Oil Co, Inc
2600 S. Gessner, St 220
Houston, Tex

THE STATE OF TEXAS
COUNTY OF GRIMES

THIS CERTIFIES that the foregoing instrument, with its certificates of authentication was filed for record in my office on the 23rd day of June, A. D. 1983 and duly recorded by me on the 24th day of June, A. D. 1983 in Vol. 480, Page 284 of the Real Property records of Grimes County, Texas.

Trinston Harris
County Clerk, Grimes County, Texas
By Gina Steinbeck, Deputy

Examiner Print

Assignment of Oil & Gas Lease

from Tesoro Petroleum Corporation
to Republic Energy, Inc.

Return to:

L & B Oil Company, Inc.
2600 South Gessner, Suite 220
Houston, Texas 77063

$350

THE STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Frank Boriskie, County Clerk of Brazos County, Texas, do hereby certify that the foregoing is a true and correct copy of the original as the same appears of record in Vol. 586, Page 415 in Deed Records of said County on file in my office.

ATTEST: July 6, 1983

Frank Boriskie, County Clerk
Brazos County, Texas

By _____, Deputy

VOL 480 PAGE 284 ASSIGNMENT OF OIL AND GAS LEASE

#73623

THE STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTIES OF BRAZOS & GRIMES §

THAT, subject to the terms and conditions herein set forth, the undersigned. TESORO PETROLEUM CORPORATION, 8700 Tesoro Drive, San Antonio, Texas 78286, (herein referred to as "Assignor"), for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby assign, transfer, set over and convey, without warranty of title express or implied, unto Republic Energy, Inc., P.O. Box 4786, Bryan, Texas 77805 (hereinafter referred to as "Assignee"), its successors and assigns, all of Assignor's right, title and interest in and to the Oil and Gas Lease described to-wit:

#31023-028 - Oil and Gas Lease No. 86481 from Bob Armstrong, Commissioner of the General Land Office of the State of Texas, as Lessor, and Republic Energy, Inc., a Texas Corporation, as Lessee, containing approximately 30 acres, more or less, being Tract 2, Navasota River, Brazos and Grimes Counties, Texas, dated October 6, 1981 and recorded in Volume 440, Page 866, Real Property Records, Grimes County, Texas and Volume 66, Page 26, Oil and Gas Records, Brazos County, Texas.

This assignment and the provisions hereof shall be binding upon the parties hereto and their respective successors, representatives and assigns.

EXECUTED this 7th Day of June, 1983.

ATTEST:

Assistant Secretary

TESORO PETROLEUM CORPORATION

By: Conrad S. Preston
Conrad S. Preston
Group Vice-President

VOL 480 PAGE 285

STATE OF TEXAS §

COUNTY OF BEXAR §

Before me, the undersigned authority, on this day personally appeared Conrad S. Preston, known to me to be the person whose name is subscribed to the foregoing instrument, as Group Vice-President, of Tesoro Petroleum Corporation, a corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

Given under my hand and seal of office this 7th day of June, 1983.

Kathryn A. Fred
Notary Public in and for the
State of Texas

My Commission Expires:
12-05-84

NOTARY PUBLIC
COUNTY OF PETROLEUM

FILED FOR RECORD AT
'83 JUN 23 AM 9 20

TRINSTON HARRIS CO. CLK.
GRIMES CO., TEX.
Gina Scarbrough

073623

Tobad 8.00
Rec chrg 3.50
Cert copy

Q+A Oil Co, Inc
2600 S. Gessner, St 220
Houston, Tex
77063

THE STATE OF TEXAS
COUNTY OF GRIMES

THIS CERTIFIES that the foregoing instrument, with its certificates of authentication was filed for record in my office on the 23rd day of June, A. D. 1983 and duly recorded by me on the 24th day of June, A. D. 1983 in Vol. 480, Page 284 of the Real Property records of Grimes County, Texas.

Trinston Harris
County Clerk, Grimes County, Texas
By Gina Scarbrough, Deputy

Examiner Print

(5)

M 8ac81 Assignment

File dated 8-22-83

Garry Mauro, Commissioner

RECEIVED AS STATED $1000

DATE 8-22-83

Reg. No. 65777

GENERAL LAND OFFICE

THE STATE OF TEXAS }
COUNTY OF GRIMES } I, TRINSTON HARRIS, Clerk of the County Court of Grimes County, Texas,

do hereby certify that the above and foregoing is a true and correct copy of Assgn, of Oil & Gas Lse. from Tesoro Petrl. Corp. to Republic Energy, Inc.

as the same appears on record in volume 480, page 284 of the Real Property Records of Grimes County, Texas.

GIVEN UNDER MY HAND AND THE SEAL OF SAID COURT at office in Anderson, Texas, this the 28th day of June A.D. 19 83

TRINSTON HARRIS, CLERK COUNTY COURT
Grimes County, Texas.

BY Gina M. Ortiz
Deputy

L&B
Oil Company, Inc.

August 26, 1983

General Land Office
State of Texas
Stephen F. Austin Building
1100 North Congress
Austin, Texas 78701

Attention: Oil & Gas Division

RE: Assignment of Oil & Gas Lease
No. 86481
Grimes & Brazos Counties
Texas

191

Gentlemen:

We submit for your approval certified copies of a recorded assignment dated June 7, 1983, from Tesoro Petroleum Corporation to Republic Energy, Inc. covering the above referenced state lease which is located in Brazos and Grimes Counties, Texas. Also enclosed is our check for the amount of $10.00 to cover the costs of the filing fees.

Thank you for your attention to this matter.

Very truly yours,

L & B OIL COMPANY, INC.

Nancy L. Bryan

X-10.00 165777

Nancy L. Bryan
Land Department

/nlb
Enclosures

M. F. 86481 (6)

CORRESPONDENCE FILE

To L & B Oil Co Inc

From

Dated 8-26-83

9-15-83

Garry Mauro
Commissioner
General Land Office

August 29, 1983

L&B Oil Company, Inc.
2600 S. Gessner, Suite 220
Houston, Texas 77063

Attn: Nancy L. Bryan

Re: Assignment of Relinquishment Act Lease
M-86481
Brazos and Grimes County, Texas

Gentlemen:

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

Your remittance of $10.00 has been applied as the required filing fee.

Sincerely,

Garry Mauro

By:
Diana Dickson, Assistant
Oil and Gas Division
Legal Department
512 475-4246

/dd

Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701
(512) 475-2071

M. F. 86481

CORRESPONDENCE FILE

To LoBello Inc.

From

Dated 8-29-83

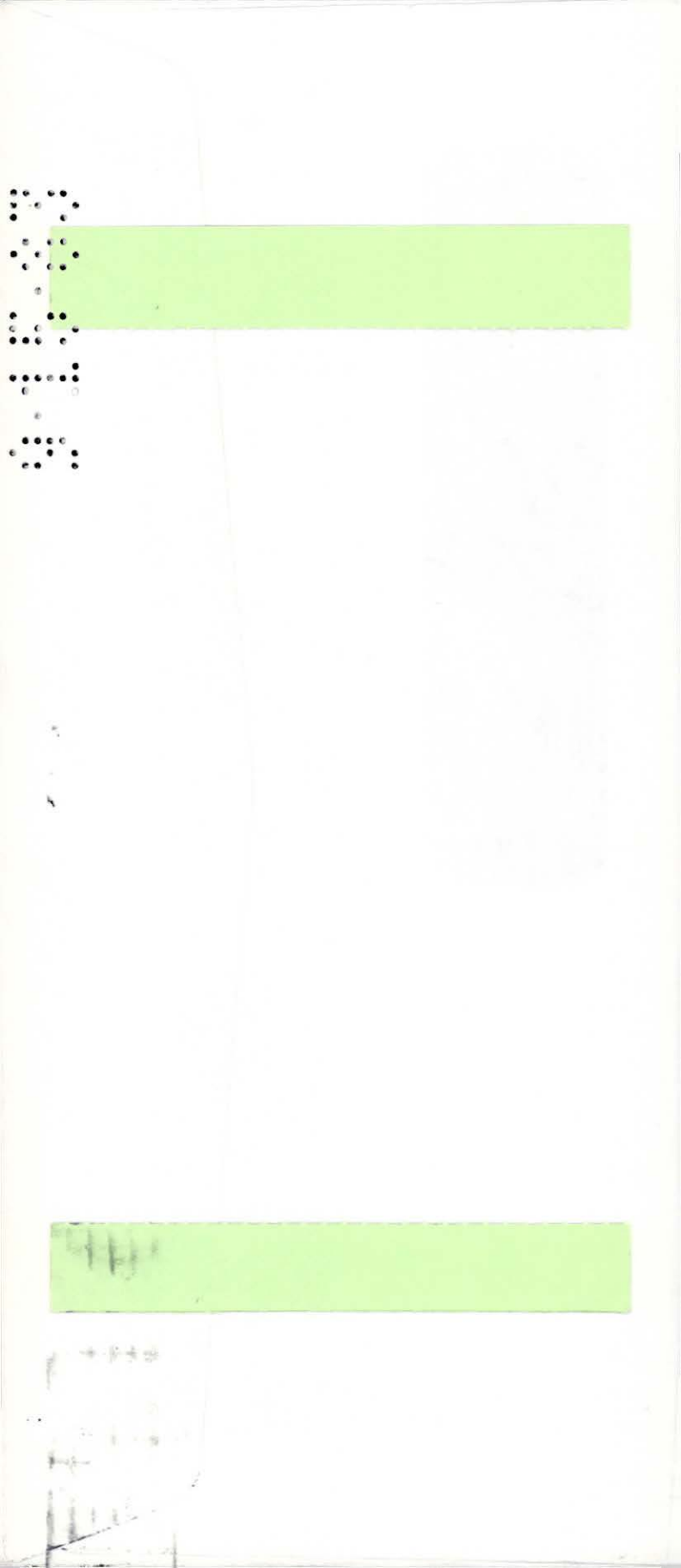
L & B OIL COMPANY, INC.
2600 S. GESSNER, SUITE 220
HOUSTON, TEXAS 77063

CERTIFIED
P 398 008 195
MAIL

HOUSTON, TX 770
[PM]
12 SEP
1983

U.S. POSTAGE
$1.55

CONQUER
CYSTIC
FIBR



L & B OIL COMPANY, INC.

IN PAYMENT OF DELAY RENTAL TO PARTY OR PARTIES NAMED BELOW, PURSUANT TO THE LEASE IDENTIFIED HEREIN.

LEASE NUMBER	LEASE DATED	COUNTY/PARISH	STATE	RECORDED			FOR PERIOD	
				INSTR. OR FILM	BOOK OR VOL.	PAGE	MOS.	BEGINNING
TX-00501-	10/06/81	GRIMES	TEXAS		440	866	12	10/06/83

DEPOSIT TO CREDIT OF:

COMMISSIONER OF THE GENERAL LAND OFFICE
THE STATE OF TEXAS
OIL & GAS LEASE NO. 86481
1700 NORTH CONGRESS
AUSTIN, TEXAS 78701

TRACT 2, NAVASOTA RIVER, BRAZOS AND GRIMES COUNTIES, TEXAS, CONTAINING APPROXIMATELY 30 ACRES, IS BOUND ON THE NORTH BY A SOUTHEASTERLY EXTENSION OF THE NORTHEAST LINE OF THE ELI WICKSON SURVEY, A-236, AND IS BOUND ON THE SOUTH BY A SOUTHEASTERLY EXTENSION OF THE MOST EASTERLY SOUTHWEST LINE OF THE THOS. BOWMAN SURVEY, A-72, BOTH SURVEYS BEING IN BRAZOS COUNTY, TEXAS.

121
J. M.

04092

DATE	CHECK NUMBER	RENTAL AMOUNT	DEPOSITORY BANK CHARGE
9/08/83	931	150.00	

IF CORRESPONDENCE IS REQUIRED,
PLEASE MAKE REFERENCE TO LEASE NUMBER.

PLEASE DETACH AND RETAIN THIS STUB FOR YOUR RECORDS.

(8) M-86481
Rental Payment
9-15-83

121

L&B
Oil Company, Inc.

November 29, 1983

General Land Office
1700 North Congress
Austin, Texas 78701

Attention: Marilyn Logan

RE: Completion Reports &
Designation of Oil Units
Cobb Units Nos. 2 & 3
Joshua Prospect
Brazos & Grimes Counties
Texas

Gentlemen:

Per your telephone request this date, enclosed are the completion reports and Designation of Oil Unit documents for the Cobb Units No. 2 and No.3 covering lands located in the above referenced area.

If you should need additional information, please advise.

Very truly yours,

L & B OIL COMPANY, INC.

Nancy L. Bryan

Nancy L. Bryan
Land Department

/nlb
Enclosures

2600 S. GESSNER. SUITE 220 • HOUSTON. TEXAS 77063 • 713/977-0670

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

UNIT WELL
M-86481 (5.14Ac)

FORM W-2
Rev. 6/12/78

API NO. if Available 42-185-30337

7. RRC District: 03

8. RRC Lease Number: 16699

OIL WELL POTENTIAL TEST
COMPLETION OR RECOMPLETION REPORT AND LOG

1. FIELD NAME (as per RRC Records or Wildcat): Iola, South (Sub-Clarksville)

2. LEASE NAME: Cobb

9. Well Number: 2

3. OPERATOR: L & B Oil Company, Inc.

10. County: Grimes

4. ADDRESS: 2600 S. Gessner, Suite 220, Houston, Texas 77063

11. Purpose of Test
Initial Potential [X]
Retest [ ]
Reclass [ ]

5. If Operator has changed within last 60 days — Give former Operator: na

6a. Location (Section, Block, and Survey): Joshua Hadley Survey, A-266

6b. Distance and Direction to nearest town in this county.: 7 miles SW from Iola

12. If Workover or Reclass, Give former Field (with Reservoir) & Gas ID or Oil Lease #	FIELD & RESERVOIR	GAS ID or OIL LEASE #	Oil - O Gas - G	WELL #	13. Type of Electric or other Log run	14. Completion or Recompletion Date
	na				DI-SFL-Sonic	7/26/83

SECTION I

POTENTIAL TEST DATA

15. Date of Test	16. No. of Hours Tested	17. Production Method (Flowing, Gas Lift, Jetting, Pumping – Size & Type of Pump)	18. Choke Size
7/27/83	24	Flowing	16/64"

	Oil – BBLS	Gas – MCF	Water – BBLS	Gas – Oil Ratio	Flowing Tubing Pressure
19. Production During Test Period /////	410	379	0	924	750 PSI
20. Calculated 24 Hour Rate /// /////	410	379	0	Oil Gravity – API – 60° 33.5	Casing Pressure 0 PSI

21. Was Swab Used During this Test? Yes [ ] No [X]

22. Oil Produced Prior to Test (New & Reworked Wells): 406

23. Injection Gas–Oil Ratio:

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

INSTRUCTIONS: All potential test Forms, with all information requested thereon filled in, shall be filed in the District Office of the Railroad Commission not later than ten (10) days after the test is completed and, should the operator fail to file potential test in an acceptable Form within the ten (10) days as specified, then the effective date of the allowable resulting from such test shall not extend back more than ten (10) days prior to receipt and acceptance of the potential test Form in the District Office. This Ten-Day provision shall govern regardless of whether the potential test is taken during the month in which it is received in the District Office or any prior month. Fill in only the front of this Form when reporting only a potential test; if well is newly completed or recompleted, fill in reverse side also.

EACH WITNESS MUST PERSONALLY SIGN.

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

Signature: REPRESENTATIVE OF COMPANY MAKING TEST

List of Offset Operators Notified and Date Notified:
Lear Petroleum Exploration, Inc. 7/27/83
Smith Petroleum Company, 7/27/83

Signature: REPRESENTATIVE OF RAILROAD COMMISSION

List of Offset Operators Notified and Date Notified:

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

See Attached Form W-12
Signature of Authorized Representative

Name of Company Conducting Survey

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

See Attached Forms W-15
Signature of Cementer or Authorized Representative

Name of Cementing Company

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.

Carol Evans — Engineering Assistant — 7/28/83 — Phone 713 977-0670

REPRESENTATIVE OF COMPANY | TITLE | DATE | Phone A/C NUMBER

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

24. Type of Completion: New Well [X] Deepening [ ] Plug Back [ ] Other [ ]

25. Permit to Drill, Plug Back or Deepen — DATE 5/13/83 — PERMIT NO. - 194926

Rule 37 Exception — CASE NO.

Water Injection Permit — PERMIT NO.

Salt Water Disposal Permit — PERMIT NO.

Other — PERMIT NO.

26. Notice of Intention to Drill this Well was filed in Name of: L & B Oil Company, Inc.

27. Number of Producing Wells on this Lease in This Field (Reservoir) including this Well: 3

28. Total Number of Acres in this lease: 141

29. Date Plug Back, Deepening, WorkOver or Drilling Operations: Commenced 6/11/83 — Completed 7/9/83

30. Distance to Nearest Well, Same Lease & Reservoir: 1,200'

31. Location of Well, Relative to Nearest Lease Boundaries of Lease on which this Well is Located: 467 Feet From north Line and 1,667 Feet From east Line of the Cobb Lease

32. Elevation (DF, RKB, RT, GR, ETC): 216' GR

33. Was Directional Survey Made Other Than Inclination (Form W-12)? [ ] Yes [X] No

34. Top of Pay: 8,988 — 35. Total Depth: 10,223 — 36. P. B. Depth: 9,114.5

37. Surface Casing Determined by: Field Rules [ ] — Recommendation of T.D.W.R. [ ] Dt. of Ltr. — Railroad Commission (Special) [X] Dt. of Ltr. 7/13/83

38. Is Well Multiple Completion? no

39. If Multiple Completion List All Reservoir Names (Completions in this Well) and Oil Lease or Gas ID No.

FIELD & RESERVOIR	GAS ID or OIL LEASE #	Oil - O Gas - G	WELL #
na			

40. Intervals Drilled by: Rotary Tools X — Cable Tools

41. Name of Drilling Contractor: Big Six Drilling Company

42. Is Cementing Affidavit Attached? [X] Yes [ ] No

43. 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.
9-5/8	36	2,424		1,270 sx. "H"	13-1/2	surface	2,113
5-1/2	17	10,212		657 sx. "H"	8-3/4	8,350	848

44. LINER RECORD

Size	TOP	Bottom	Sacks Cement	Screen

45. TUBING RECORD

Size	Depth Set	Packer Set
2-7/8	8,891	8,891

46. Producing Interval (this completion) Indicate Depth of Perforation or Open Hole

From	8,988.5	To	8,994	(FDC)
From	8,999.5	To	9,005.5	(FDC)
From		To		
From		To		

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

Depth Interval	Amount and Kind of Material Used

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

Formations	Depth	Formations	Depth
Base Wilcox	5,310	Woodbine	9,073
Austin Chalk	8,584	Buda	9,723
Sub-Clarksville	8,924	Georgetown	9,803

REMARKS

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

M-86481

FORM W-2
Rev. 6/12/78

API NO. if Available 42-185-30337

OIL WELL POTENTIAL TEST
COMPLETION OR RECOMPLETION REPORT AND LOG

7. RRC District: 03
8. RRC Lease Number: 16699
9. Well Number: 2
10. County: Grimes

1. FIELD NAME (as per RRC Records or Wildcat): Iola, South (Sub-Clarksville)
2. LEASE NAME: Cobb
3. OPERATOR: L & B Oil Company, Inc.
4. ADDRESS: 2600 S. Gessner, Suite 220, Houston, Texas 77063
5. If Operator has changed within last 60 days — Give former Operator: na
6a. Location (Section, Block, and Survey): Joshua Hadley Survey, A-266
6b. Distance and Direction to nearest town in this county.: 7 miles SW from Iola
11. Purpose of Test: Initial Potential [X] Retest [ ] Reclass [ ]

12. If Workover or Reclass, Give former Field (with Reservoir) & Gas ID or Oil Lease #	FIELD & RESERVOIR	GAS ID or OIL LEASE #	Oil - O Gas - G	WELL #	13. Type of Electric or other Log run	14. Completion or Recompletion Date
	na				DI-SFL-Sonic	7/26/83

SECTION I

POTENTIAL TEST DATA

15. Date of Test	16. No. of Hours Tested	17. Production Method (Flowing, Gas Lift, Jetting, Pumping – Size & Type of Pump)	18. Choke Size
7/27/83	24	Flowing	16/64"

	Oil – BBLS	Gas – MCF	Water – BBLS	Gas – Oil Ratio	Flowing Tubing Pressure
19. Production During Test Period /////	410	379	0	924	750 PSI
20. Calculated 24 Hour Rate /////	410	379	0	33.5	Casing Pressure 0 PSI

21. Was Swab Used During this Test? Yes [ ] No [X]
22. Oil Produced Prior to Test (New & Reworked Wells): 406
23. Injection Gas–Oil Ratio:

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

INSTRUCTIONS: All potential test Forms, with all information requested thereon filled in, shall be filed in the District Office of the Railroad Commission not later than ten (10) days after the test is completed and, should the operator fail to file potential test in an acceptable Form within the ten (10) days as specified, then the effective date of the allowable resulting from such test shall not extend back more than ten (10) days prior to receipt and acceptance of the potential test Form in the District Office. This Ten-Day provision shall govern regardless of whether the potential test is taken during the month in which it is received in the District Office or any prior month. Fill in only the front of this Form when reporting only a potential test; if well is newly completed or recompleted, fill in reverse side also.

EACH WITNESS MUST PERSONALLY SIGN.

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

Signature: REPRESENTATIVE OF COMPANY MAKING TEST

List of Offset Operators Notified and Date Notified:
Lear Petroleum Exploration, Inc. 7/27/83
Smith Petroleum Company, 7/27/83

Signature: REPRESENTATIVE OF RAILROAD COMMISSION

List of Offset Operators Notified and Date Notified:

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

See Attached Form W-12

Signature of Authorized Representative

Name of Company Conducting Survey

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

See Attached Forms W-15

Signature of Cementer or Authorized Representative

Name of Cementing Company

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.

Caryl Evans — Engineering Assistant — 7/28/83 — Phone 713 977-0670

REPRESENTATIVE OF COMPANY — TITLE — DATE — A/C NUMBER

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

24. Type of Completion: New Well [X] Deepening [ ] Plug Back [ ] Other [ ]

25. Permit to Drill, Plug Back or Deepen — DATE 5/13/83 — PERMIT NO. - 194926

Rule 37 Exception — CASE NO.

Water Injection Permit — PERMIT NO.

Salt Water Disposal Permit — PERMIT NO.

Other — PERMIT NO.

26. Notice of Intention to Drill this Well was filed in Name of: L & B Oil Company, Inc.

27. Number of Producing Wells on this Lease in This Field (Reservoir) including this Well: 3

28. Total Number of Acres in this lease: 141

29. Date Plug Back, Deepening, WorkOver or Drilling Operations: Commenced 6/11/83; Completed 7/9/83

30. Distance to Nearest Well, Same Lease & Reservoir: 1,200'

31. Location of Well, Relative to Nearest Lease Boundaries of Lease on which this Well is Located: 467 Feet From north Line and 1,667 Feet From east Line of the Cobb Lease

32. Elevation (DF, RKB, RT, GR, ETC): 216' GR

33. Was Directional Survey Made Other Than Inclination (Form W-12)? [ ] Yes [X] No

34. Top of Pay: 8,988

35. Total Depth: 10,223

36. P. B. Depth: 9,114.5

37. Surface Casing Determined by: Field Rules [ ]; Recommendation of T.D.W.R. [ ] Dt. of Ltr.; Railroad Commission (Special) [X] Dt. of Ltr. 7/13/83

38. Is Well Multiple Completion? no

39. If Multiple Completion List All Reservoir Names (Completions in this Well) and Oil Lease or Gas ID No.

FIELD & RESERVOIR	GAS ID or OIL LEASE #	Oil - O Gas - G	WELL #
na			

40. Intervals Drilled by: Rotary Tools X; Cable Tools

41. Name of Drilling Contractor: Big Six Drilling Company

42. Is Cementing Affidavit Attached? [X] Yes [ ] No

43. 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.
9-5/8	36	2,424		1,270 sx. "H"	13-1/2	surface	2,113
5-1/2	17	10,212		657 sx. "H"	8-3/4	8,350	848

44. LINER RECORD

Size	TOP	Bottom	Sacks Cement	Screen

45. TUBING RECORD

Size	Depth Set	Packer Set
2-7/8	8,891	8,891

46. Producing Interval (this completion) indicate Depth of Perforation or Open Hole

From	8,988.5	To	8,994	(FDC)
From	8,999.5	To	9,005.5	(FDC)
From		To		
From		To		

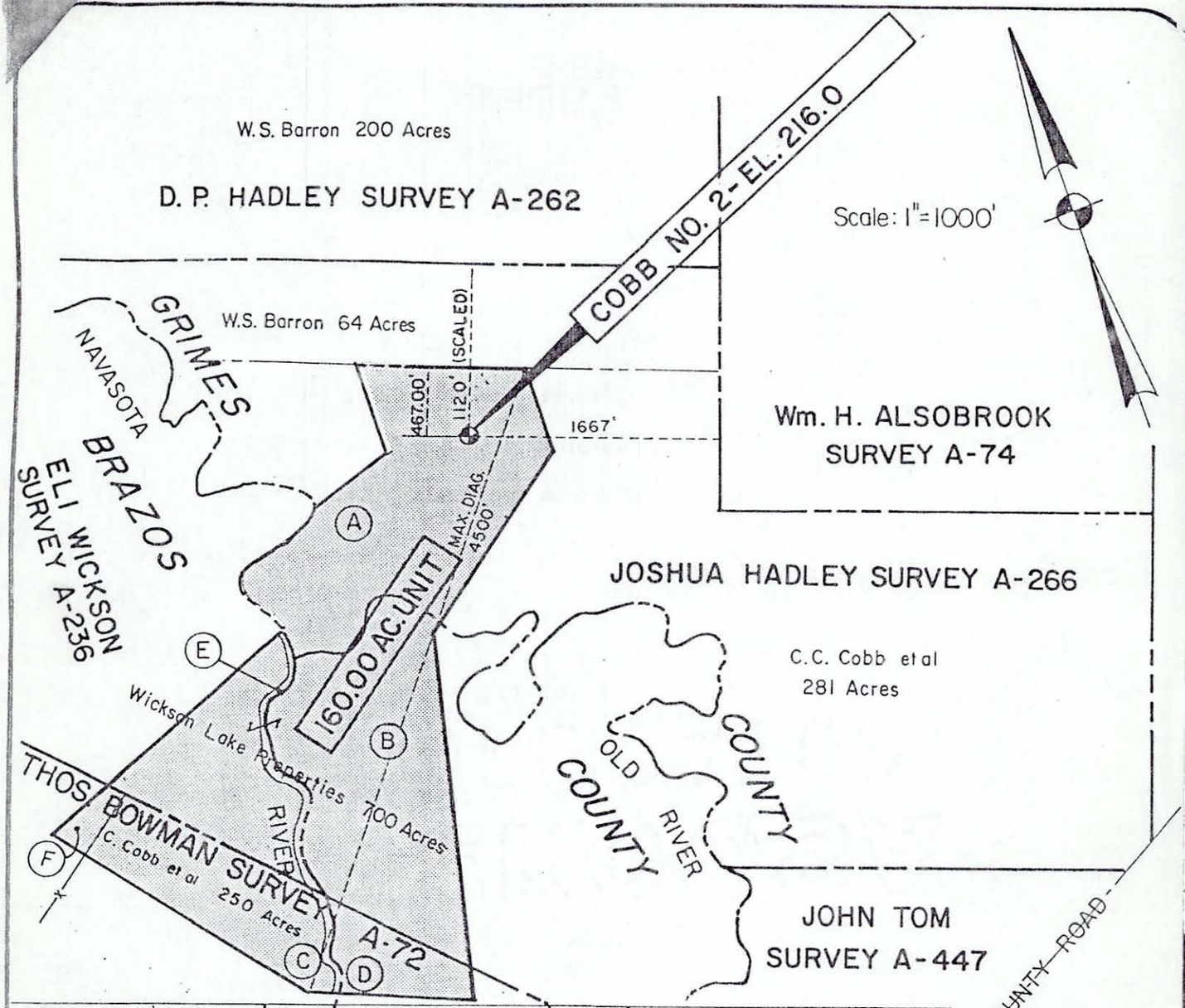
47. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

Depth Interval	Amount and Kind of Material Used

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

Formations	Depth	Formations	Depth
Base Wilcox	5,310	Woodbine	9,073
Austin Chalk	8,584	Buda	9,723
Sub-Clarksville	8,924	Georgetown	9,803

REMARKS



TRACT NO.	ACREAGE	LESSOR	VOL.	PAGE	
A	51.98	Clarence W. Cobb etux	443	265	Grimes County Records
B	69.71	Wickson Lake Club	289	71	
C	22.04	Clarence W. Cobb etux	97	615	
D	9.00	Gearl D. Rasco	298	5	
E	5.14	State of Texas	66	26	Lease Records
F	2.13	Cecil B. Cox, Trustee	94	97	

WELL LOCATION

COBB NO. 2

L. & B. OIL COMPANY, INC.

JOSHUA HADLEY SURVEY A-266

THOS. BOWMAN SURVEY A-72

ELI WICKSON SURVEY A-236

BRAZOS & GRIMES COUNTY, TEXAS

STATE OF TEXAS
MARK E. PAULSON
4039
REGISTERED
PUBLIC SURVEYOR

PAULSON SURVEYING INCORPORATED
P. O. Box 9384, College Station, TX 77840, (713) 693-2242

Drawn: Downs

Scale: 1" = 1000'

Date: Sept., 1983

Rev.:

Sheet of

RECEIVED
JUN 29 1983
Ans'd.....

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

Form W - 15
(Rev. 5-1-80)

CEMENTING REPORT

*1. Field Name (as per RRC Records or Wildcat) Iola, South (Sub-Clarksville)	*2. RRC District 03
*3. Operator ~~Big Oil Drilling Company~~ L & B Oil Company, Inc.	*4. County Grimes
*5. Lease Name(s) and RRC Lease Number(s) or I. D. Number(s) Cobb	*6. Well Number 2
*7. Location (Section, Block, and Survey) Joshua Hadley Survey, A-266	

CASING CEMENTING DATA:	SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
			Single String	Multiple Parallel Strings	Tool	Shoe
8. Cementing Date	6-13-83					
*9. (a) Size of Drill Bit (inches)	13-1/2					
(b) Estimated % Wash or Hole Enlargement Used in Calculations.	50%					
*10. Size of Casing (inches O.D.)	9-5/8					
*11. Top of Liner (if liner used) (ft.)						
*12. Setting Depth of Casing (ft.)	2,424					
13. Type API Class Cement & Amount of Additives Used: (a) In First (Lead) or Only Slurry *(If additional space is needed, use "REMARKS" on reverse side.)*	HLC + 3% Salt					
(b) In Second Slurry	H + 2% Calcuim CHloride					
(c) In Third Slurry	H + 2% Calcuim Chloride					
14. Sacks of Cement Used: (a) In First (Lead) or Only Slurry	960					
(b) In Second Slurry	210					
(c) In Third Slurry	100					
(d) Total Sacks of Cement Used	1270					
15. Slurry Volume per Sack of Cement (cu.ft./sack): (a) In First (Lead) or Only Slurry	1.82					
(b) In Second Slurry	1.18					
(c) In Third Slurry	1.18					
16. Volume of Slurry Pumped: (cu. ft.) (Item 14 x Item 15) (a) In First (Lead) or Only Slurry	1747					
(b) In Second Slurry	247					
(c) In Third Slurry	118					
(d) Total Slurry Volume Pumped (cu.ft.)	2113					
17. Calculated Annular Height of Cement Slurry behind Pipe (ft.)	4323					
18. Was cement circulated to ground surface (or bottom of cellar) outside casing? (Yes or No)	Yes					

RECEIVED
JUN 28 1983

CEMENTING TO PLUG AND ABANDON DATA:	PLUG NO. 1	PLUG NO. 2	PLUG NO. 3	PLUG NO. 4	PLUG NO. 5	PLUG NO. 6
19. Cementing Date						
*20. Size of Hole or Pipe in which Plug Placed (inches)						
*21. Depth to Bottom of Tubing or Drill Pipe (ft.)						
22. Sacks of Cement Used (each plug)						
23. Slurry Volume Pumped (cu. ft.)						
24. Calculated Top of Plug (ft.)						
*25. Measured Top of Plug (if tagged) (ft.)						

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

– OVER –

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

26. Remarks:

*27. Remarks:

CEMENTING COMPANY

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

Pete Stricklin

Signature of Cementer or Authorized Representative

Pete Stricklin, Cementer

Name of Person and Title (type or print)

Halliburton Services

Cementing Company

P.O. Box 579

Street Address or P.O. Box

Caldwell, Tx. 77836

City, State Zip Code

Telephone 409 567-4674

Area Code

June 27, 1983

Date

*OPERATOR

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

Caryl Evans

*Signature of Operator or Authorized Representative

Caryl Evans, Engineering Assistant

*Name of Person and Title (type or print)

L & B Oil Company, Inc.

*Operator

2600 S. Gessner, Suite 220

*Street Address or P.O. Box

Houston, Texas 77063

*City, State Zip Code

*Telephone 713 977-0670

Area Code

July 28, 1983

*Date

INSTRUCTIONS

1. A. This form shall be filed by the operator in the RRC District Office with:
   (1) Each copy of an initial Form G-1 or W-2 if a cementing report is required by Statewide or Special Rules, or if exception is needed to cementing requirements in Statewide or Special Rules; unless the Form G-1 or W-2 is signed by the cementing company representative.
   (2) Each copy of Form W-3; unless the Form W-3 is signed by the cementing company representative.
   (3) Each copy of Form W-4 if a multiple parallel casing completion.

   B. At least an original and one copy of this form shall be filed for each cementing company used on a well.

   C. The cementing of different casing strings on a well by one cementing company may be consolidated on one form (to be filed in duplicate).

2. Cementing Company and Operator shall comply with the applicable portions of Statewide Rules 8, 13, and 14. For offshore operations, Cementing Company and Operator shall comply with Statewide Rule 13(E).

3. If setting FULL AMOUNT OF SURFACE CASING:

   A. Depth to protect fresh water by:
   (1) Field Rule
   (2) Texas Water Development Board, if no Field Rule

   B. Set surface casing below depth to be protected and cement from casing shoe to ground surface.

4. IF SETTING ANYTHING OTHER THAN THE FULL AMOUNT OF SURFACE CASING, PERMISSION SHALL BE OBTAINED FROM THE RAILROAD COMMISSION.

5. If setting NO SURFACE CASING (See Item 4 above):

   A. If no multi-stage tool is used, the next deeper casing string shall be cemented from the casing shoe to the surface.

   B. If using the multi-stage tool on the next deeper string, cementfrom the depth that protects fresh water sands to the surface.

6. If setting SHORT SURFACE CASING (See Item 4 above.):

   A. Cement short surface casing from the shoe to the surface.

   B. Whether the multi-stage tool is or is not used on the next deeper casing string, cement from the depth that protects fresh water sands to:
   (1) the surface, or
   (2) a point midway between shoe of surface string and the surface. Compliance will be considered if a temperature survey shows that the top of the cement is at least one-third of the distance from the shoe of the surface string to the surface.

7. Setting PRODUCTION STRING of Casing: (Statewide Rules: Special Rules may vary.)

   A. Cement to a point at least 600 feet above the casing shoe.

   B. When 3,000 feet or more of pipe is set for the production or protecting string, a minimum of 30 feet of cement shall be left inside the pipe.

8. PLUGGING AND ABANDONING:

   A. Cement plugs shall be placed in the well bore as required by Rules and Regulations of the Commission plus any additional plugs as may be specified by the RRC District Director.

   B. The minimum amount of cement normally used in each plug shall be a slurry volume equal to the amount necessary to fill the calculated volume of 100 feet of the hole in which the plug is placed.

   C. A 10 foot cement plug is required to be placed i[illegible] top of the well.

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

JUL 25 1983
Ans'd.....

Form W-15
Cementing Report
Rev. 4/1/83
483-045

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

1. Operator's Name (As shown on Form P-5, Organization Report)	2. RRC Operator No.	3. RRC District No.	4. County of Well Site
L & B Oil Company, Inc.	479410	03	Grimes
5. Field Name (Wildcat or exactly as shown on RRC records)		**6. API No.**	**7. Drilling Permit No.**
Iola, South (Sub-Clarksville)		42- 185-30337	194926
8. Lease Name	**9. Rule 37 Case No.**	**10. Oil Lease/Gas ID No.**	**11. Well No.**
Cobb ~~XX~~		16699	#2

CASING CEMENTING DATA:		SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
				Single String	Multiple Parallel Strings	Tool	Shoe
12. Cementing Date				7/11/83			
13. •Drilled hole size -				8-3/4"			
•Est. % wash or hole enlargement				Cal. + 20%			
14. Size of casing (in. O.D.)				5-1/2"			
15. Top of liner (ft.)							
16. Setting depth (ft.)				~~10,206'~~ 10,212			
17. Number of centralizers used				9			
18. Hrs. waiting on cement before drill-out				na			
1st Slurry	19. API cement used: No. of sacks ▶			657			
	Class ▶			H			
	Additives ▶			20% SF-4 + .35% WR-15 + .6% CF-2			
2nd Slurry	No. of sacks ▶						
	Class ▶						
	Additives ▶						
3rd Slurry	No. of sacks ▶						
	Class ▶						
	Additives ▶						
1st	20. Slurry pumped: Volume (cu. ft.) ▶			848			
	Height (ft.) ▶			8500'			
2nd	Volume (cu. ft.) ▶						
	Height (ft.) ▶						
3rd	Volume (cu. ft.) ▶						
	Height (ft.) ▶						
Total	Volume (cu. ft.) ▶			848			
	Height (ft.) ▶						
21. Was cement circulated to ground surface (or bottom of cellar) outside casing?				No			

22. Remarks

OVER ▶

CEMENTING TO PLUG AND ABANDON	PLUG # 1	PLUG # 2	PLUG # 3	PLUG # 4	PLUG # 5	PLUG # 6	PLUG # 7	PLUG # 8
23. Cementing date								
24. Size of hole or pipe plugged (in.)								
25. Depth to bottom of tubing or drill pipe (ft.)								
26. Sacks of cement used (each plug)								
27. Slurry volume pumped (cu. ft.)								
28. Calculated top of plug (ft.)								
29. Measured top of plug, if tagged (ft.)								
30. Slurry wt. (lbs/gal)								
31. Type cement								

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

Bob Owen Service Supervisor — Name and title of cementer's representative
Western Co. of North America — Cementing Company
Bob Owen — Signature

820 Industrial Blvd. — Address
Bryan Texas 77803 — City, State, Zip Code
409-779-9307 — Tel.: Area Code Number
7 19 83 — Date: mo. day yr.

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

Caryl Evans — Typed or printed name of operator's representative
Engineering Assistant — Title
Caryl Evans — Signature

2600 S. Gessner, Suite 220, Houston, Texas 77063 — Address
713/977-0670 — Tel.: Area Code Number
7/28/83 — Date: mo. day yr.

Instructions to Form W-15, Cementing Report

IMPORTANT: Operators and cementing companies must comply with the requirements of the Commission's Statewide Rules 8 (Water Protection), 13 (Casing, Cementing, Drilling, and Completion), and 14 (Well Plugging). For offshore operations, see the requirements of Rule 13 (c).

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

- An initial oil or gas completion report, Form W-2 or G-1, as required by Statewide or special field rules;
- Form W-4, Application for Multiple Completion, if the well is a multiple parallel casing completion; and
- Form W-3, Plugging Record, unless the W-3 is signed by the cementing company representative. When reporting dry holes, operators must complete Form W-15, in addition to Form W-3, to show any casing cemented in the hole.

B. **Where to file.** The appropriate Commission District Office for the county in which the well is located.

C. **Surface casing.** An operator must set and cement sufficient surface casing to protect all usable-quality water strata, as defined by the Texas Department of Water Resources, Austin. Before drilling a well in any field or area in which no field rules are in effect or in which surface casing requirements are not specified in the applicable rules, an operator must obtain a letter from the Department of Water Resources stating the protection depth. Surface casing should not be set deeper than 200 feet below the specified depth without prior approval from the Commission.

D. **Centralizers.** Surface casing must be centralized at the shoe, above and below a stage collar or diverting tool, if run, and through usable-quality water zones. In nondeviated holes, a centralizer must be placed every fourth joint from the cement shoe to the ground surface or to the bottom of the cellar. All centralizers must meet API specifications.

E. **Exceptions and alternative casing programs.** The District Director may grant an exception to the requirements of Statewide Rule 13. In a written application, an operator must state the reason for the requested exception and outline an alternate program for casing and cementing through the protection depth for strata containing usable-quality water. The District Director may approve, modify, or reject a proposed program. An operator must obtain approval of any exception before beginning casing and cementing operations.

F. **Intermediate and production casing.** For specific technical requirements, operators should consult Statewide Rule 13 (b) (3) and (4).

G. **Plugging and abandoning.** Cement plugs must be placed in the wellbore as required by Statewide Rule 14. The District Director may require additional cement plugs. For onshore or inland wells, a 10-foot cement plug must be placed in the top of the well, and the casing must be cut off three feet below the ground surface. All cement plugs, except the top plug, must have sufficient slurry volume to fill 100 feet of hole, plus ten percent for each 1,000 feet of depth from the ground surface to the bottom of the plug.

To plug and abandon a well, operators must use only cementers approved by the Director of Field Operations. Cementing companies, service companies, or operators can qualify as approved cementers by demonstrating that they are able to mix and pump cement in compliance with Commission rules and regulations.

RECEIVED

JUL 27 1983

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

Ans'd.....

Form W-12
(1-1-71)

INCLINATION REPORT

(One Copy Must Be Filed With Each Completion Report.)

6. RRC District: 03

7. RRC Lease Number, (Oil completions only): 16699

1. FIELD NAME (as per RRC Records or Wildcat): Iola, South (Sub-Clarksville)

2. LEASE NAME: Cobb

8. Well Number: 2

3. OPERATOR: L & B Oil Company, Inc.

9. RRC Identification Number (Gas completions only):

4. ADDRESS: 2600 S. Gessner, Suite 220, Houston, Texas 77063

10. County: Grimes

5. LOCATION (Section, Block, and Survey): Joshua Hadley Survey, A-266

RECORD OF INCLINATION

*11. Measured Depth (feet)	12. Course Length (Hundreds of feet)	*13. Angle of Inclination (Degrees)	14. Displacement per Hundred Feet (Sine of Angle X100)	15. Course Displacement (feet)	16. Accumulative Displacement (feet)
510	510	1/4	.44	2.24	2.24
1010	500	1/2	.87	4.35	6.59
1520	510	3/4	1.31	6.68	13.27
2115	595	3/4	1.31	7.79	21.06
2424	309	3/4	1.31	4.05	25.11
3010	586	1	1.75	10.25	35.36
3520	510	1	1.75	8.92	44.28
4162	642	3/4	1.31	8.41	52.69
4442	280	2	3.49	9.77	62.46
4665	223	1-3/4	3.05	6.80	76.06
4899	234	2	3.49	8.17	84.23
5005	106	3/4	1.31	1.39	85.62
5100	95	1	1.75	1.66	87.28
5434	334	1/2	.87	2.91	90.19
5710	276	1-1/4	2.18	6.02	96.21
5958	248	1-1/2	.87	2.16	98.37

If additional space is needed, use the reverse side of this form.

17. Is any information shown on the reverse side of this form? [XX] yes [ ] no

18. Accumulative total displacement of well bore at total depth of 10,175 feet = 293.51 feet.

*19. Inclination measurements were made in – [ ] Tubing [ ] Casing [ ] Open hole [XX] Drill Pipe

20. Distance from surface location of well to the nearest lease line 467 feet.

21. Minimum distance to lease line as prescribed by field rules 467 feet.

22. Was the subject well at any time intentionally deviated from the vertical in any manner whatsoever? no

(If the answer to the above question is "yes", attach written explanation of the circumstances.)

INCLINATION DATA CERTIFICATION

I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have personal knowledge of the inclination data and facts placed on both sides of this form and that such data and facts are true, correct, and complete to the best of my knowledge. This certification covers all data as indicated by asterisks (*) by the item numbers on this form.

Michael D. Stone
Signature of Authorized Representative

Michael D. Stone, Asst. To President
Name of Person and Title (type or print)

Big "6" Drilling Company
Name of Company

Telephone: 713 (Area Code) 783/2300

OPERATOR CERTIFICATION

I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have personal knowledge of all information presented in this report, and that all data presented on both sides of this form are true, correct, and complete to the best of my knowledge. This certification covers all data and information presented herein except inclination data as indicated by asterisks (*) by the item numbers on this form.

Caryl Evans
Signature of Authorized Representative

Caryl Evans, Engineering Assistant
Name of Person and Title (type or print)

L & B Oil Company, Inc.
Operator

Telephone: 713 (Area Code) 977-0670

Railroad Commission Use Only:

Approved By: _____ Title: _____ Date: _____

* Designates items certified by company that conducted the inclination surveys.

RECORD OF INCLINATION (Continued from reverse side)

*11. Measured Depth (feet)	12. Course Length (Hundreds of feet)	*13. Angle of Inclination (Degrees)	14. Displacement per Hundred Feet (Sine of Angle X100)	15. Course Displacement (feet)	16. Accumulative Displacement (feet)
6221	263	1	1.75	4.60	102.97
6628	407	3-1/2	6.11	24.87	127.84
6747	119	4-1/2	7.85	9.34	137.18
6820	73	3-1/2	6.11	4.46	141.64
7008	188	2	3.49	6.56	148.20
7315	307	2-1/2	4.36	13.39	161.59
7462	147	2-1/4	3.93	5.78	167.34
7731	269	4	6.98	18.78	186.12
7854	123	4-1/2	7.85	9.66	195.78
7975	121	4	6.98	8.45	204.23
8079	104	3-1/2	6.11	6.35	210.58
8477	398	2-3/4	4.80	19.10	229.68
8915	438	3	5.23	22.91	252.59
8933	18	3	5.23	.94	253.53
9770	837	2-1/4	3.93	32.89	286.42
10,175	405	1	1.75	7.09	293.51

If additional space is needed, attach separate sheet and check here. ☐

REMARKS: _____

– INSTRUCTIONS –

An inclination survey made by persons or concerns approved by the Commission shall be filed on a form prescribed by the Commission for each well drilled or deepened with rotary tools or when, as a result of any operation, the course of the well is changed. No inclination survey is required on wells that are drilled and completed as dry holes that are plugged and abandoned. (Inclination surveys are required on re-entry of abandoned wells.) Inclination surveys must be made in accordance with the provisions of Statewide Rule 11.

This report shall be filed in the District Office of the Commission for the district in which the well is drilled, by attaching one copy to each appropriate completion for the well. (except Plugging Report)

The Commission may require the submittal of the original charts, graphs, or discs, resulting from the surveys.

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

Form P-4
Rev. 6/80

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: 03
RRC Oil Lease No.:
RRC Gas Well Ident. No.:
Gas Well No.:
Effective Date: 11/16/83
County: Grimes

Field Name (as per RRC records): Iola, South (Sub-Clarksville)
Lease Name: Cobb Unit 2
Operator Name: L & B Oil Company, Inc.
Address: 2600 S. Gessner, Suite 220
City, State, Zip Code: Houston, Texas 77063
Location (Section, Block, and Survey): Joshua Hadley Survey, A-266
Distance and Direction to nearest town in this county.: 7 miles southwest from Iola

GAS GATHERER, PURCHASER, AND NOMINATOR

NOTE: The names of all three of the above must be furnished for all gas sold.

	RRC USE ONLY	INDICATE MARKET	
Name: Producer's Gas Company ATTN: Betty Seale Address: 2202 Timberloch, Suite 200 City, State, Zip Code: The Woodlands, Texas 77380	_____ % of the	☐ Interstate ☒ Intrastate ☐ Gas Well Gas ☐ Full Well Stream ☒ Casinghead Gas	☒ Gatherer ☒ Purchaser ☒ Nominator
Name: Address: City, State, Zip Code:	RRC USE ONLY _____ % of the	INDICATE MARKET ☐ Interstate ☐ Intrastate ☐ Gas Well Gas ☐ Full Well Stream ☐ Casinghead Gas	☐ Gatherer ☐ Purchaser ☐ Nominator
Name: Address: Zip Code:	RRC USE ONLY _____ % of the	INDICATE MARKET ☐ Interstate ☐ Intrastate ☐ Gas Well Gas ☐ Full Well Stream ☐ Casinghead Gas	☐ Gatherer ☐ Purchaser ☐ Nominator

OIL OR CONDENSATE GATHERER

	RRC USE ONLY	
Name: Scurlock Oil Company Address: P. O. Box 4648 City, State, Zip Code: Houston, Texas 77210	100 % of the	☒ Oil ☐ Condensate
Name: Address: City, State, Zip Code:	RRC USE ONLY _____ % of the	☐ Oil ☐ Condensate

INDICATE PURPOSE OF FILING

☐ New Oil Lease or Gas Well. Form W-1 (Application for Permit to Drill, Deepen or Plug Back) filed in the name of: _____ (Operator) _____ (Lease)

☐ Change of Gatherer ☐ Change of Purchaser ☐ Change of Nominator

☐ Change field name from _____

☐ Change operator name from _____

☒ Change lease name from Cobb

☒ Consolidation or subdivision of lease (Attachments required - - See instructions.)

Previous Form P-4 approval date if filed (or prior SW-1 number) 10/17/83 (mo. day yr.), _____ (SW-1 Number or Date)

REMARKS: _____

FOR RRC USE ONLY
Field No.:
Operator No.:
Approved

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.

11/16/83 (Date) | Caryl Evans (Signature) | Engineering Assistant (Title) | 713/977-0670 (Area Code & Telephone No.)

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

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

Previous Operator _____ Signature _____

Address _____ Title _____

City, State & Zip Code _____ Date _____ Area Code & Telephone No. _____

If there are additional gatherers, purchasers, or nominators, check here ☐ and use reverse side of this form.

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

Form P-4
Rev. 6/80

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: 03
RRC Oil Lease No.:
RRC Gas Well Ident. No.:
Gas Well No.:
Effective Date: 11/16/83
County: Grimes

Field Name (as per RRC records): Iola, South (Sub-Clarksville)
Lease Name: Cobb Unit 2
Operator Name: L & B Oil Company, Inc.
Address: 2600 S. Gessner, Suite 220
City, State, Zip Code: Houston, Texas 77063
Location (Section, Block, and Survey): Joshua Hadley Survey, A-266
Distance and Direction to nearest town in this county.: 7 miles southwest from Iola

GAS GATHERER, PURCHASER, AND NOMINATOR

NOTE: The names of all three of the above must be furnished for all gas sold.

	RRC USE ONLY	INDICATE MARKET	
Name: Producer's Gas Company ATTN: Betty Seale Address: 2202 Timberloch, Suite 200 City, State, Zip Code: The Woodlands, Texas 77380	_____ % of the	☐ Interstate ☒ Intrastate ☐ Gas Well Gas ☐ Full Well Stream ☒ Casinghead Gas	☒ Gatherer ☒ Purchaser ☒ Nominator
Name: Address: City, State, Zip Code:	_____ % of the	☐ Interstate ☐ Intrastate ☐ Gas Well Gas ☐ Full Well Stream ☐ Casinghead Gas	☐ Gatherer ☐ Purchaser ☐ Nominator
Name: Address: Zip Code:	_____ % of the	☐ Interstate ☐ Intrastate ☐ Gas Well Gas ☐ Full Well Stream ☐ Casinghead Gas	☐ Gatherer ☐ Purchaser ☐ Nominator

OIL OR CONDENSATE GATHERER

	RRC USE ONLY	
Name: Scurlock Oil Company Address: P. O. Box 4648 City, State, Zip Code: Houston, Texas 77210	100 % of the	☒ Oil ☐ Condensate
Name: Address: City, State, Zip Code:	_____ % of the	☐ Oil ☐ Condensate

INDICATE PURPOSE OF FILING

☐ New Oil Lease or Gas Well. Form W-1 (Application for Permit to Drill, Deepen or Plug Back) filed in the name of: _____ (Operator) _____ (Lease)

☐ Change of Gatherer ☐ Change of Purchaser ☐ Change of Nominator

☐ Change field name from _____

☐ Change operator name from _____

☒ Change lease name from Cobb

☒ Consolidation or subdivision of lease (Attachments required - - See instructions.)

Previous Form P-4 approval date if filed (or prior SW-1 number) 10/17/83 (mo. day yr.), _____ (SW-1 Number or Date)

REMARKS: _____

FOR RRC USE ONLY
Field No.:
Operator No.:
Approved

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.

11/16/83 (Date) Caryl Evans (Signature) Engineering Assistant (Title) 713/977-0670 (Area Code & Telephone No.)

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

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

Previous Operator _____ Signature _____

Address _____ Title _____

City, State & Zip Code _____ Date _____ Area Code & Telephone No. _____

If there are additional gatherers, purchasers, or nominators, check here ☐ and use reverse side of this form.

(9)

M. F. 86481
WELL # 2 COMPLETION REPORT
GARRY MAURO, COMMISSIONER
FILED 12-5-83 BY EF

15-193

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

(UNIT WELL M-86481 (2.41 AC)

FORM W-2
Rev. 6/12/78

API NO. if Available 42-185-30338

7. RRC District: 03

8. RRC Lease Number: 16699

OIL WELL POTENTIAL TEST
COMPLETION OR RECOMPLETION REPORT AND LOG

1. FIELD NAME (as per RRC Records or Wildcat): Iola, South (Sub-Clarksville)

2. LEASE NAME: Cobb

9. Well Number: 3

3. OPERATOR: L & B Oil Company, Inc.

10. County: Grimes

4. ADDRESS: 2600 S. Gessner, Suite 220, Houston, Texas 77063

11. Purpose of Test
Initial Potential [X]
Retest [ ]
Reclass [ ]

5. If Operator has changed within last 60 days — Give former Operator: na

6a. Location (Section, Block, and Survey): Joshua Hadley Survey, A-266

6b. Distance and Direction to nearest town in this county.: 7 miles SW from Iola

12. If Workover or Reclass, Give former Field (with Reservoir) & Gas ID or Oil Lease #	FIELD & RESERVOIR	GAS ID or OIL LEASE #	Oil - O Gas - G	WELL #	13. Type of Electric or other Log run	14. Completion or Recompletion Date
	na				DI-SFL	7/26/83

SECTION I — POTENTIAL TEST DATA

15. Date of Test	16. No. of Hours Tested	17. Production Method (Flowing, Gas Lift, Jetting, Pumping – Size & Type of Pump)	18. Choke Size
7/27/83	24	Flowing	15/64"

	Oil – BBLS	Gas – MCF	Water – BBLS	Gas – Oil Ratio	Flowing Tubing Pressure
19. Production During Test Period ////	386	371	0	961	650 PSI
20. Calculated 24 /// Hour Rate ////	386	371	0	Oil Gravity – API – 60° 33.6	Casing Pressure 0 PSI

21. Was Swab Used During this Test? Yes [ ] No [X]

22. Oil Produced Prior to Test (New & Reworked Wells): 362

23. Injection Gas–Oil Ratio:

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

INSTRUCTIONS: All potential test Forms, with all information requested thereon filled in, shall be filed in the District Office of the Railroad Commission not later than ten (10) days after the test is completed and, should the operator fail to file potential test in an acceptable Form within the ten (10) days as specified, then the effective date of the allowable resulting from such test shall not extend back more than ten (10) days prior to receipt and acceptance of the potential test Form in the District Office. This Ten-Day provision shall govern regardless of whether the potential test is taken during the month in which it is received in the District Office or any prior month. Fill in only the front of this Form when reporting only a potential test; if well is newly completed or recompleted, fill in reverse side also.

EACH WITNESS MUST PERSONALLY SIGN.

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

Signature: REPRESENTATIVE OF COMPANY MAKING TEST

List of Offset Operators Notified and Date Notified:
Lear Petroleum Exploration, Inc. 7/27/83
Smith Petroleum Company 7/27/83

Signature: REPRESENTATIVE OF RAILROAD COMMISSION

List of Offset Operators Notified and Date Notified:

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

See Attached Form W-12

Signature of Authorized Representative

Name of Company Conducting Survey

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

See Attached Forms W-15

Signature of Cementer or Authorized Representative

Name of Cementing Company

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.

Caryl Evans — REPRESENTATIVE OF COMPANY

Engineering Assistant — TITLE

7/28/83 — DATE

Phone 713 977-0670 — A/C NUMBER

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

24. Type of Completion: New Well [X] Deepening [ ] Plug Back [ ] Other [ ]

25. Permit to Drill, Plug Back or Deepen — DATE: 6/30/83 — PERMIT NO.: 200001

Rule 37 Exception — CASE NO.:

Water Injection Permit — PERMIT NO.:

Salt Water Disposal Permit — PERMIT NO.:

Other — PERMIT NO.:

26. Notice of Intention to Drill this Well was filed in Name of: L & B Oil Company, Inc.

27. Number of Producing Wells on this Lease in This Field (Reservoir) including this Well: 3

28. Total Number of Acres in this lease: 141

29. Date Plug Back, Deepening, WorkOver or Drilling Operations: Commenced 6/29/83; Completed 7/18/83

30. Distance to Nearest Well, Same Lease & Reservoir: 1,200'

31. Location of Well, Relative to Nearest Lease Boundaries of Lease on which this Well is Located: 467 Feet From north Line and 2,867 Feet From east Line of the Cobb Lease

32. Elevation (DF, RKB, RT, GR, ETC): +216' GR

33. Was Directional Survey Made Other Than Inclination (Form W-12)? [ ] Yes [X] No

34. Top of Pay: 8,976

35. Total Depth: 9,204

36. P. B. Depth: 9,043

37. Surface Casing Determined by: Field Rules [ ]; Recommendation of T.D.W.R. [ ] Dt. of Ltr.; Railroad Commission (Special) [X] Dt. of Ltr. 7/13/83

38. Is Well Multiple Completion? no

39. If Multiple Completion List All Reservoir Names (Completions in this Well) and Oil Lease or Gas ID No.

40. Intervals Drilled by: Rotary Tools X; Cable Tools

41. Name of Drilling Contractor: Big Six Drilling Company

42. Is Cementing Affidavit Attached? [X] Yes [ ] No

FIELD & RESERVOIR	GAS ID or OIL LEASE #	Oil - O Gas - G	WELL #
na			

43. 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.
9-5/8	36	2,402		1120 SX. "H"	13-1/2	surface	1,915
5-1/2	17	9,201		445 SX. "H"	8-3/4	8,200	574

44. LINER RECORD

Size	TOP	Bottom	Sacks Cement	Screen

45. TUBING RECORD

Size	Depth Set	Packer Set
2-7/8	8,885	8,885

46. Producing Interval (this completion) indicate Depth of Perforation or Open Hole

From	8,976	To	8,990 (DIL)
From		To	
From		To	
From		To	

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

Depth Interval	Amount and Kind of Material Used

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

Formations	Depth	Formations	Depth
Base Wilcox	5,275	Woodbine	9,056
Austin Chalk	8,566		
Sub-Clarksville	8,907		

REMARKS

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

M-86481

FORM W-2
Rev. 6/12/78

OIL WELL POTENTIAL TEST
COMPLETION OR RECOMPLETION REPORT AND LOG

API NO. if Available: 42-185-30338

7. RRC District: 03

8. RRC Lease Number: 16699

1. FIELD NAME (as per RRC Records or Wildcat): Iola, South (Sub-Clarksville)

2. LEASE NAME: Cobb

9. Well Number: 3

3. OPERATOR: L & B Oil Company, Inc.

10. County: Grimes

4. ADDRESS: 2600 S. Gessner, Suite 220, Houston, Texas 77063

11. Purpose of Test
Initial Potential [X]
Retest [ ]
Reclass [ ]

5. If Operator has changed within last 60 days -- Give former Operator: na

6a. Location (Section, Block, and Survey): Joshua Hadley Survey, A-266

6b. Distance and Direction to nearest town in this county.: 7 miles SW from Iola

12. If Workover or Reclass, Give former Field (with Reservoir) & Gas ID or Oil Lease #	FIELD & RESERVOIR	GAS ID or OIL LEASE #	Oil - O Gas - G	WELL #	13. Type of Electric or other Log run	14. Completion or Recompletion Date
	na				DI-SFL	7/26/83

SECTION I

POTENTIAL TEST DATA

15. Date of Test	16. No. of Hours Tested	17. Production Method (Flowing, Gas Lift, Jetting, Pumping - Size & Type of Pump)	18. Choke Size
7/27/83	24	Flowing	15/64"

	Oil - BBLS	Gas - MCF	Water - BBLS	Gas - Oil Ratio	Flowing Tubing Pressure
19. Production During Test Period /////	386	371	0	961	650 PSI
20. Calculated 24 Hour Rate /// /////	386	371	0	33.6	0 PSI

	Oil - BBLS	Gas - MCF	Water - BBLS	Oil Gravity - API - 60°	Casing Pressure

21. Was Swab Used During this Test? Yes [ ] No [X]

22. Oil Produced Prior to Test (New & Reworked Wells): 362

23. Injection Gas-Oil Ratio:

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

INSTRUCTIONS: All potential test Forms, with all information requested thereon filled in, shall be filed in the District Office of the Railroad Commission not later than ten (10) days after the test is completed and, should the operator fail to file potential test in an acceptable Form within the ten (10) days as specified, then the effective date of the allowable resulting from such test shall not extend back more than ten (10) days prior to receipt and acceptance of the potential test Form in the District Office. This Ten-Day provision shall govern regardless of whether the potential test is taken during the month in which it is received in the District Office or any prior month. Fill in only the front of this Form when reporting only a potential test; if well is newly completed or recompleted, fill in reverse side also.

EACH WITNESS MUST PERSONALLY SIGN.

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

Signature: REPRESENTATIVE OF COMPANY MAKING TEST

List of Offset Operators Notified and Date Notified:
Lear Petroleum Exploration, Inc. 7/27/83
Smith Petroleum Company 7/27/83

Signature: REPRESENTATIVE OF RAILROAD COMMISSION

List of Offset Operators Notified and Date Notified:

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

See Attached Form W-12

Signature of Authorized Representative

Name of Company Conducting Survey

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

See Attached Forms W-15

Signature of Cementer or Authorized Representative

Name of Cementing Company

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.

Caryl Evans — REPRESENTATIVE OF COMPANY

Engineering Assistant — TITLE

7/28/83 — DATE

Phone 713 977-0670 — A/C NUMBER

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

24. Type of Completion: New Well [X] Deepening [ ] Plug Back [ ] Other [ ]

25. Permit to Drill, Plug Back or Deepen — DATE: 6/30/83 — PERMIT NO.: 200001
Rule 37 Exception — CASE NO.:
Water Injection Permit — PERMIT NO.:
Salt Water Disposal Permit — PERMIT NO.:
Other — PERMIT NO.:

26. Notice of Intention to Drill this Well was filed in Name of: L & B Oil Company, Inc.

27. Number of Producing Wells on this Lease in This Field (Reservoir) including this Well: 3

28. Total Number of Acres in this lease: 141

29. Date Plug Back, Deepening, WorkOver or Drilling Operations: Commenced 6/29/83; Completed 7/18/83

30. Distance to Nearest Well, Same Lease & Reservoir: 1,200'

31. Location of Well, Relative to Nearest Lease Boundaries of Lease on which this Well is Located: 467 Feet From north Line and 2,867 Feet From east Line of the Cobb Lease

32. Elevation (DF, RKB, RT, GR, ETC): +216' GR

33. Was Directional Survey Made Other Than Inclination (Form W-12)? [ ] Yes [X] No

34. Top of Pay: 8,976

35. Total Depth: 9,204

36. P. B. Depth: 9,043

37. Surface Casing Determined by: Field Rules [ ]; Recommendation of T.D.W.R. [ ] Dt. of Ltr.; Railroad Commission (Special) [X] Dt. of Ltr. 7/13/83

38. Is Well Multiple Completion? no

39. If Multiple Completion List All Reservoir Names (Completions in this Well) and Oil Lease or Gas ID No.

FIELD & RESERVOIR	GAS ID or OIL LEASE #	Oil - O Gas - G	WELL #
na			

40. Intervals Drilled by: Rotary Tools X; Cable Tools

41. Name of Drilling Contractor: Big Six Drilling Company

42. Is Cementing Affidavit Attached? [X] Yes [ ] No

43. 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.
9-5/8	36	2,402		1120 SX. "H"	13-1/2	surface	1,915
5-1/2	17	9,201		445 SX. "H"	8-3/4	8,200	574

44. LINER RECORD

Size	TOP	Bottom	Sacks Cement	Screen

45. TUBING RECORD

Size	Depth Set	Packer Set
2-7/8	8,885	8,885

46. Producing Interval (this completion) indicate Depth of Perforation or Open Hole

From	8,976	To	8,990 (DIL)
From		To	
From		To	
From		To	

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

Depth Interval	Amount and Kind of Material Used

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

Formations	Depth	Formations	Depth
Base Wilcox	5,275	Woodbine	9,056
Austin Chalk	8,566		
Sub-Clarksville	8,907		

REMARKS

AILROAD COMMISSION OF TEXAS RECEIVED
OIL AND GAS DIVISION
JUL 15 1983

Form W - 15
(Rev. 5-1-80)

CEMENTING REPORT

*1. Field Name (as per RRC Records or Wildcat) Iola, South (Sub-Clarksville)	*2. RRC District 03
*3. Operator ~~Xxxx Xxxxxxxxx~~ L & B Oil Company, Inc.	*4. County Grimes
*5. Lease Name(s) and RRC Lease Number(s) or I. D. Number(s) Cobb	*6. Well Number 3
*7. Location (Section, Block, and Survey) Joshua Hadley Survey, A-266	

RECEIVED
JUL 15 1983
ans'd

CASING CEMENTING DATA:	SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
			Single String	Multiple Parallel Strings	Tool	Shoe
8. Cementing Date	7-1-83					
*9. (a) Size of Drill Bit (inches)	13½					
(b) Estimated % Wash or Hole Enlargement Used in Calculations.	50%					
*10. Size of Casing (inches O.D.)	9 5/8					
*11. Top of Liner (if liner used) (ft.)						
*12. Setting Depth of Casing (ft.)	2,402 ~~2400~~					
13. Type API Class Cement & Amount of Additives Used: (a) In First (Lead) or Only Slurry *(If additional space is needed, use "REMARKS" on reverse side.)*	HLC + 3% Salt					
(b) In Second Slurry	H + 2% Calcuium		Chloride			
(c) In Third Slurry	H + 2% Calcuim		Chloride			
14. Sacks of Cement Used: (a) In First (Lead) or Only Slurry	860					
(b) In Second Slurry	210					
(c) In Third Slurry	50					
(d) Total Sacks of Cement Used	1120					
15. Slurry Volume per Sack of Cement (cu.ft./sack): (a) In First (Lead) or Only Slurry	1.87					
(b) In Second Slurry	1.18					
(c) In Third Slurry	1.18					
16. Volume of Slurry Pumped: (cu. ft.) (Item 14 x Item 15) (a) In First (Lead) or Only Slurry	1608.2					
(b) In Second Slurry	247.8					
(c) In Third Slurry	59					
(d) Total Slurry Volume Pumped (cu.ft.)	1915					
17. Calculated Annular Height of Cement Slurry behind Pipe (ft.)	3670					
18. Was cement circulated to ground surface (or bottom of cellar) outside casing? (Yes or No)	Yes					

CEMENTING TO PLUG AND ABANDON DATA:	PLUG NO. 1	PLUG NO. 2	PLUG NO. 3	PLUG NO. 4	PLUG NO. 5	PLUG NO. 6
19. Cementing Date						
*20. Size of Hole or Pipe in which Plug Placed (inches)						
*21. Depth to Bottom of Tubing or Drill Pipe (ft.)						
22. Sacks of Cement Used (each plug)						
23. Slurry Volume Pumped (cu. ft.)						
24. Calculated Top of Plug (ft.)						
*25. Measured Top of Plug (if tagged) (ft.)						

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

– OVER –

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

. Remarks:

*27. Remarks:

CEMENTING COMPANY

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

Danny Jones
Signature of Cementer or Authorized Representative

Danny Jones, Cementer
Name of Person and Title (type or print)

Halliburton Services
Cementing Company

P.O. Box 579
Street Address or P.O. Box

Caldwell, Tx. 77836
City, State Zip Code

elephone 409 567-4674
Area Code

July 14, 1983
Date

*OPERATOR

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

Caryl Evans
*Signature of Operator or Authorized Representative

Caryl Evans, Engineering Assistant
*Name of Person and Title (type or print)

L & B Oil Company, Inc.
*Operator

2600 S. Gessner, Suite 220
*Street Address or P.O. Box

Houston, Texas 77063
*City, State Zip Code

*Telephone 713 977-0670
Area Code

July 28, 1983
*Date

INSTRUCTIONS

. A. This form shall be filed by the operator in the RRC District Office with:
(1) Each copy of an initial Form G-1 or W-2 if a cementing report is required by Statewide or Special Rules, or if exception is needed to cementing requirements in Statewide or Special Rules; unless the Form G-1 or W-2 is signed by the cementing company representative.
(2) Each copy of Form W-3; unless the Form W-3 is signed by the cementing company representative.
(3) Each copy of Form W-4 if a multiple parallel casing completion.

B. At least an original and one copy of this form shall be filed for each cementing company used on a well.

C. The cementing of different casing strings on a well by one cementing company may be consolidated on one form (to be filed in duplicate).

Cementing Company and Operator shall comply with the applicable portions of Statewide Rules 8, 13, and 14. For offshore operations, Cementing Company and Operator shall comply with Statewide Rule 13(E).

If setting FULL AMOUNT OF SURFACE CASING:

A. Depth to protect fresh water by:
(1) Field Rule
(2) Texas Water Development Board, if no Field Rule

B. Set surface casing below depth to be protected and cement from casing shoe to ground surface.

. IF SETTING ANYTHING OTHER THAN THE FULL AMOUNT OF SURFACE CASING, PERMISSION SHALL BE OBTAINED FROM THE RAILROAD COMMISSION.

If setting NO SURFACE CASING (See Item 4 above):

A. If no multi-stage tool is used, the next deeper casing string shall be cemented from the casing shoe to the surface.

B. If using the multi-stage tool on the next deeper string, cementfrom the depth that protects fresh water sands to the surface.

If setting SHORT SURFACE CASING (See Item 4 above.):

A. Cement short surface casing from the shoe to the surface.

B. Whether the multi-stage tool is or is not used on the next deeper casing string, cement from the depth that protects fresh water sands to:
(1) the surface, or
(2) a point midway between shoe of surface string and the surface. Compliance will be considered if a temperature survey shows that the top of the cement is at least one-third of the distance from the shoe of the surface string to the surface.

. Setting PRODUCTION STRING of Casing: (Statewide Rules; Special Rules may vary.)

A. Cement to a point at least 600 feet above the casing shoe.

B. When 3,000 feet or more of pipe is set for the production or protecting string, a minimum of 30 feet of cement shall be left inside the pipe.

PLUGGING AND ABANDONING:

A. Cement plugs shall be placed in the well bore as required by Rules and Regulations of the Commission plus any additional plugs as may be specified by the RRC District Director.

B. The minimum amount of cement normally used in each plug shall be a slurry volume equal to the amount necessary to fill the calculated volume of 100 feet of the hole in which the plug is placed.

C. A 10 foot cement plug is required to be placed in ( )p of the well.

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

RECEIVED
JUL 27 1983
Ans'd

Form W-15
Cementing Report
Rev. 4/1/83
483-045

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

1. Operator's Name (As shown on Form P-5, Organization Report)	2. RRC Operator No.	3. RRC District No.	4. County of Well Site
L & B Oil Company, Inc.	479410	03	Grimes

5. Field Name (Wildcat or exactly as shown on RRC records)	6. API No.	7. Drilling Permit No.
Iola, South (Sub-Clarksville)	42- 185-30338	200001

8. Lease Name	9. Rule 37 Case No.	10. Oil Lease/Gas ID No.	11. Well No.
Cobb		16699	#3

CASING CEMENTING DATA:		SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
				Single String	Multiple Parallel Strings	Tool	Shoe
12. Cementing Date				7-20-83			
13. •Drilled hole size				8 3/4			
•Est. % wash or hole enlargement				30%			
14. Size of casing (in. O.D.)				5 1/2			
15. Top of liner (ft.)							
16. Setting depth (ft.)				~~9201~~ 9,201			
17. Number of centralizers used				5			
18. Hrs. waiting on cement before drill-out				na			
1st Slurry	19. API cement used: No. of sacks ▶			445			
	Class ▶			H			
	Additives ▶			20% SF-4	+ .6% CF-2	+ .45% WR-15	
2nd Slurry	No. of sacks ▶						
	Class ▶						
	Additives ▶						
3rd Slurry	No. of sacks ▶						
	Class ▶						
	Additives ▶						
1st	20. Slurry pumped: Volume (cu. ft.) ▶			574			
	Height (ft.) ▶			8304			
2nd	Volume (cu. ft.) ▶						
	Height (ft.) ▶						
3rd	Volume (cu. ft.) ▶						
	Height (ft.) ▶						
Total	Volume (cu. ft.) ▶			574			
	Height (ft.) ▶			8304			
21. Was cement circulated to ground surface (or bottom of cellar) outside casing?				NO			

22. Remarks

OVER ▶

CEMENTING TO PLUG AND ABANDON	PLUG # 1	PLUG # 2	PLUG # 3	PLUG # 4	PLUG # 5	PLUG # 6	PLUG # 7	PLUG # 8
23. Cementing date								
24. Size of hole or pipe plugged (in.)								
25. Depth to bottom of tubing or drill pipe (ft.)								
26. Sacks of cement used (each plug)								
27. Slurry volume pumped (cu. ft.)								
28. Calculated top of plug (ft.)								
29. Measured top of plug, if tagged (ft.)								
30. Slurry wt. (lbs/gal)								
31. Type cement								

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

Bob Owen Service Supervisor	The Western Company of North America	Bob Owen
Name and title of cementer's representative	Cementing Company	Signature

820 Industrial Blvd	Bryan, Texas 77803	(409) 779-9307	7-20-83
Address	City, State, Zip Code	Tel.: Area Code Number	Date: mo. day yr.

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

Caryl Evans	Engineering Assistant	Caryl Evans
Typed or printed name of operator's representative	Title	Signature

2600 S. Gessner, Suite 220, Houston, Texas 77063	713/977-0670	7/28/83
Address	City, State, Zip Code	Tel.: Area Code Number	Date: mo. day yr.

Instructions to Form W-15, Cementing Report

IMPORTANT: Operators and cementing companies must comply with the requirements of the Commission's Statewide Rules 8 (Water Protection), 13 (Casing, Cementing, Drilling, and Completion), and 14 (Well Plugging). For offshore operations, see the requirements of Rule 13 (c).

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

- An initial oil or gas completion report, Form W-2 or G-1, as required by Statewide or special field rules;
- Form W-4, Application for Multiple Completion, if the well is a multiple parallel casing completion; and
- Form W-3, Plugging Record, unless the W-3 is signed by the cementing company representative. When reporting dry holes, operators must complete Form W-15, in addition to Form W-3, to show any casing cemented in the hole.

B. **Where to file.** The appropriate Commission District Office for the county in which the well is located.

C. **Surface casing.** An operator must set and cement sufficient surface casing to protect all usable-quality water strata, as defined by the Texas Department of Water Resources, Austin. Before drilling a well in any field or area in which no field rules are in effect or in which surface casing requirements are not specified in the applicable rules, an operator must obtain a letter from the Department of Water Resources stating the protection depth. Surface casing should not be set deeper than 200 feet below the specified depth without prior approval from the Commission.

D. **Centralizers.** Surface casing must be centralized at the shoe, above and below a stage collar or diverting tool, if run, and through usable-quality water zones. In nondeviated holes, a centralizer must be placed every fourth joint from the cement shoe to the ground surface or to the bottom of the cellar. All centralizers must meet API specifications.

E. **Exceptions and alternative casing programs.** The District Director may grant an exception to the requirements of Statewide Rule 13. In a written application, an operator must state the reason for the requested exception and outline an alternate program for casing and cementing through the protection depth for strata containing usable-quality water. The District Director may approve, modify, or reject a proposed program. An operator must obtain approval of any exception before beginning casing and cementing operations.

F. **Intermediate and production casing.** For specific technical requirements, operators should consult Statewide Rule 13 (b) (3) and (4).

G. **Plugging and abandoning.** Cement plugs must be placed in the wellbore as required by Statewide Rule 14. The District Director may require additional cement plugs. For onshore or inland wells, a 10-foot cement plug must be placed in the top of the well, and the casing must be cut off three feet below the ground surface. All cement plugs, except the top plug, must have sufficient slurry volume to fill 100 feet of hole, plus ten percent for each 1,000 feet of depth from the ground surface to the bottom of the plug.

To plug and abandon a well, operators must use only cementers approved by the Director of Field Operations. Cementing companies, service companies, or operators can qualify as approved cementers by demonstrating that they are able to mix and pump cement in compliance with Commission rules and regulations.

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

Form W-12
(1-1-71)

INCLINATION REPORT
(One Copy Must Be Filed With Each Completion Report.)

6. RRC District: 03
7. RRC Lease Number. (Oil completions only): 16699
8. Well Number: 3
9. RRC Identification Number (Gas completions only):
10. County: Grimes

1. FIELD NAME (as per RRC Records or Wildcat): Iola, South (Sub-Clarksville)
2. LEASE NAME: Cobb
3. OPERATOR: L & B Oil Company, Inc.
4. ADDRESS: 2600 S. Gessner, Suite 220, Houston, Texas 77063
5. LOCATION (Section, Block, and Survey): Joshua Hadley Survey, A-266

RECORD OF INCLINATION

*11. Measured Depth (feet)	12. Course Length (Hundreds of feet)	*13. Angle of Inclination (Degrees)	14. Displacement per Hundred Feet (Sine of Angle X100)	15. Course Displacement (feet)	16. Accumulative Displacement (feet)
510	510	3/4	1.31	6.68	6.68
1000	490	1	1.75	8.57	15.25
1606	606	3/4	1.31	7.93	23.18
2300	694	3/4	1.31	9.09	32.27
3000	700	¼	.44	3.08	35.35
3547	547	3/4	1.31	7.16	42.51
4154	607	3/4	1.31	7.95	50.46
4611	457	¼	.44	2.01	52.47
5156	545	1	1.75	9.53	62.00
5440	284	2	3.49	9.99	71.99
5796	356	1 3/4	3.05	10.85	82.84
5961	165	1	1.75	2.88	85.72
6234	273	1	1.75	4.77	90.49
6494	260	3/4	1.31	3.40	93.89
6915	421	2	3.49	14.69	108.58
7090	175	2	3.49	6.10	114.68

If additional space is needed, use the reverse side of this form.

17. Is any information shown on the reverse side of this form? [X] yes [ ] no
18. Accumulative total displacement of well bore at total depth of 9025 feet = 195.34 feet.
*19. Inclination measurements were made in – [ ] Tubing [ ] Casing [ ] Open hole [X] Drill Pipe
20. Distance from surface location of well to the nearest lease line 467 feet.
21. Minimum distance to lease line as prescribed by field rules 467 feet.
22. Was the subject well at any time intentionally deviated from the vertical in any manner whatsoever? no
(If the answer to the above question is "yes", attach written explanation of the circumstances.)

INCLINATION DATA CERTIFICATION

I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have personal knowledge of the inclination data and facts placed on both sides of this form and that such data and facts are true, correct, and complete to the best of my knowledge. This certification covers all data as indicated by asterisks (*) by the item numbers on this form.

Michael D. Stone
Signature of Authorized Representative

Michael D. Stone, Asst. To President
Name of Person and Title (type or print)

Big "6" Drilling Company
Name of Company

Telephone: 713 (Area Code) 783/2300

OPERATOR CERTIFICATION

I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have personal knowledge of all information presented in this report, and that all data presented on both sides of this form are true, correct, and complete to the best of my knowledge. This certification covers all data and information presented herein except inclination data as indicated by asterisks (*) by the item numbers on this form.

Caryl Evans
Signature of Authorized Representative

Caryl Evans, Engineering Assistant
Name of Person and Title (type or print)

L & B Oil Company, Inc.
Operator

Telephone: 713 (Area Code) 977-0670

Railroad Commission Use Only:

Approved By: _____ Title: _____ Date: _____

* Designates items certified by company that conducted the inclination surveys.

RECORD OF INCLINATION (Continued from reverse side)

*11. Measured Depth (feet)	12. Course Length (Hundreds of feet)	*13. Angle of Inclination (Degrees)	14. Displacement per Hundred Feet (Sine of Angle X100)	15. Course Displacement (feet)	16. Accumulative Displacement (feet)
7486	396	2	3.49	13.82	128.5
7925	439	2	3.49	15.32	143.82
8405	480	2½	4.36	20.92	164.74
8594	189	2¼	3.93	7.42	172.16
9025	431	2¼	3.93	16.93	189.09
9204	179	2	3.49	6.25	195.34

If additional space is needed, attach separate sheet and check here. ☐

REMARKS: _____

– INSTRUCTIONS –

An inclination survey made by persons or concerns approved by the Commission shall be filed on a form prescribed by the Commission for each well drilled or deepened with rotary tools or when, as a result of any operation, the course of the well is changed. No inclination survey is required on wells that are drilled and completed as dry holes that are plugged and abandoned. (Inclination surveys are required on re-entry of abandoned wells.) Inclination surveys must be made in accordance with the provisions of Statewide Rule 11.

This report shall be filed in the District Office of the Commission for the district in which the well is drilled, by attaching one copy to each appropriate completion for the well. (except Plugging Report)

The Commission may require the submittal of the original charts, graphs, or discs, resulting from the surveys.

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

Form P-4
Rev. 6/80

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: 03
RRC Oil Lease No.:
RRC Gas Well Ident. No.:
Gas Well No.:
Effective Date: 11/16/83
County: Grimes

Field Name (as per RRC records): Iola, South (Sub-Clarksville)
Lease Name: Cobb Unit 3
Operator Name: L & B Oil Company, Inc.
Address: 2600 S. Gessner, Suite 220
City, State, Zip Code: Houston, Texas 77063
Location (Section, Block, and Survey): Joshua Hadley Survey, A-266
Distance and Direction to nearest town in this county.: 7 miles southwest from Iola

GAS GATHERER, PURCHASER, AND NOMINATOR

NOTE: The names of all three of the above must be furnished for all gas sold.

	RRC USE ONLY	INDICATE MARKET	
Name: Producer's Gas Company ATTN: Betty Seale Address: 2202 Timberloch, Suite 200 City, State, Zip Code: The Woodlands, Texas 77380	100 % of the	☐ Interstate ☒ Intrastate ☐ Gas Well Gas ☐ Full Well Stream ☒ Casinghead Gas	☒ Gatherer ☒ Purchaser ☒ Nominator
Name: Address: City, State, Zip Code:	RRC USE ONLY % of the	INDICATE MARKET ☐ Interstate ☐ Intrastate ☐ Gas Well Gas ☐ Full Well Stream ☐ Casinghead Gas	☐ Gatherer ☐ Purchaser ☐ Nominator
Name: Address: Zip Code:	RRC USE ONLY % of the	INDICATE MARKET ☐ Interstate ☐ Intrastate ☐ Gas Well Gas ☐ Full Well Stream ☐ Casinghead Gas	☐ Gatherer ☐ Purchaser ☐ Nominator

OIL OR CONDENSATE GATHERER

	RRC USE ONLY	
Name: Scurlock Oil Company Address: P. O. Box 4648 City, State, Zip Code: Houston, Texas 77210	100 % of the	☒ Oil ☐ Condensate
Name: Address: City, State, Zip Code:	RRC USE ONLY % of the	☐ Oil ☐ Condensate

INDICATE PURPOSE OF FILING

☐ New Oil Lease or Gas Well. Form W-1 (Application for Permit to Drill, Deepen or Plug Back) filed in the name of: _____ (Operator) _____ (Lease)

☐ Change of Gatherer ☐ Change of Purchaser ☐ Change of Nominator

☐ Change field name from _____

☐ Change operator name from _____

☒ Change lease name from Cobb

☒ Consolidation or subdivision of lease (Attachments required - - See instructions.)

Previous Form P-4 approval date if filed (or prior SW-1 number) 10/17/83 (mo. day yr.), _____ (SW-1 Number or Date)

REMARKS: _____

FOR RRC USE ONLY
Field No.:
Operator No.:
Approved

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.

11/16/83 (Date) — Caryl Evans (Signature) — Engineering Assistant (Title) — 713/977-0670 (Area Code & Telephone No.)

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

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

Previous Operator _____ Signature _____

Address _____ Title _____

City, State & Zip Code _____ Date _____ Area Code & Telephone No. _____

If there are additional gatherers, purchasers, or nominators, check here ☐ and use reverse side of this form.

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

Form P-4
Rev. 6/80

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: 03
RRC Oil Lease No.:
RRC Gas Well Ident. No.:
Gas Well No.:
Effective Date: 11/16/83
County: Grimes

Field Name (as per RRC records): Iola, South (Sub-Clarksville)
Lease Name: Cobb Unit 3
Operator Name: L & B Oil Company, Inc.
Address: 2600 S. Gessner, Suite 220
City, State, Zip Code: Houston, Texas 77063
Location (Section, Block, and Survey): Joshua Hadley Survey, A-266
Distance and Direction to nearest town in this county.: 7 miles southwest from Iola

GAS GATHERER, PURCHASER, AND NOMINATOR

NOTE: The names of all three of the above must be furnished for all gas sold.

	RRC USE ONLY		
Name: Producer's Gas Company ATTN: Betty Seale Address: 2202 Timberloch, Suite 200 City, State, Zip Code: The Woodlands, Texas 77380	100 % of the	INDICATE MARKET: ☐ Interstate ☒ Intrastate ☐ Gas Well Gas ☐ Full Well Stream ☒ Casinghead Gas	☒ Gatherer ☒ Purchaser ☒ Nominator
Name: Address: City, State, Zip Code:	RRC USE ONLY ____ % of the	INDICATE MARKET: ☐ Interstate ☐ Intrastate ☐ Gas Well Gas ☐ Full Well Stream ☐ Casinghead Gas	☐ Gatherer ☐ Purchaser ☐ Nominator
Name: Address: Zip Code:	RRC USE ONLY ____ % of the	INDICATE MARKET: ☐ Interstate ☐ Intrastate ☐ Gas Well Gas ☐ Full Well Stream ☐ Casinghead Gas	☐ Gatherer ☐ Purchaser ☐ Nominator

OIL OR CONDENSATE GATHERER

Name: Scurlock Oil Company Address: P. O. Box 4648 City, State, Zip Code: Houston, Texas 77210	RRC USE ONLY 100 % of the	☒ Oil ☐ Condensate
Name: Address: City, State, Zip Code:	RRC USE ONLY ____ % of the	☐ Oil ☐ Condensate

INDICATE PURPOSE OF FILING

☐ New Oil Lease or Gas Well. Form W-1 (Application for Permit to Drill, Deepen or Plug Back) filed in the name of: _____ (Operator) _____ (Lease)

☐ Change of Gatherer ☐ Change of Purchaser ☐ Change of Nominator

☐ Change field name from _____

☐ Change operator name from _____

☒ Change lease name from Cobb

☒ Consolidation or subdivision of lease (Attachments required - - See instructions.)

Previous Form P-4 approval date if filed (or prior SW-1 number) 10/17/83 (mo. day yr.), _____ (SW-1 Number or Date)

REMARKS: _____

FOR RRC USE ONLY
Field No.:
Operator No.:
Approved:

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.

11/16/83 (Date) Caryl Evans (Signature) Engineering Assistant (Title) 713/977-0670 (Area Code & Telephone No.)

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

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

Previous Operator _____ Signature _____

Address _____ Title _____

City, State & Zip Code _____ Date _____ Area Code & Telephone No. _____

If there are additional gatherers, purchasers, or nominators, check here ☐ and use reverse side of this form.

(10)

M. F. 86481
WELL # 3 COMPLETION REPORT
GARRY MAURO, COMMISSIONER
FILED 12-5-83 BY EF

15-103

±800' N/N. VASOTA .IVER & M-86481

THIS APPLICATION MUST BE FILED IN DUPLICATE IN THE APPROPRIATE DISTRICT OFFICE.

FORM W-1
1/1/81

API Well No. 42 185 30337
Instruction (7a & b) on back side.

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

☐ Directional Well ☐ Sidetrack ☒ Amended Permit (Explain in Remarks)

RRC Permit Number, if previously assigned. 194926

APPLICATION FOR PERMIT TO DRILL, DEEPEN, PLUG BACK, OR RE-ENTER

Check one: ☒ DRILL ☐ DEEPEN (Below Casing) ☐ DEEPEN (Within Casing) ☐ PLUG BACK ☐ RE-ENTER

7. RRC District: 03
8. County: Grimes

1. Operator: L & B Oil Company, Inc.
4a. Lease Name (32 Spaces Maximum): Cobb
4b. RRC Lease or ID No. (if assigned):
9. Well Number: 2

2. Address (Including City and Zip Code): 2600 S. Gessner, Suite 220, Houston, Texas 77063
5. Location (Sec., Blk., Survey): Joshua Hadley Survey, A-266
10. Number of Contiguous Acres in Lease or Unitized Tract: 141

3. Is Form P-5 (Organization Report) in Exact Operator Name Filed? YES ☒ NO ☐ (Instruction (2) on back side.)
6. This well is to be located 7 miles southwest Direction from Iola, Texas, Nearest Post Office or Town. Iola
11. Distance from Proposed Location to Nearest Lease or Unit Line (ft.): 467
12. Total Depth: 10,200

NOV 23 1983

EACH PROPOSED COMPLETION

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

13. FIELD NAME (Exactly as shown on R.R.C. Proration Schedule including Reservoir if applicable.) If Wildcat, so state below. One zone per line. List all zones for which a permit is sought.	14. Completion Depth	15. All Prior Rule 37 Exec. Case Numbers for this wellbore. If none, State None.	16. Applicable Field Rules Spacing Pattern. If no Rules, State 467-1200. (ft.)	17. Applicable Field Rules Density Pattern. If no Rules, State 40. (acres)	18. Number of Acres in Drilling Unit for this Well AND DESIGNATE ON PLAT.	19. Is this acreage presently assigned to another well in same res. on same lease? Yes or No. If yes explain in remarks.	20. Distance and Direction from proposed location to nearest drilling completed or applied for well in same res. on same lease (ft.)	21. Is this a 1. Regular or 2. Rule 37 Exc. Location? Check the appropriate box.	22. Oil, Gas, or other Type Well (Specify)	23. Number of completed, permitted or applied for, locations on this lease in same reservoir for which this permit is sought? OIL	GAS
00006 001 Wildcat Above 10,200'	+10,200	None	467-1200	40	40	no	1,200	Regular 1 ☒ Rule 37 2 ☐	Oil or gas	2	2
Iola, South (Sub-Clarksville) 44646500	9,000	None	467-1200	40	40	no	1,200	Regular 1 ☒ Rule 37 2 ☐	Oil	2	0
								Regular 1 ☐ Rule 37 2 ☐			
								Regular 1 ☐ Rule 37 2 ☐			

Circle C
Circle A120

24. PERPENDICULAR LOCATION FROM TWO DESIGNATED:
A. Lease Lines 467' FNL & 1,667' FEL
B. Survey Lines 1,120' FNL & 1,667' FEL

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

26. Do you anticipate future use of this wellbore to complete in any penetrated zone not listed in Column 13, for which a Rule 37 or Rule 38 exception is presently required? If Yes, attach a list of such zones and see Instruction #8. Yes ☐ No ☒

27. Is this a pooled unit? YES ☐ (Attach P-12, certified plat, & list of pooled zones) NO ☒

28. Substandard Acreage YES ☐ (Attach W-1A) NO ☒

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.

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.

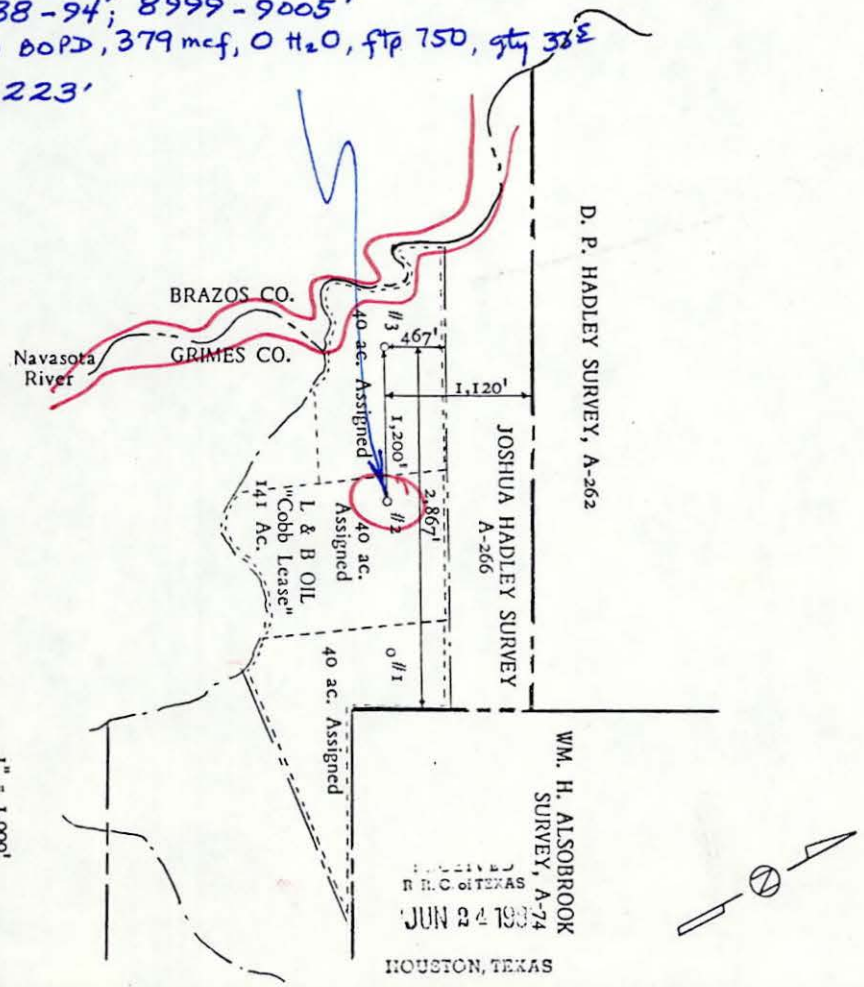
REMARKS: Amending number of acres in lease and 40-acre drilling unit.
5-13-83, 6-21-83

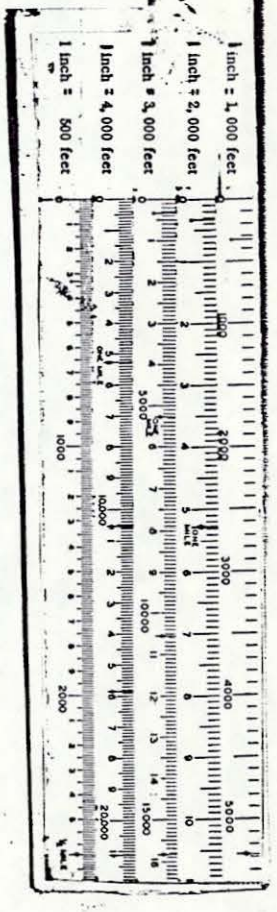
RECEIVED R.R.C. of TEXAS JUN 24 1983 HOUSTON, TEXAS

Signature: Carol Evans
Title: Engineering Assistant
Date: June 22, 1983
Telephone: Area Code 713 977-0670

READ INSTRUCTIONS ON BACK SIDE AND FURNISH COMPLETE DATA.

Spud: 6-11-83
Comp: 7-27-83
Perf: 8988-94'; 8999-9005'
IPF: 410 BOPD, 379 mcf, 0 H_2O, ftp 750, gty 38E
T.D.: 10,223'





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

11-1-83

7-14-83

THIS APPLICATION MUST BE FILED IN DUPLICATE IN THE APPROPRIATE DISTRICT OFFICE.

FORM W-1
1/1/81

API Well No. 42 185 30337
(Instruction (7a & b) on back side.

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

☐ Directional Well ☐ Sidetrack ☒ Amended Permit (Explain in Remarks)

RRC Permit Number, if previously assigned. 194926

APPLICATION FOR PERMIT TO DRILL, DEEPEN, PLUG BACK, OR RE-ENTER

Check one: ☒ DRILL ☐ DEEPEN (Below Casing) ☐ DEEPEN (Within Casing) ☐ PLUG BACK ☐ RE-ENTER

7. RRC District: 03

8. County: Grimes

1. Operator: L & B Oil Company, Inc.

4a. Lease Name (32 Spaces Maximum): Cobb

4b. RRC Lease or ID No. (if assigned)

9. Well Number: 2

2. Address (Including City and Zip Code): 2600 S. Gessner, Suite 220, Houston, Texas 77063

5. Location (Sec., Blk., Survey): Joshua Hadley Survey, A-266

10. Number of Contiguous Acres in Lease or Unitized Tract: 80

6. This well is to be located 7 miles southwest Direction from Iola, Texas, Nearest Post Office or Town: Iola, Texas

11. Distance from Proposed Location to Nearest Lease or Unit Line (ft.): 467'

12. Total Depth: 10,200'

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

EACH PROPOSED COMPLETION

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

13. FIELD NAME (Exactly as shown on R.R.C. Proration Schedule including Reservoir if applicable.) If Wildcat, so state below. One zone per line. List all zones for which a permit is sought.	14. Completion Depth	15. All Prior Rule 37 Exec. Case Numbers for this wellbore. If none, State None.	16. Applicable Field Rules Spacing Pattern. If no Rules, State 467-1200. (ft.)	17. Applicable Field Rules Density Pattern. If no Rules, State 40. (acres)	18. Number of Acres in Drilling Unit for this Well AND DESIGNATE ON PLAT.	19. Is this acreage presently assigned to another well in same res. on same lease? Yes or No. If yes explain in remarks.	20. Distance and Direction from proposed location to nearest drilling completed or applied for well in same res. on same lease (ft.)	21. Is this a 1. Regular or 2. Rule 37 Exc. Location? Check the appropriate box.	22. Oil, Gas, or other Type Well (Specify)	23. Number of completed, permitted or applied for, locations on this lease in same reservoir for which this permit is sought? OIL	GAS
00006 001 Wildcat Above 10,200'	+10,200	none	467-1200	40	40	no	1200	Regular 1 ☒ Rule 37 2 ☐	Oil or gas	I	I
44640 400 Iola, South (Sub-Clarksville)	9,000	none	467-1200	40	40	no	1200	Regular 1 ☒ Rule 37 2 ☐	Oil	I	O
								Regular 1 ☐ Rule 37 2 ☐			
								Regular 1 ☐ Rule 37 2 ☐			

Cobb

24. PERPENDICULAR LOCATION FROM TWO DESIGNATED:
A. Lease Lines 467' FNL & 1,667' FEL
B. Survey Lines 1,120' FNL & 1,667' FEL

Cobb A 1200

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

26. Do you anticipate future use of this wellbore to complete in any penetrated zone not listed in Column 13, for which a Rule 37 or Rule 38 exception is presently required? If Yes, attach a list of such zones and see Instruction #8. Yes ☐ No ☒

27. Is this a pooled unit? YES ☐ (Attach P-12, certified plat, & list of pooled zones) NO ☒

28. Substandard Acreage YES ☐ (Attach W-1A) NO ☒

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.

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.

REMARKS: Amending total depth from 9,300'
5-13-83

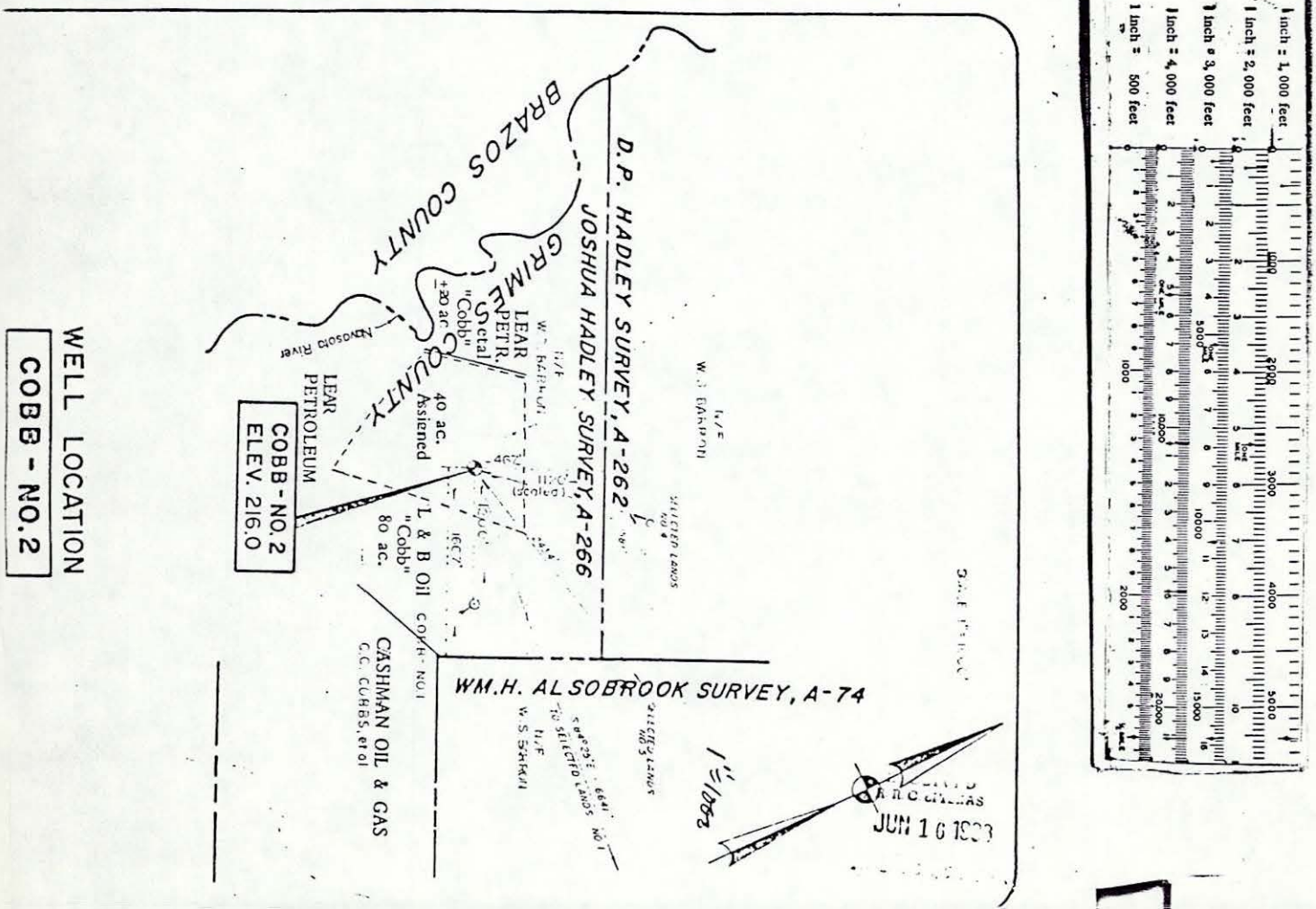
Caryl Evans
Signature
Engineering Assistant
June 15, 1983
Date
Telephone: Area Code 713, 977-0670

JUN 16 1983

READ INSTRUCTIONS ON BACK SIDE AND FURNISH COMPLETE DATA.

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

6-30-83



(11)

M.F 86481

APPLICATION TO DRILL

WELL # 2

FILED 12-5 19 83

GARRY MAURO, COMMISSIONER

BY EF

6.50 ENE of Navasota R. / Tr 2 / M-86481

THIS APPLICATION MUST BE FILED IN DUPLICATE IN THE APPROPRIATE DISTRICT OFFICE.

FORM W-1
1/1/81

16

API Well No. 42 (Instruction (7a & b) on back side.) 185-30337

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

☐ Directional Well ☐ Sidetrack ☐ Amended Permit (Explain in Remarks)

RRC Permit Number, if previously assigned. 194936

APPLICATION FOR PERMIT TO DRILL, DEEPEN, PLUG BACK, OR RE-ENTER

Check one: ☒ DRILL ☐ DEEPEN (Below Casing) ☐ DEEPEN (Within Casing) ☐ PLUG BACK ☐ RE-ENTER

7. RRC District: 03

8. County: Grimes

1. Operator: L & B Oil Company, Inc. 479410

2. Address (Including City and Zip Code): 2600 S. Gessner, Suite 220, Houston, Texas 77063 012967

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

4a. Lease Name (32 Spaces Maximum): Cobb

4b. RRC Lease or ID No. (if assigned)

5. Location (Sec., Blk., Survey): Joshua Hadley Survey, A-266

6. This well is to be located 7 miles southwest Direction from Iola, Texas, Nearest Post Office or Town: Iola, Texas

JUL 20 1983 W

9. Well Number: 2

10. Number of Contiguous Acres in Lease or Unitized Tract: 80

11. Distance from Proposed Location to Nearest Lease or Unit Line (ft.): 467'

12. Total Depth: 9,300'

SAR 7/11/83

EACH PROPOSED COMPLETION

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

13. FIELD NAME (Exactly as shown on R.R.C. Proration Schedule including Reservoir if applicable.) If Wildcat, so state below. One zone per line. List all zones for which a permit is sought.	14. Completion Depth	15. All Prior Rule 37 Exc. Case Numbers for this wellbore. If none, State None.	16. Applicable Field Rules Spacing Pattern. If no Rules, State 467-1200. (ft.)	17. Applicable Field Rules Density Pattern. If no Rules, State 40. (acres)	18. Number of Acres in Drilling Unit for this Well AND DESIGNATE ON PLAT.	19. Is this acreage presently assigned to another well in same res. on same lease? Yes or No. If yes explain in remarks.	20. Distance and Direction from proposed location to nearest drilling completed or applied for well in same res. on same lease (ft.)	21. Is this a 1. Regular or 2. Rule 37 Exc. Location? Check the appropriate box.	22. Oil, Gas, or other Type Well (Specify)	23. Number of completed, permitted or applied for, locations on this lease in same reservoir for which this permit is sought? OIL	GAS
000006 001 Wildcat Above 9,300'	unknown	none	467-1200	40	40	no	1200'	Regular 1 ☒ Rule 37 2 ☐	oil or gas	1	1
Iola, South (Sub-Clarksville)	9,000	none	467-1200	40	40	no	1200	Regular 1 ☒ Rule 37 2 ☐	oil	1	0
446461 500		Code C	Code		A 1200			Regular 1 ☐ Rule 37 2 ☐			
								Regular 1 ☐ Rule 37 2 ☐			

24. PERPENDICULAR LOCATION FROM TWO DESIGNATED:
A. Lease Lines 467' FNL & 1,667' FEL
B. Survey Lines 1,120' FNL & 1,667' FEL

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

26. Do you anticipate future use of this wellbore to complete in any penetrated zone not listed in Column 13, for which a Rule 37 or Rule 38 exception is presently required? If Yes, attach a list of such zones and see Instruction #8. Yes ☐ No ☒

27. Is this a pooled unit? YES ☐ (Attach P-12, certified plat, & list of pooled zones) NO ☒

28. Substandard Acreage YES ☐ (Attach W-1A) NO ☒

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.

RECEIVED R.R.C. of TEXAS MAY 05 1983 HOUSTON, TEXAS

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 herein are true, correct, and complete, to the best of my knowledge.

Signature: Caryl Tevana

Title: Engineering Assistant

Date: May 5 1983

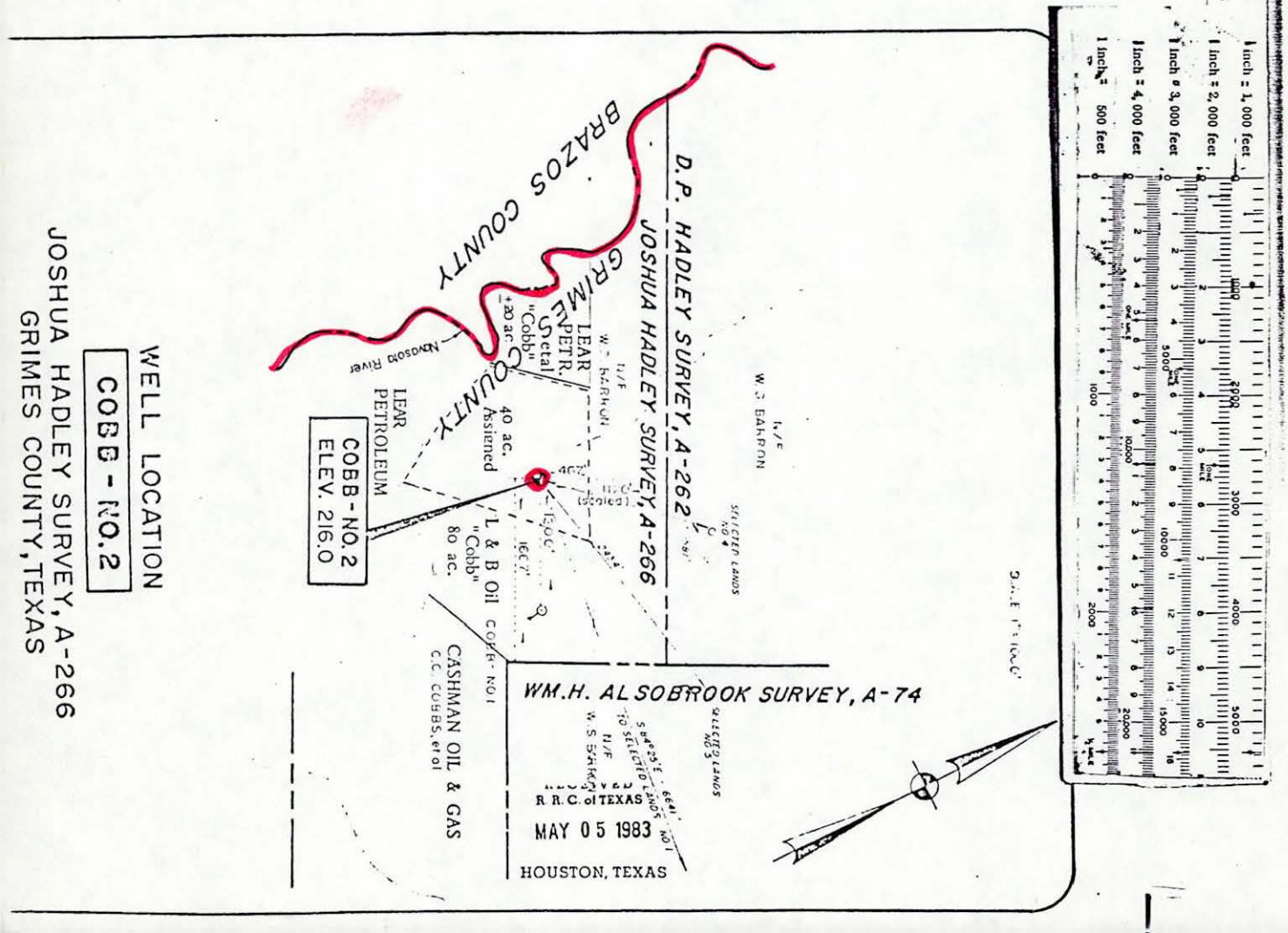
Telephone: Area Code 713, 977-0670

REMARKS: This is farm-in acreage consisting of a total of 1,646 net acres. L & B Oil earns 160 ac. per completed oil well and 640 ac. per completed gas well. The subject lease consists of 100 ac.; L & B Oil has been assigned 80 ac. (40 ac. per well) to drill.

READ INSTRUCTIONS ON BACK SIDE AND FURNISH COMPLETE DATA.

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

5-31-83



-50 N, N....SOTA RIVER (2) M-86481

THIS APPLICATION MUST BE FILED IN DUPLICATE IN THE APPROPRIATE DISTRICT OFFICE.

FORM W-1
1/1/81

11-1-83
1-a

Oil Well No. 42
If direction (7a & b) on back side. 185-30338

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

☐ Directional Well ☐ Amended Permit (Explain in Remarks) ☐ Sidetrack

RRC Permit Number, if previously assigned. 900001

APPLICATION FOR PERMIT TO DRILL, DEEPEN, PLUG BACK, OR RE-ENTER

Check one: ☒ DRILL ☐ DEEPEN (Below Casing) ☐ DEEPEN (Within Casing) ☐ PLUG BACK ☐ RE-ENTER

7. RRC District: 03

8. County: Grimes

1. Operator: L & B Oil Company, Inc. 479410

2. Address (Including City and Zip Code): 2600 S. Gessner, Suite 220, Houston, Texas 77063 012267

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

4a. Lease Name (32 Spaces Maximum): Cobb

4b. RRC Lease or ID No. (if assigned)

5. Location (Sec., Blk., Survey): Joshua Hadley Survey, A-266

6. This well is to be located 7 miles southwest Direction from Iola, Texas

Nearest Post Office or Town. Iola, Texas

NOV 23 1983

9. Well Number: 3

10. Number of Contiguous Acres in Lease or Unitized Tract: 141

11. Distance from Proposed Location to Nearest Lease or Unit Line (ft.): 467

12. Total Depth: 10,200'

EACH PROPOSED COMPLETION

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

13. FIELD NAME (Exactly as shown on R.R.C. Proration Schedule including Reservoir if applicable.) If Wildcat, so state below. One zone per line. List all zones for which a permit is sought.	14. Completion Depth	15. All Prior Rule 37 Exc. Case Numbers for this wellbore. If none, State None.	16. Applicable Field Rules Spacing Pattern. If no Rules, State 467-1200. (ft.)	17. Applicable Field Rules Density Pattern. If no Rules, State 40. (acres)	18. Number of Acres in Drilling Unit for this Well AND DESIGNATE ON PLAT.	19. Is this acreage presently assigned to another well in same res. on same lease? Yes or No. If yes explain in remarks.	20. Distance and Direction from proposed location to nearest drilling completed or applied for well in same res. on same lease (ft.)	21. Is this a 1. Regular or 2. Rule 37 Exc. Location? Check the appropriate box.	22. Oil, Gas, or other Type Well (Specify)	23. Number of completed, permitted or applied for, locations on this lease in same reservoir for which this permit is sought? OIL	GAS
00006 001 Wildcat above 10,200'	±10,200	None	467-1200	40	40	No	1,200'	Regular 1 ☒ Rule 37 2 ☐	Oil or gas	2	2
Iola, South (Sub-Clarksville)	9,000'	None	467-1200	40	40	No	1,200'	Regular 1 ☐ Rule 37 2 ☒	Oil	2	0
24646500								Regular 1 ☐ Rule 37 2 ☐			
								Regular 1 ☐ Rule 37 2 ☐			

24. PERPENDICULAR LOCATION FROM TWO DESIGNATED:
A. Lease Lines 467' FNL & 2,867' FEL
B. Survey Lines 1,120' FNL & 2,867' FEL

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

26. Do you anticipate future use of this wellbore to complete in any penetrated zone not listed in Column 13, for which a Rule 37 or Rule 38 exception is presently required? If Yes, attach a list of such zones and see Instruction # 8. Yes ☐ No ☒

27. Is this a pooled unit? YES ☐ (Attach P-12, certified plat, & list of pooled zones) NO ☒

28. Substandard Acreage YES ☐ (Attach W-1A) NO ☒

Conv A 1200

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.

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.

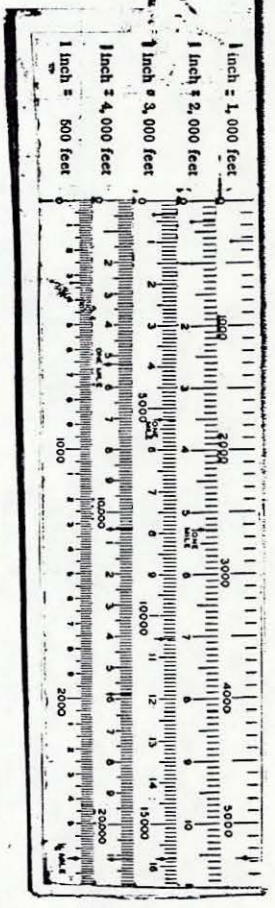
REMARKS:

R. R. C. of TEXAS
JUN 24 1983
HOUSTON, TEXAS

Signature: Engineering Assistant
Title: June 23, 1983
Date
Telephone: Area Code 713, 977-0670

READ INSTRUCTIONS ON BACK SIDE AND FURNISH COMPLETE DATA.

Spud: 6-29-83
Comp: 7-27-83
Perf: 8976-90'
IPF: 386 BOPD; 371 mcf; 0 H_2O; ftp 650; gty 33/6
T.D.: 9204'



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

7-14-83

(12)

M.F 86481

APPLICATION TO DRILL

WELL # 3

FILED 12-5 19 83

GARRY MAURO, COMMISSIONER

BY EF

THIS APPLICATION MUST BE FILED IN DUPLICATE IN THE APPROPRIATE DISTRICT OFFICE.

FORM W-1
1/1/81

API Well No. 42 185 30337
Instruction (7a & b) on back side.

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

☐ Directional Well ☐ Sidetrack ☒ Amended Permit (Explain in Remarks)

RRC Permit Number, if previously assigned. 194926

APPLICATION FOR PERMIT TO DRILL, DEEPEN, PLUG BACK, OR RE-ENTER

Check one: ☒ DRILL ☐ DEEPEN (Below Casing) ☐ DEEPEN (Within Casing) ☐ PLUG BACK ☐ RE-ENTER

7. RRC District: 03

8. County: Grimes

1. Operator: L & B Oil Company, Inc.

4a. Lease Name (32 Spaces Maximum): Cobb

4b. RRC Lease or ID No. (if assigned):

9. Well Number: 2

2. Address (Including City and Zip Code)
2600 S. Gessner, Suite 220
Houston, Texas 77063

5. Location (Sec., Blk., Survey): Joshua Hadley Survey, A-266

10. Number of Contiguous Acres in Lease or Unitized Tract: 141

6. This well is to be located 7 miles southwest Direction from Iola, Texas,
Nearest Post Office or Town. Iola

11. Distance from Proposed Location to Nearest Lease or Unit Line (ft.): 467

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

12. Total Depth: 10,200

EACH PROPOSED COMPLETION

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

13. FIELD NAME (Exactly as shown on R.R.C. Proration Schedule including Reservoir if applicable.) If Wildcat, so state below. One zone per line. List all zones for which a permit is sought.	14. Completion Depth	15. All Prior Rule 37 Exec. Case Numbers for this wellbore. If none, State None.	16. Applicable Field Rules Spacing Pattern. If no Rules, State 467-1200. (ft.)	17. Applicable Field Rules Density Pattern. If no Rules, State 40. (acres)	18. Number of Acres in Drilling Unit for this Well AND DESIGNATE ON PLAT.	19. Is this acreage presently assigned to another well in same res. on same lease? Yes or No. If yes explain in remarks.	20. Distance and Direction from proposed location to nearest drilling completed or applied for well in same res. on same lease (ft.)	21. Is this a 1. Regular or 2. Rule 37 Exc. Location? Check the appropriate box.	22. Oil, Gas, or other Type Well (Specify)	23. Number of completed, permitted or applied for, locations on this lease in same reservoir for which this permit is sought? OIL	GAS
Wildcat Above 10,200'	±10,200	None	467-1200	40	40	no	1,200	Regular 1 ☒ Rule 37 2 ☐	Oil or gas	2	2
Iola, South (Sub-Clarksville)	9,000	None	467-1200	40	40	no	1,200	Regular 1 ☒ Rule 37 2 ☐	Oil	2	0
								Regular 1 ☐ Rule 37 2 ☐			
								Regular 1 ☐ Rule 37 2 ☐			

24. PERPENDICULAR LOCATION FROM TWO DESIGNATED:
A. Lease Lines 467' FNL & 1,667' FEL
B. Survey Lines 1,120' FNL & 1,667' FEL

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

26. Do you anticipate future use of this wellbore to complete in any penetrated zone not listed in Column 13, for which a Rule 37 or Rule 38 exception is presently required? If Yes, attach a list of such zones and see Instruction # 8. Yes ☐ No ☒

27. Is this a pooled unit? YES ☐ (Attach P-12, certified plat, & list of pooled zones) NO ☒

28. Substandard Acreage YES ☐ (Attach W-1A) NO ☒

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.

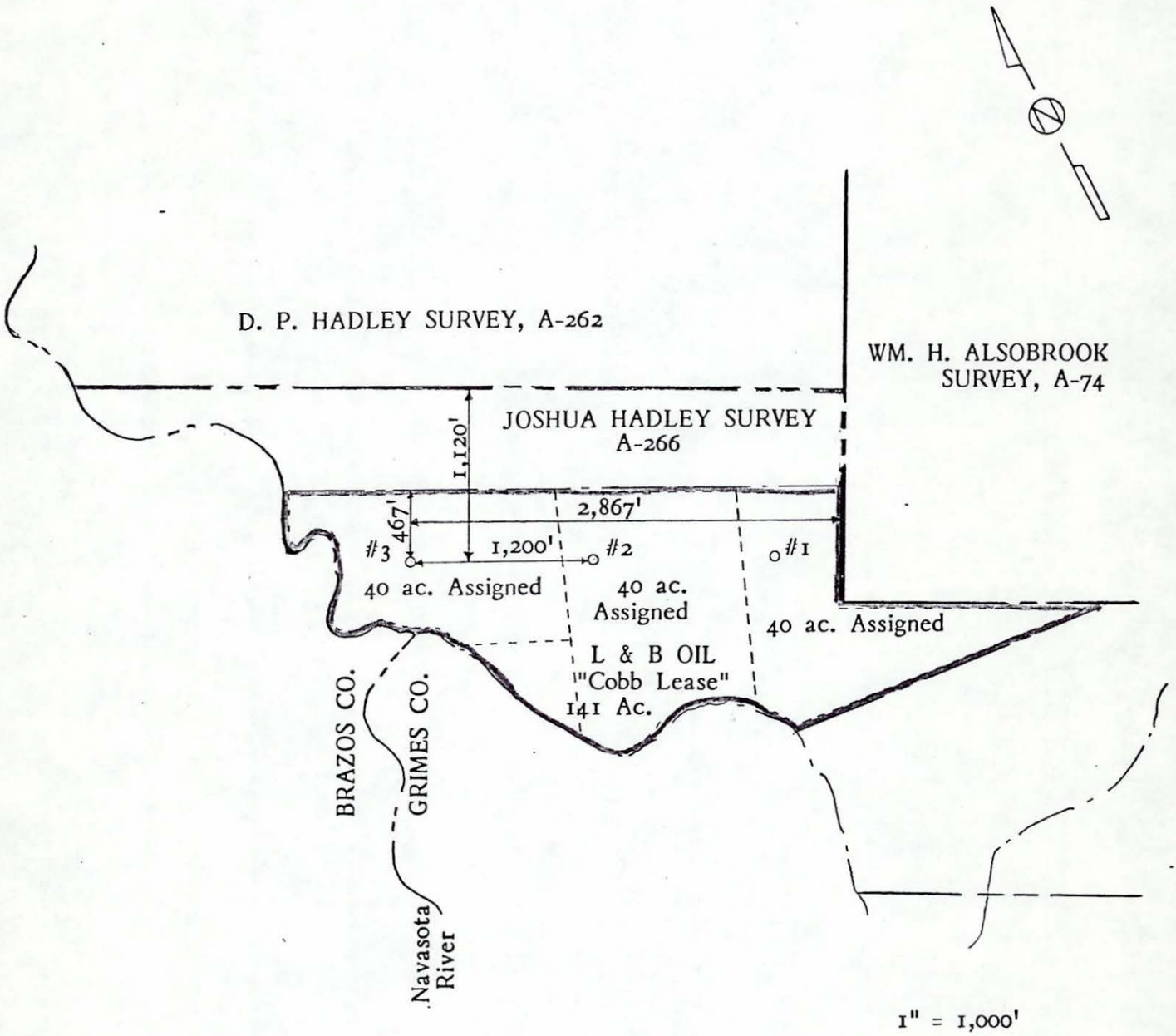
CERTIFICATE
I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my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

REMARKS: Amending number of acres in lease and 40-acre drilling unit.

Carl Evans
Signature
Engineering Assistant
Title
June 22, 1983
Date
Telephone: Area Code 713, 977-0670

READ INSTRUCTIONS ON BACK SIDE AND FURNISH COMPLETE DATA.

RECEIVED
DEC 10 '83
GENERAL LAND OFF



L & B OIL COMPANY, INC.

"Cobb Lease"
Joshua Hadley Survey, A-266
Grimes County, Texas

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

RECEIVED
JUL 05 1983

RECEIVED
JUL 05 1983
Ans'd

PERMIT NUMBER	DATE OF PERMIT	DISTRICT
Ans'd 194926	(AMENDED) 6/30/83	03
API NUMBER	FORM W-1 (dated)	COUNTY
42 185 30337	6/22/83	GRIMES
TYPE OF OPERATION		ACRES
DRILL		141

OPERATOR 479410

L & B OIL CO. INC.
2600 S. GESSNER, STE. 220
HOUSTON TX 77063

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.

District Office Telephone No.: 713 688-3461

LEASE NAME	WELL NUMBER
COBB	2
LOCATION	TOTAL DEPTH
7 MILES SW FROM IOLA	10,200

SECTION, BLOCK and/or SURVEY
JOSHUA HADLEY SURVEY, A-266

DISTANCE -- LEASE LINES	-- SURVEY LINES	-- NEAREST WELL ON LEASE
7 FNL & 1,667 FEL	1,120 FNL & 1,667 FEL	1200

NOTE THE CONDITIONS ON THE REVERSE SIDE, PARTICULARLY CONCERNING SPACING RULE CHANGE. IT IS THE OPERATOR'S RESPONSIBILITY TO INSURE THAT THE PERMITTED LOCATION COMPLIES WITH THE DENSITY AS WELL AS THE SPACING RULES IN EFFECT ON THE SPUD DATE. A RULE 37 AND/OR RULE 38 EXCEPTION WILL BE REQUIRED IF, BECAUSE OF A FIELD RULE CHANGE, THE LOCATION IS NOT IN COMPLIANCE WITH THE COMMISSION FIELD RULES ON THE SPUD DATE.

FIELD(S) WILDCAT IOLA, SOUTH (SUB-CLARKSVILLE)

** LIMITATIONS **
REGULAR PROVIDED THIS WELL IS NEVER COMPLETED IN THE SAME RESERVOIR AS ANY OTHER WELL CLOSER THAN 1200 FEET ON THIS SAME LEASE.
REGULAR PROVIDED THIS WELL IS NEVER COMPLETED IN VIOLATION OF APPLICABLE SPECIAL FIELD OR STATEWIDE SPACING RULES.
WILDCAT ABOVE 10,200 FEET.
AMENDED ACRES. ORIGINAL PERMIT ISSUED 5-13-83, PREVIOUS PERMIT ISSUED 6-21-83.
DATE STAMPED 06/24/83.

THIS PERMIT SUBJECT TO THE CONDITIONS ON THE BACK OF THIS FORM.

THE OPERATOR SHOULD CONSIDER THE REQUIREMENTS OF THE NATURAL GAS POLICY ACT OF 1978, AS AMENDED, (NGPA), AND APPLICABLE STATE OR FEDERAL REGULATIONS.

Based upon the representations made on the 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.

PHONE: (512) 445-1314

DIRECT INQUIRIES TO: ADMINISTRATIVE SERVICES DIVISION
DRILLING PERMIT SECTION

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

...PLICATE IN T... ROPRIATE ...STRICT OFFICE.

FORM W-1
1/1/81

API Well No. 42
Instruction (7a & b) on back side.

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

☐ Directional Well ☐ Sidetrack ☐ Amended Permit (Explain in Remarks)

RRC Permit Number, if previously assigned.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, PLUG BACK, OR RE-ENTER

Check one: ☒ DRILL ☐ DEEPEN (Below Casing) ☐ DEEPEN (Within Casing) ☐ PLUG BACK ☐ RE-ENTER

7. RRC District: 03

8. County: Grimes

1. Operator: L & B Oil Company, Inc.

4a. Lease Name (32 Spaces Maximum): Cobb

4b. RRC Lease or ID No. (if assigned):

9. Well Number: 3

2. Address (Including City and Zip Code)
2600 S. Gessner, Suite 220
Houston, Texas 77063

5. Location (Sec., Blk., Survey): Joshua Hadley Survey, A-266

10. Number of Contiguous Acres in Lease or Unitized Tract: 141

6. This well is to be located 7 miles southwest Direction from Iola, Texas,
Nearest Post Office or Town. Iola, Texas

11. Distance from Proposed Location to Nearest Lease or Unit Line (ft.): 467

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

12. Total Depth: 10,200'

EACH PROPOSED COMPLETION

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

13. FIELD NAME (Exactly as shown on R.R.C. Proration Schedule including Reservoir if applicable.) If Wildcat, so state below. One zone per line. List all zones for which a permit is sought.	14. Completion Depth	15. All Prior Rule 37 Exec. Case Numbers for this wellbore. If none, State None.	16. Applicable Field Rules Spacing Pattern. If no Rules, State 467-1200. (ft.)	17. Applicable Field Rules Density Pattern. If no Rules, State 40. (acres)	18. Number of Acres in Drilling Unit for this Well AND DESIGNATE ON PLAT.	19. Is this acreage presently assigned to another well in same res. on same lease? Yes or No. If yes explain in remarks.	20. Distance and Direction from proposed location to nearest drilling completed or applied for well in same res. on same lease (ft.)	21. Is this a 1. Regular or 2. Rule 37 Exc. Location? Check the appropriate box.	22. Oil, Gas, or other Type Well (Specify)	23. Number of completed, permitted or applied for, locations on this lease in same reservoir for which this permit is sought? OIL	GAS
Wildcat above 10,200'	±10,200	None	467-1200	40	40	No	1,200'	Regular 1 ☒ Rule 37 2 ☐	Oil or gas	2	2
Iola, South (Sub-Clarksville)	9,000'	None	467-1200	40	40	No	1,200'	Regular 1 ☒ Rule 37 2 ☐	Oil	2	0
								Regular 1 ☐ Rule 37 2 ☐			
								Regular 1 ☐ Rule 37 2 ☐			

24. PERPENDICULAR LOCATION FROM TWO DESIGNATED:
A. Lease Lines 467' FNL & 2,867' FEL
B. Survey Lines 1,120' FNL & 2,867' FEL

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

26. Do you anticipate future use of this wellbore to complete in any penetrated zone not listed in Column 13, for which a Rule 37 or Rule 38 exception is presently required? If Yes, attach a list of such zones and see Instruction # 8. Yes ☐ No ☒

27. Is this a pooled unit? YES ☐ (Attach P-12, certified plat, & list of pooled zones) NO ☒

28. Substandard Acreage YES ☐ (Attach W-1A) NO ☒

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.

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.

REMARKS: Verbal approval Permit # 2C1C1

Signature: Engineering Assistant
Title: June 23, 1983
Date
Telephone: Area Code 713, 977-0670

READ INSTRUCTIONS ON BACK SIDE AND FURNISH COMPLETE DATA.

RECEIVED
DEC 10 '83
GENERAL LAND OFF

L&B
Oil Company, Inc.

RECEIVED
DEC 10 '83
GENERAL LAND OFF

December 9, 1983

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

Attention: Elizabeth A. Fox, Geologist
Exploration & Development Division

RE: State Lease M-86481
State Tract 2 Wells #2 & #3 Cobb
Navasota River
Brazos & Grimes Counties, Texas

Gentlemen:

With reference to your letter of December 6, 1983, enclosed are the following records concerning oil completions for the captioned wells as requested:

Forms W-1 (Application to Drill) with plats and Permits to drill

Forms W-12 (Inclination Report)

Forms W-15 (Cementing Reports)

Copies of each Electrical Log run on these wells

Also included are Forms P-4 for change of lease name which may be beneficial to you.

If you should need any additional information, please advise.

Very truly yours,

L & B OIL COMPANY, INC.

Nancy L. Bryan

Nancy L. Bryan
Land Department

/nlb
Enclosures

2600 S. GESSNER. SUITE 220 • HOUSTON. TEXAS 77063 • 713/977-0670

RA _ROAD COMMISSION OF TEX. ,
OIL & GAS DIVISION
PERMIT TO DRILL, DEEPEN OR PLUG BACK ON REGULAR LOCATION

RECEIVED
JUL 05 1983
Ans'd

ERMIT NUMBER	DATE OF PERMIT	DISTRICT
200001	6/30/83	03
PI NUMBER	FORM W-1 (dated)	COUNTY
42 185 30338	6/23/83	GRIMES
YPE OF OPERATION		ACRES
DRILL		141

PERATOR 479410

L & B OIL CO. INC.
2600 S. GESSNER, STE. 220
HOUSTON TX 77063

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.

District Office Telephone No.: 713 688-3461

EASE NAME	WELL NUMBER
COBB	3
OCATION	TOTAL DEPTH
7 MILES SW FROM IOLA	10,200

CTION, BLOCK and/or SURVEY
JOSHUA HADLEY SURVEY, A-266

ISTANCE -- LEASE LINES	-- SURVEY LINES	-- NEAREST WELL ON LEASE
7 FNL & 2,867 FEL	1,120 FNL & 2,867 FEL	1,200

NOTE THE CONDITIONS ON THE REVERSE SIDE, PARTICULARLY CONCERNING SPACING RULE CHANGE. IT IS THE OPERATOR'S RESPONSIBILITY TO INSURE THAT THE PERMITTED LOCATION COMPLIES WITH THE DENSITY AS WELL AS THE SPACING RULES IN EFFECT ON THE SPUD DATE. A RULE 37 AND/OR RULE 38 EXCEPTION WILL BE REQUIRED IF, BECAUSE OF A FIELD RULE CHANGE, THE LOCATION IS NOT IN COMPLIANCE WITH THE COMMISSION FIELD RULES ON THE SPUD DATE.

ELD(S) WILDCAT IOLA, SOUTH (SUB-CLARKSVILLE)

** LIMITATIONS **
REGULAR PROVIDED THIS WELL IS NEVER COMPLETED IN THE SAME RESERVOIR AS ANY OTHER WELL CLOSER THAN 1200 FEET ON THIS SAME LEASE.
REGULAR PROVIDED THIS WELL IS NEVER COMPLETED IN VIOLATION OF APPLICABLE SPECIAL FIELD OR STATEWIDE SPACING RULES.
WILDCAT ABOVE 10,200 FEET.
DATE STAMPED 06/24/83.

THIS PERMIT SUBJECT TO THE CONDITIONS ON THE BACK OF THIS FORM.

THE OPERATOR SHOULD CONSIDER THE REQUIREMENTS OF THE NATURAL GAS POLICY ACT OF 1978, AS AMENDED, (NGPA), AND APPLICABLE STATE OR FEDERAL REGULATIONS.

Based upon the representations made on the 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.

PHONE: (512) 445-1314

DIRECT INQUIRIES TO: ADMINISTRATIVE SERVICES DIVISION
DRILLING PERMIT SECTION

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

(12)

M.F 86481

APPLICATION TO DRILL

WELL # 3

FILED 12-5 19 84

GARRY MAURO, COMMISSIONER

BY EF

Garry Mauro
Commissioner
General Land Office

M-86481

December 6, 1983

L & B Oil Company, Inc.
2600 S. Gessner, Suite 220
Houston, Texas 77063

Re: State Lease M-86481
State Tract 2 Wells #2 & #3 Cobb
Navasota River
Brazos & Grimes Counties, Texas

Gentlemen:

We note the July 27, 1983, Oil completions of the captioned wells, however, this office has not received the following records as required by your Oil and Gas Lease:

Forms W-1 (Applications to Drill) with plats and Permits to Drill.
Forms W-12 (Inclination Report)
Forms W-15 (Cementing Report)
One copy of each Electrical Log run on these wells.

Thank you for your cooperation.

Sincerely yours,

Garry Mauro

By Elizabeth A. Fox

Elizabeth A. Fox, Geologist
Exploration & Development Division
512-475-6429

EAF/hdk

Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701
(512) 475-2071

(13)

M-86481

Ltr. to L. & B. Oil Co. Inc.

Dated 12-6-83 EF

EXHIBIT "A"

SOC NO. 30423

Original Interim Division Order Title Opinion covering Landowner's royalty only, L & B Oil Company, Inc., Cobb No. 2 Oil Unit, comprised of 160 acres of land, more or less, situated out of the Joshua Hadley Survey, A-266, Grimes County, Texas, the Eli Wickson League, A-236, Brazos County, the Thomas Bowman Survey, A-72, Brazos County, Texas and State of Texas Oil and Gas Lease No. 86481 covering the 5.14 acres of the Navasota River, Brazos and Grimes Counties, Texas, more particularly described as follows:

Tract 1 - 51.98 acres situated out of a tract recited to contain 166.415 acres and being all of the north half of the Joshua Hadley Survey, A-226, Grimes County, Texas
TRACT UNIT PARTICIPATION 51.98/160 = .324875

Tract 2 - 69.71 acres, situated out of a tract containing 523.3059 acres in the Eli Wickson League, A-236, Brazos County, Texas
TRACT UNIT PARTICIPATION 69.71/160 = .4356875

Tract 3 - 22.04 acres situated out of a tract containing 274.628 acres in the Thomas Bowman Survey, A-72, Brazos County, Texas
TRACT UNIT PARTICIPATION 22.04/160 = .1377500

Tract 4 - 9.0 acres, more or less, situated out of a tract containing 123.61 acres in the Thomas Bowman Survey, A-72, Brazos County, Texas
TRACT UNIT PARTICIPATION 9/160 = .0562500

Tract 5 - 5.14 acres situated out of a 30 acre tract and being all of "Tract 2" of the Navasota River as evidenced by State of Texas Oil and Gas Lease No. 86481, dated October 6, 1981
TRACT UNIT PARTICIPATION 5.14/160 = .032125

Tract 6 - 2.13 acres situated out of a tract containing 304.332 acres and being a part of the Thomas Bowman Survey, A-72, Brazos County, Texas
TRACT UNTI PARTICIPATION 2.13/160 = .0133125

THIS OPINION IS EXPRSSLY LIMITED IN SCOPE TO LANDOWNER'S ROYALTY AND LIMITED IN DEPTH FROM THE SURFACE OF THE EARTH TO THE STRATIGRAPHIC EQUIVALENT OF THE TOTAL DEPTH DRILLED IN THE L & B OIL COMPANY COBB NO. 2 OIL UNIT

SOC 100-81

PARTIAL ROYALTY
DIVISION ORDER

MD/dpd/tac

NO. 30423

DATE PREPARED: November 28, 1983

To: SCURLOCK OIL COMPANY
P.O. Box 4648
Houston, Texas 77210

EFFECTIVE: August 1, 1983

Each of the undersigned certifies and guarantees that he is the legal owner of the interest shown below opposite his name in the oil produced from the L & B OIL COMPANY **COBB #2

Described:

(FOR DESCRIPTION SEE EXHIBIT "A")

OIL & GAS LEASE NUMBER 86481

GRIMES COUNTY, State of TEXAS and until further notice you will give credit for all oil received as per directions below:

CREDIT TO	DIVISION OF INTEREST	P. O. ADDRESS
CLARENCE W. COBB AND LAVELLE COBB	.05658960 RI	Route 3 Bryan, Texas 77801
S. J. ENLOE AND RUBY ENLOE	.01494430 RI	P.O. Box 1025 Bryan, Texas 77801
SAM T. ENLOE, JR.	.00498140 RI	606 Avondale Bryan, Texas 77802
ANNETTE L. TURNER	.00498140 RI	1308 Esther Bryan, Texas 77802

(FOR CONTINUATION OF INTEREST SEE PAGE 2)

1. The oil run hereunder shall become the property of the Scurlock Oil Company, and good title is hereby warranted to it, and such good title to same shall pass to it as soon as the same is received and delivered to any pipe lines or other conveyances designated by the Scurlock Oil Company.
2. The oil received under this Division Order shall be paid for by the Purchaser (Scurlock Oil Company) to the party or parties entitled thereto according to the division of interests shown above at the price per barrel agreed upon. Settlements therefor shall be made monthly, except as hereinafter provided.
3. For the amount due on account of oil received during each calendar month, payment shall be made on or before the 25th of the next succeeding calendar month. Payments may be made by paying to the parties above designated in person or by mailing the Scurlock Oil Company check therefor to the address of the parties designated to receive same, as given above, provided, however, at the option of the Scurlock Oil Company, that no payments shall be made to individual interest holders until the sum due on account of such interest shall amount to $10.00 or more. Orders transferring interests, supported by certified copy of deed, assignments, or other legal documents, must be received by Scurlock Oil Company by the 20th of the month in which the transfer becomes effective, it being understood that transfers of interests are effective on the 1st of any current month.
4. Quantities are to be computed from regularly compiled tank tables, or other methods of computation, the oil owner to have the privilege of witnessing the gauge tickets; and in addition to the deduction of the tank tables, correction shall be made for temperature and impurities according to the rules and regulations as prescribed by the legal authority of the State in which wells are located. The oil shall be steamed, when necessary, to render it merchantable.
5. This contract shall continue in force for thirty (30) days and thereafter, until terminated upon notice in accordance with this paragraph. It is agreed that after the expiration of said thirty (30) days from date hereof, this contract may be terminated by Scurlock Oil Company, the Purchaser, by its giving notice of its purpose so to terminate; and by any of the owners of said well interest may, by similiar notice to the Scurlock Oil Company terminate this contract as to their interest, without, however, affecting the same as to the interest of the other parties.
6. Sellers severally agree to notify Scurlock Oil Company of any change in ownership, it being understood that any vendee or assignee of said wells or the production thereof shall take the same, subject to the terms hereof.
7. Satisfactory abstracts or other evidence of title will be furnished to Scurlock Oil Company at any time on demand. In the event of a failure to so furnish such evidence of title, or in the event of an adverse claim or dispute at any time concerning title, Scurlock may hold the proceeds of all oil received and run without being liable for interest on the amount retained, until the dispute is resolved, and in the event of any action or suit is filed in any court affecting the title either to the real property above described or to the oil produced therefrom in which any of the undersigned are parties, written notice of the filing of said action shall be immediately furnished Scurlock Oil Company by the undersigned party against whom action is commenced, stating the court in which same is filed and the title of such action or suit; and Scurlock Oil Company and/or any carrier transporting oil for Scurlock Oil Company's account shall be held harmless from any judgment rendered in such suit, insofar as same adversely affects the interest in said property owned by the undersigned and/or all reasonable costs and expenses incurred in defending against such claim insofar as same adversely affect the interest of the undersigned, whether in Scurlock Oil Company's defense or in the defense of the carrier transporting the oil for Scurlock Oil Company's account, and the undersigned agree to pay said judgment and said cost and expenses in the proportion and to the extent that same affect the interest owned by the undersigned.
8. Scurlock Oil Company is hereby relieved of any responsibility for determining when any of the interests hereinabove set forth shall revert to other parties as a result of the completion or discharge of money or other payments from said interests and the signers hereof whose interests are affected by such money or other payments, if any, agree to deliver to Scurlock Oil Company notice in writing, at 1800 Houston Club Building, Houston, Texas 77002, when any such money or other payments have been completed or discharged or when other division of interest than that set forth above shall, for any reason, become effective, and to furnish transfer orders accordingly, and that in the event such notice shall not be delivered to Scurlock Oil Company, it shall be held harmless in the event of, and is hereby released from, any and all damage or loss which might arise out of, any overpayment.
9. Where, under the foregoing provision, the purchase price of any oil is retained, owners agree to indemnify and hold Scurlock Oil Company harmless from any liability for any tax proposed or assessed against or paid on account of said retained purchase price, together with penalties incident thereto; and Scurlock Oil Company may deduct same from any amount owing by it to owners.
10. The undersigned each agrees that any person, partnership or corporation to whom Scurlock may sell all or any part of the oil which it purchases hereunder may make payment to Scurlock for all of said oil purchased therefrom, and agrees to look solely to Scurlock Oil Company for payment of their interest in the oil which Scurlock Oil Company is purchasing from them hereunder. The undersigned each agrees, insofar as their interest is concerned, to hold harmless any purchaser from Scurlock Oil Company against any claim of any nature in connection with the purchase of such oil from Scurlock Oil Company and payment therefor.
11. This division order shall become valid and binding on each and every owner above named as soon as signed by him or her regardless of whether or not any other of the above named owners have so signed.
12. This division order supersedes all former division orders given on the property described above.
13. Where the term "oil" is used herein, it is intended to include "distillate or condensate."

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

WITNESSES/ATTEST	SIGNATURE OF INTEREST OWNER	SOCIAL SECURITY OR TAX ACCOUNT NUMBER

KEEP THIS COPY FOR YOUR RECORD

SHOW YOUR ADDRESS AND SOCIAL SECURITY OR TAX ACCOUNT NUMBER. FAILURE TO DO SO MAY DELAY PAYMENT. SIGNATURE MUST BE WITNESSED. A COPY IS ENCLOSED FOR YOUR RECORDS.

DO copy

CREDIT TO	DIVISION OF INTEREST	P. O. ADDRESS
THE GENERAL LAND OFFICE OF THE STATE OF TEXAS	.00803120 RI	1700 North Congress Austin, Texas 78701

514/160.0 x .25 =

RETURN RECORD
KEEP THIS COPY

SCURLOCK OIL COMPANY • THREE ALLEN CENTER • 333 CLAY • P.O. BOX 4648 • HOUSTON, TX • 77210 • (713) 739-4100

November 28, 1983

Re: SOC NO. 30423
L & B OIL COMPANY
**COBB #2
GRIMES COUNTY, TEXAS

Dear Interest Owner:

Enclosed are division orders covering the captioned production which were prepared from a title opinion furnished to us by the Operator shown below.

If your interest is correct, one copy of the division order should be executed in the presence of two witnesses and returned to us promptly. The extra copy may be retained for your records. Please check to be sure your correct mailing address is shown and that you have provided your Social Security or Tax Account number where indicated.

It should be noted that effective as of January 1, 1984 it will be necessary to suspend 15% of each interest for which we are not furnished a Social Security or Tax Account number.

In order to be sure that there will be no unnecessary delay in payment for your interest, your promptness in executing and returning the division order will be appreciated.

Very truly yours,

SCURLOCK OIL COMPANY

Michelle Danley

Michelle Danley

MD/tac
Enclosures
cc: L & B Oil Company, Inc.
2600 S. Gessner
Suite 220
Houston, Texas 77063

PLEASE SEE ATTACHED FOR INSTRUCTIONS AND FORMS FOR WINDFALL PROFIT TAX.

GAS DIVISION ORDER

TO: L & B Oil Company, Inc.
2600 South Gessner, Suite 220
Houston, Texas 77063

Well Name Cobb Unit No. 2
Date November 21, 1983
Effective Date of First Purchase
Field Iola, S. (Sub-clarksville)
Lease No 3020730210

The undersigned, and each of them, guarantee and warrant that they are legal owners of the interest shown opposite their names set out below of the proceeds of all gas produced or sold from the Cobb Unit No. 2 Lease (or Unit), Grimes & Brazos County, State of Texas the following described property:

160 acres of land, more or less, situated out of the Joshua Hadley Survey, A-266, Grimes County, Texas, the Eli Wickson League, A-236, Brazos County, the Thomas Bowman Survey, A-72, Brazos County, Texas and State of Texas Oil and Gas Lease No. 86481 covering 5.14 acres of the Navasota River, Brazos and Grimes Counties, Texas

You are authorized to receive, purchase and account for gas, as to the interest of each of the undersigned owners, subject to the covenants and conditions as set forth herein.

CREDIT TO:	Division of Interest
General Land Office of the State of Texas Oil & Gas Lease No. 86481 1700 North Congress Austin, Texas 78701	$\frac{5.14}{160.0} \times .25 =$ .0080312 RI ✓

All covenants appearing on the reverse side hereof are incorporated herein by reference and the undersigned agree that each shall be deemed and considered an essential part of this division order in like manner and with the same effect as if printed above our signatures.

SIGNATURE OF WITNESS	SIGNATURE OF OWNER	SOCIAL SECURITY OR TAX I.D. NUMBER
X	X	X
X		
X		

Mail Checks to Following Address: X

Zip

GLO copy

The following covenants are parts of this instrument and shall be binding on the undersigned, their successors, legal representatives, and assigns:

Settlements for gas shall be based on the net proceeds realized from the sale thereof, after deducting a fair and reasonable charge for compressing and making it merchantable and for transporting if the gas is sold off the property. Where gas is sold subject to regulation by the Federal Power Commission or other governmental authority, the price applicable to such sale approved by order to such authority shall be used to determine the net proceeds realized from the sale.

All payments for gas hereunder shall be made to the above address by check mailed to the respective owner at the address given above during the following calendar month after the receipt by you for the proceeds thereof. However, it is agreed that should the proceeds accruing to any interest hereunder for any one month amount to less than Five Dollars ($5.00), you may accumulate such proceeds and proceeds for subsequent months, without interest, until the first regular settlement date when the amounts withheld total as much as Five Dollars ($5.00); provided, that regardless of the total, payment of accumulated amounts shall be made in the month of December of each year.

Each owner warrants the title to the interest credited to such owner according to the division of interest hereinabove indicated and agrees to furnish evidence satisfactory to you of title to such interest. In case of any dispute or adverse claim thereto or any part or value thereof, each owner agrees to defend, protect and indemnify you and/or your designated nominee therefrom and from any fees, costs and expenses in connection therewith, and you are authorized to retain all sums accruing hereunder, without interest, until the dispute is settled or finally determined and you receive evidence thereof satisfactory to you.

The undersigned owners severally agree to notify you in writing of any change in their ownership. You will not be responsible for any change of ownership unless and until you receive at the above address written notice and proof evidencing such transfer or other change of ownership of any interest hereunder and your regular form of Transfer Order or Division Order is executed and returned to you. Also, you assume no responsibility for overpayment of any limited amounts set forth herein, and without liability may continue payments as set forth herein unless and until furnished with written releases terminating such agreements. Regardless of the effective date of the instrument of conveyance, any transfer of interest shall be made effective as of 7:00 a.m. of the first day of the calendar month following the receipt of said written notice.

You are hereby authorized, as may be required, to withhold from the proceeds accruing hereunder to any owner the amount of any severance, production, occupation, or other tax, levied by or under authority of the laws of the State in which the property is situated or the United States against him for and on account of said interest, and to pay such tax or taxes with the withheld proceeds.

Each of the undersigned owners of a royalty interest in the above-described property recognizes as valid and subsisting and in full force and effect all oil and gas leases of record held by the herein named working interest owners, which cover his interest in said property as well as the above mentioned pooled unit (if this division order covers a unit) and the same are hereby adopted, ratified and confirmed.

The word "GAS" shall mean the proceeds from gas, including casing-head gas, and all other gaseous substances.

This division order shall become valid and binding upon each of the undersigned owners, his successors, legal representatives and assigns, when signed by him, regardless of whether or not any other owner signs.

L&B
Oil Company, Inc.

November 21, 1983

Cobb Unit No. 2 Well
Grimes & Brazos Counties
Texas

General Land Office
of the State of Texas
Oil & Gas Lease No. 86481
1700 North Congress
Austin, Texas 78701

Gentlemen:

Enclosed is L & B Oil Company, Inc.'s Gas Division Order, in duplicate, covering your interest in the Cobb Unit No. 2 Well located in Grimes & Brazos Counties, Texas.

Effective with date of first runs, L & B Oil Company will disburse revenue to all interest owners from the sale of gas and Scurlock Oil Company will make settlement on the sale of oil. Scurlock's division order for oil will be forthcoming.

Please execute the original division order and have your signature witnessed by two disinterested parties. In the space provided please insert the address to which you want your checks mailed and list your Social Security or Taxpayer Identification Number. The original instrument should be returned to this office in the envelope provided and the remaining copy may be kept for your records.

Should you have any questions, please feel free to call the undersigned at this office.

Thank you.

Very truly yours,

L & B OIL COMPANY, INC.

Norman Zeiler

Norman Zeiler
Landman

NZ/nb
Enclosures

2600 S. GESSNER. SUITE 220 • HOUSTON. TEXAS 77063 • 713/977-0670

Garry Mauro
Commissioner
General Land Office

December 20, 1983

Scurlock Oil Company
Three Allen Center
333 Clay
P. O. Box 4648
Houston, Texas 77210

RE: State Lease M-86481
L & B Oil Company, Inc.,
Cobb No. 2 Oil Unit & Cobb No. 3 Oil Unit
Brazos and Grimes Counties, Texas
G&S DO# 30423 & 31040

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 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 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,

Lanvil Gilbert, Attorney
Energy Resources
Phone: 512-475-6749
Enclosure

Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701
(512) 475-2071

(14)

86481

CORRESPONDENCE FILE

To Division Order

From

Dated 12-20-83

SOC 100-81

PARTIAL ROYALTY

DIVISION ORDER

MD/dpd/tac

NO. 31040

DATE PREPARED: November 28, 1983

To: SCURLOCK OIL COMPANY
P.O. Box 4648
Houston, Texas 77210

EFFECTIVE: November 1, 1983

Each of the undersigned certifies and guarantees that he is the legal owner of the interest shown below opposite his name in the oil produced from the L & B OIL COMPANY **COBB #3

Described:

(FOR DESCRIPTION SEE EXHIBIT "A")

OIL & GAS LEASE NUMBER 86481

GRIMES COUNTY, State of TEXAS and until further notice you will give credit for all oil received as per directions below:

CREDIT TO	DIVISION OF INTEREST	P. O. ADDRESS
CLARENCE W. COBB AND LAVELLE COBB	.01115500 RI	Route 3 Bryan, Texas 77801
S.J. ENLOE AND RUBY ENLOE	.00669300 RI	P.O. Box 1025 Bryan, Texas 77801
SAM T. ENLOE, JR.	.00223100 RI	606 Avondale Bryan, Texas 77802
ANNETTE L. TURNER	.00223100 RI	1308 Esther Bryan, Texas 77802

(FOR CONTINUATION OF INTEREST SEE PAGE 2)

1. The oil run hereunder shall become the property of the Scurlock Oil Company, and good title is hereby warranted to it, and such good title to same shall pass to it as soon as the same is received and delivered to any pipe lines or other conveyances designated by the Scurlock Oil Company.
2. The oil received under this Division Order shall be paid for by the Purchaser (Scurlock Oil Company) to the party or parties entitled thereto according to the division of interests shown above at the price per barrel agreed upon. Settlements therefor shall be made monthly, except as hereinafter provided.
3. For the amount due on account of oil received during each calendar month, payment shall be made on or before the 25th of the next succeeding calendar month. Payments may be made by paying to the parties above designated in person or by mailing the Scurlock Oil Company check therefor to the address of the parties designated to receive same, as given above, provided, however, at the option of the Scurlock Oil Company, that no payments shall be made to individual interest holders until the sum due on account of such interest shall amount to $10.00 or more. Orders transferring interests, supported by certified copy of deed, assignments, or other legal documents, must be received by Scurlock Oil Company by the 20th of the month in which the transfer becomes effective, it being understood that transfers of interests are effective on the 1st of any current month.
4. Quantities are to be computed from regularly compiled tank tables, or other methods of computation, the oil owner to have the privilege of witnessing the gauge tickets; and in addition to the deduction of the tank tables, correction shall be made for temperature and impurities according to the rules and regulations as prescribed by the legal authority of the State in which wells are located. The oil shall be steamed, when necessary, to render it merchantable.
5. This contract shall continue in force for thirty (30) days and thereafter, until terminated upon notice in accordance with this paragraph. It is agreed that after the expiration of said thirty (30) days from date hereof, this contract may be terminated by Scurlock Oil Company, the Purchaser, by its giving notice of its purpose so to terminate; and by any of the owners of said well interest may, by similiar notice to the Scurlock Oil Company terminate this contract as to their interest, without, however, affecting the same as to the interest of the other parties.
6. Sellers severally agree to notify Scurlock Oil Company of any change in ownership, it being understood that any vendee or assignee of said wells or the production thereof shall take the same, subject to the terms hereof.
7. Satisfactory abstracts or other evidence of title will be furnished to Scurlock Oil Company at any time on demand. In the event of a failure to so furnish such evidence of title, or in the event of an adverse claim or dispute at any time concerning title, Scurlock may hold the proceeds of all oil received and run without being liable for interest on the amount retained, until the dispute is resolved, and in the event of any action or suit is filed in any court affecting the title either to the real property above described or to the oil produced therefrom in which any of the undersigned are parties, written notice of the filing of said action shall be immediately furnished Scurlock Oil Company by the undersigned party against whom action is commenced, stating the court in which same is filed and the title of such action or suit; and Scurlock Oil Company and/or any carrier transporting oil for Scurlock Oil Company's account shall be held harmless from any judgment rendered in such suit, insofar as same adversely affects the interest in said property owned by the undersigned and/or all reasonable costs and expenses incurred in defending against such claim insofar as same adversely affect the interest of the undersigned, whether in Scurlock Oil Company's defense or in the defense of the carrier transporting the oil for Scurlock Oil Company's account, and the undersigned agree to pay said judgment and said cost and expenses in the proportion and to the extent that same affect the interest owned by the undersigned.
8. Scurlock Oil Company is hereby relieved of any responsibility for determining when any of the interests hereinabove set forth shall revert to other parties as a result of the completion or discharge of money or other payments from said interests and the signers hereof whose interests are affected by such money or other payments, if any, agree to deliver to Scurlock Oil Company notice in writing, at 1800 Houston Club Building, Houston, Texas 77002, when any such money or other payments have been completed or discharged or when other division of interest than that set forth above shall, for any reason, become effective, and to furnish transfer orders accordingly, and that in the event such notice shall not be delivered to Scurlock Oil Company, it shall be held harmless in the event of, and is hereby released from, any and all damage or loss which might arise out of, any overpayment.
9. Where, under the foregoing provision, the purchase price of any oil is retained, owners agree to indemnify and hold Scurlock Oil Company harmless from any liability for any tax proposed or assessed against or paid on account of said retained purchase price, together with penalties incident thereto; and Scurlock Oil Company may deduct same from any amount owing by it to owners.
10. The undersigned each agrees that any person, partnership or corporation to whom Scurlock may sell all or any part of the oil which it purchases hereunder may make payment to Scurlock for all of said oil purchased therefrom, and agrees to look solely to Scurlock Oil Company for payment of their interest in the oil which Scurlock Oil Company is purchasing from them hereunder. The undersigned each agrees, insofar as their interest is concerned, to hold harmless any purchaser from Scurlock Oil Company against any claim of any nature in connection with the purchase of such oil from Scurlock Oil Company and payment therefor.
11. This division order shall become valid and binding on each and every owner above named as soon as signed by him or her regardless of whether or not any other of the above named owners have so signed.
12. This division order supersedes all former division orders given on the property described above.
13. Where the term "oil" is used herein, it is intended to include "distillate or condensate."

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

WITNESSES/ATTEST	SIGNATURE OF INTEREST OWNER	SOCIAL SECURITY OR TAX ACCOUNT NUMBER

KEEP THIS COPY FOR YOUR RECORD

SHOW YOUR ADDRESS AND SOCIAL SECURITY OR TAX ACCOUNT NUMBER. FAILURE TO DO SO MAY DELAY PAYMENT. SIGNATURE MUST BE WITNESSED. A COPY IS ENCLOSED FOR YOUR RECORDS.

GLO Copy

CREDIT TO	DIVISION OF INTEREST	P. O. ADDRESS
THE GENERAL LAND OFFICE OF THE STATE OF TEXAS	.00390060 RI	1700 North Congress Austin, Texas 78701

2.41/160.0 x 1/4 =

RECORD COPY
KEEP THIS COPY

EXHIBIT "A"

SOC NO. 31040

Interim Division Order Title Opinion covering royalty interest only, L & B Oil Company, Inc., Cobb No. 3 Oil Unit comprised of 160 acres of land, more or less, situated out of the Joshua Hadley Survey, A-266, Grimes County, Texas, the Eli Wickson League, A-236, Brazos County and State of Texas Oil and Gas Lease No. 86481 insofar as it covers 2.41 acres situated out of a 30 acre tract of land comprised of the Navasota River, Brazos and Grimes Counties, Texas, more particularly described as follows:

Tract 1 - 23.28 acres situated out of a tract recited to contain 166.415 acres and being all of the north half of the Joshua Hadley Survey, A-226, Grimes County, Texas

Tract 2 - 134.31 acres of land, more or less, situated out of a tract containing 523.3059 acres in the Eli Wickson League, A-236, Brazos County, Texas

Tract 3 - 2.41 acres, more or less, being all of a part of "Tract 2" of the Navasota River, Brazos and Grimes Counties and being a part of 30 acres covered by Texas Oil and Gas Lease No. 86481, dated October 6, 1981, filed for record in Volume 66, Page 26, Oil and Gas Lease Records of Brazos County, Texas

THIS OPINION IS LIMITED IN SCOPE TO LANDOWNER'S ROYALTY FROM THE SURFACE OF THE EARTH TO THE STRATIGRAPHIC EQUIVALENT OF THE TOTAL DEPTH DRILLED IN THE L & B OIL COMPANY, INC., COBB NO. 3 WELL.

SCURLOCK OIL COMPANY • THREE ALLEN CENTER • 333 CLAY • P.O. BOX 4648 • HOUSTON, TX • 77210 • (713) 739-4100

November 28, 1983

Re: SOC NO. 31040
L & B OIL COMPANY
**COBB #3
GRIMES COUNTY, TEXAS

Dear Interest Owner:

Enclosed are divison orders covering the captioned production which were prepared from a title opinion furnished to us by the Operator shown below.

If your interest is correct, one copy of the divison order should be executed in the presence of two witnesses and returned to us promptly. The extra copy may be retained for your records. Please check to be sure your correct mailing address is shown and that you have provided your Social Security or Tax Account number where indicated.

It should be noted that effective as of January 1, 1984 it will be necessary to suspend 15% of each interest for which we are not furnished a Social Security or Tax Account number.

In order to be sure that there will be no unnecessary delay in payment for your interest, your promptness in executing and returning the divison order will be appreciated.

Very truly yours,

SCURLOCK OIL COMPANY

Michelle Danley

Michelle Danley

MD/tac
Enclosures
cc: L & B Oil Company, Inc.
2600 S. Gessner
Suite 220
Houston, Texas 77063

PLEASE SEE ATTACHED FOR INSTRUCTIONS AND FORMS FOR WINDFALL PROFIT TAX.

L&B
Oil Company, Inc.

November 21, 1983

Cobb Unit No. 3 Well
Grimes & Brazos Counties
Texas

General Land Office
of the State of Texas
Oil & Gas Lease No. 86481
1700 North Congress
Austin, Texas 78701

Gentlemen:

Enclosed is L & B Oil Company, Inc.'s Gas Division Order, in duplicate, covering your interest in the Cobb Unit No. 3 Well located in Grimes & Brazos Counties, Texas.

Effective with date of first runs, L & B Oil Company will disburse revenue to all interest owners from the sale of gas and Scurlock Oil Company will make settlement on the sale of oil. Scurlock's division order for oil will be forthcoming.

Please execute the original division order and have your signature witnessed by two disinterested parties. In the space provided please insert the address to which you want your checks mailed and list your Social Security or Taxpayer Identification Number. The original instrument should be returned to this office in the envelope provided and the remaining copy may be kept for your records.

Should you have any questions, please feel free to call the undersigned at this office.

Thank you.

Very truly yours,

L & B OIL COMPANY, INC.

Norman Zeiler
Landman

NZ/nb
Enclosures

GAS DIVISION ORDER

TO: L & B Oil Company, Inc.
2600 South Gessner, Suite 220
Houston, Texas 77063

Well Name Cobb Unit No. 3
Date November 21, 1983
Effective Date of First Purchase
Field Iola, S. (Sub-clarksville)
Lease No 3020730310

The undersigned, and each of them, guarantee and warrant that they are legal owners of the interest shown opposite their names set out below of the proceeds of all gas produced or sold from the Cobb Unit No. 3 Lease (or Unit), Grimes & Brazos County, State of Texas the following described property:

160 acres of land, more or less, situated out of the Joshua Hadley Survey, A-266, Grimes County, Texas, the Eli Wickson League, A-236, Brazos County and State of Texas Oil and Gas Lease No. 86481 insofar as it covers 2.41 acres situated out of a 30 acre tract of land comprised of the Navasota River, Brazos and Grimes Counties, Texas

You are authorized to receive, purchase and account for gas, as to the interest of each of the undersigned owners, subject to the covenants and conditions as set forth herein.

CREDIT TO:	Division of Interest
General Land Office of the State of Texas Oil & Gas Lease No. 86481 1700 North Congress Austin, Texas 78701	$\frac{2.41}{160} \times \frac{1}{4} =$ .0039006 RI ✓

All covenants appearing on the reverse side hereof are incorporated herein by reference and the undersigned agree that each shall be deemed and considered an essential part of this division order in like manner and with the same effect as if printed above our signatures.

SIGNATURE OF WITNESS	SIGNATURE OF OWNER	SOCIAL SECURITY OR TAX I.D. NUMBER
X	X	X
X		
X		

Mail Checks to Following Address: X

Zip

GLO Copy

COPY

The following covenants are parts of this instrument and shall be binding on the undersigned, their successors, legal representatives, and assigns:

Settlements for gas shall be based on the net proceeds realized from the sale thereof, after deducting a fair and reasonable charge for compressing and making it merchantable and for transporting if the gas is sold off the property. Where gas is sold subject to regulation by the Federal Power Commission or other governmental authority, the price applicable to such sale approved by order to such authority shall be used to determine the net proceeds realized from the sale.

All payments for gas hereunder shall be made to the above address by check mailed to the respective owner at the address given above during the following calendar month after the receipt by you for the proceeds thereof. However, it is agreed that should the proceeds accruing to any interest hereunder for any one month amount to less than Five Dollars ($5.00), you may accumulate such proceeds and proceeds for subsequent months, without interest, until the first regular settlement date when the amounts withheld total as much as Five Dollars ($5.00); provided, that regardless of the total, payment of accumulated amounts shall be made in the month of December of each year.

Each owner warrants the title to the interest credited to such owner according to the division of interest hereinabove indicated and agrees to furnish evidence satisfactory to you of title to such interest. In case of any dispute or adverse claim thereto or any part or value thereof, each owner agrees to defend, protect and indemnify you and/or your designated nominee therefrom and from any fees, costs and expenses in connection therewith, and you are authorized to retain all sums accruing hereunder, without interest, until the dispute is settled or finally determined and you receive evidence thereof satisfactory to you.

The undersigned owners severally agree to notify you in writing of any change in their ownership. You will not be responsible for any change of ownership unless and until you receive at the above address written notice and proof evidencing such transfer or other change of ownership of any interest hereunder and your regular form of Transfer Order or Division Order is executed and returned to you. Also, you assume no responsibility for overpayment of any limited amounts set forth herein, and without liability may continue payments as set forth herein unless and until furnished with written releases terminating such agreements. Regardless of the effective date of the instrument of conveyance, any transfer of interest shall be made effective as of 7:00 a.m. of the first day of the calendar month following the receipt of said written notice.

You are hereby authorized, as may be required, to withhold from the proceeds accruing hereunder to any owner the amount of any severance, production, occupation, or other tax, levied by or under authority of the laws of the State in which the property is situated or the United States against him for and on account of said interest, and to pay such tax or taxes with the withheld proceeds.

Each of the undersigned owners of a royalty interest in the above-described property recognizes as valid and subsisting and in full force and effect all oil and gas leases of record held by the herein named working interest owners, which cover his interest in said property as well as the above mentioned pooled unit (if this division order covers a unit) and the same are hereby adopted, ratified and confirmed.

The word "GAS" shall mean the proceeds from gas, including casing-head gas, and all other gaseous substances.

This division order shall become valid and binding upon each of the undersigned owners, his successors, legal representatives and assigns, when signed by him, regardless of whether or not any other owner signs.

121

L&B
Oil Company, Inc.

January 4, 1984

General Land Office
of the State of Texas
Oil & Gas Lease No. 86481
1700 North Congress
Austin, Texas 78701

RE: Cobb Unit No. 3 Well
Grimes & Brazos Counties
Texas

Gentlemen:

Enclosed is a revised Gas Division Order, in duplicate, covering your interest in the Cobb Unit No. 3 Well located in Grimes and Brazos Counties, Texas. The interest stated on the division order sent on November 21, 1983 was incorrect. Please execute this division order instead and return the original to this office in the envelope provided. The remaining copy may be retained for your records.

Thank you for your cooperation in this matter.

Very truly yours,

L & B OIL COMPANY, INC.

Nancy L. Bryan

Nancy L. Bryan
Land Department

/nlb
Enclosures

2600 S. GESSNER. SUITE 220 • HOUSTON. TEXAS 77063 • 713/977-0670

Garry Mauro
Commissioner
General Land Office

December 20, 1983

L & B Oil Company, Inc.
2600 South Gessner, Suite 220
Houston, Texas 77063

RE: State Lease M-86481
Cobb Unit No. 2 & Cobb Unit No. 3
Grimes & Brazos Counties, Texas
Gas DO nos. 3020730210 & 3020730310

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 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 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,

Lanvil Gilbert, Attorney
Energy Resources
Phone: 512-475-6749
Enclosure

Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701
(512) 475-2071

(13)

M. F. 86481
CORRESPONDENCE FILE

To Division Order

From

Dated 12-20-83

DESIGNATION OF OIL UNIT

STATE OF TEXAS X

KNOW ALL MEN BY THESE PRESENTS:

COUNTIES OF GRIMES & BRAZOS X

WHEREAS, L & B Oil Company, Inc. and other undersigned parties are the owners of the Oil, Gas, and Mineral Leases, described on Exhibit "A" attached hereto and made a part hereof for all purposes, insofar as said leases cover the portion thereof, included within the unit acreage described in Exhibit "B" also attached hereto, and,

WHEREAS, said leases provide for the pooling and unitizing of leasehold, royalty and all other interest in oil, casinghead gas and all other liquid and liquifiable hydrocarbons produced therewith to form pooled units for the purpose of drilling for and producing oil, casinghead gas and all other liquid and liquifiable hydrocarbons produced therewith, with oil units not to exceed 40 acres, plus a tolerance, provided that such larger units as may be required by the Texas Railroad Commission for allowable purposes, may be formed and,

WHEREAS, by special order, dated July 7, 1983, Oil and Gas Docket #3-80, 409, the Railroad Commission of Texas, Oil and Gas Division, adopted temporary field rules and regulations for Iola South Field, Grimes and Brazos Counties, Texas, said order permitting only one well to each one hundred sixty (160) acre proration unit, with optional 80 acre units, for the production of oil from the Subclarksville Sand.

NOW THEREFORE, L & B Oil Company, Inc. and the other undersigned owners of said leases, acting pursuant to the powers therein granted, and pursuant to the Railroad Commission of Texas Field Rules set out above, do hereby pool, combine and unitize said leases and the working interest, royalty interest, and all other interest created thereunder insofar as the same covers oil, gas distillate and all other liquid and liquifiable hydrocarbons produced therewith, in and under land described in Exhibit "B", into a single unit comprising 160 acres of land for the purpose of drilling for and producing oil, casinghead gas and all other liquid and liquifiable hydrocarbons produced therewith, from the Subclarksville Sand, and for the purpose of accounting for such unit production or the proceeds thereof to the various owners of such working interest, royalty interest or other interest in

such unit production according to the terms of the leases or other agreements covering said unit land. Said unit shall be known as the Cobb Unit No. 3, and will be operated by L & B Oil Company, Inc. The test well on the unit created hereby has been drilled and completed, and it is hereby provided that this Unit Designation shall terminate ninety (90) days from and after the abandonment of said well.

This instrument may be executed in any number of counterparts, each of which shall be considered an original for all purposes.

IN WITNESS WHEREOF, this instrument is executed on this _____ day of _____, 1983.

ATTEST:

By: _____
Jo Ann Folse, Secretary

L & B OIL COMPANY, INC.

By: _____
Gary W. Loveless, President

ATTEST:

_____

TONTO DRILLING SERVICES

By: _____

ATTEST:

_____

W. T. I., Inc.

By: _____

LEAR PETROLEUM EXPLORATION, INC.

By: _____
Attorney-in-Fact

GULF OIL CORPORATION

By: _____
Attorney-in-Fact

MITCHELL ENERGY CORPORATION

By: _____

COSEKA RESOURCES (U.S.A.) LIMITED

By: _____
Attorney-in-Fact

PETROLEUM CORPORATION OF TEXAS

By: _____

M. M. CONE

_____

DAVID M. CARMICHAEL

_____

MAX W. WOODARD

_____

DENNIS R. DRAKE

_____

M. S. CONE

_____

KERR GEOPHYSICAL COMPANY

_____

MC RESOURCES, INC.

_____

KERRY G. BONNER

_____

ROBERT C. MCCURRY

_____

LARRY AMES

_____

PETE SHUKIS

_____

JO ANN FOLSE

_____

ATTEST:

_____

TRICENTROL UNITED STATES, INC.

_____

ATTEST:

_____

PRODECO OIL & GAS COMPANY, LTD.

_____

ATTEST:

_____

79902 RESOURCES LIMITED

_____

ATTEST:

_____

PRODECO EXPLORATION, INC.

_____

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF OIL UNIT DESIGNATION

(COBB UNIT NO. 3)

DATED THE _____ DAY OF _____, 1983.

1. Oil, Gas and Mineral Lease from Clarence W. Cobb and wife, Lavelle Cobb to Lear Petroleum Exploration, Inc., dated February 1, 1981, recorded in Volume 443, Page 232 of the Real Property Records of Grimes County, Texas, covering 166.415 acres of land, of which 23.28 acres are situated in the Oil Unit designated herein.

2. Oil, Gas and Mineral Lease from S. J. Enloe and wife, Ruby Estelle Enloe to Lear Petroleum Exploration, Inc., dated February 2, 1982, recorded in Volume 443, Page 276 of the Real Property Records of Grimes County, Texas, covering 166.415 acres of land, of which 23.28 acres are situated in the Oil Unit designated herein.

3. Oil, Gas and Mineral Lease from Martha Lucille Pratt to Cayuga Exploration, Inc., dated September 29, 1976, recorded in Volume 24, Page 780 of the Deed Records of Brazos County, Texas, covering 695.56 acres of land, of which 23.28 acres are situated in the Oil Unit designated herein.

4. Oil, Gas and Mineral Lease from Christine Waldo, et al to Lear Petroleum Exploration, Inc., dated March 9, 1982, recorded in Volume 55, Page 506 of the Oil and Gas Records of Brazos County, Texas, covering 537.8236 acres of land, of which 134.31 acres are situated in the Oil Unit designated herein.

5. Oil and Gas Lease from the State of Texas to Republic Energy, Inc., dated October 6, 1981, recorded in Volume 66, Page 26 of the Oil and Gas Records of Brazos County, Texas, and in Volume 440, Page 866 of the Real Property Records of Grimes County, Texas, covering 30 acres of land, of which 2.41 acres are situated in the Oil Unit designated herein.

EXHIBIT "B"

Metes and Bounds Description
of a
160.00 Acre Tract
Joshua Hadley Survey, Abstract 266
Grimes County, Texas
Eli Wickson Survey, Abstract 236
Brazos County, Texas
(Cobb No. 3 - Unit)

Metes and bounds description of all that certain 160.00 acre tract or parcel of land lying and being situated in the Joshua Hadley Survey, Abstract 266, Grimes County, Texas and the Eli Wickson Survey, Abstract 236, Brazos County, Texas and being a portion of the following described property:

1. 23.28 Acres out of a 332.83 acre tract described as exhibit "A", by metes and bounds recorded in volume 443, page 232 of the deed records of Grimes County, Texas.

2. 130.96 Acres out of a 757.141 acre tract described by a partition deed recorded in volume 289, page 71 of the deed records of Brazos County, Texas.

3. 5.76 Acres out of the Navasota River described by a lease recorded in volume 66, page 26 of the lease records of Brazos County, Texas.

Said 160.0 acre tract more particularly described by metes and bounds as follows:

COMMENCING at an 11 inch Oak tree found marking the most northerly east corner of the said 332.83 acre tract, said tree lying on the approximate west line of the William Alsobrook Survey, Abstract 74, Grimes County, Texas;

THENCE in a northwesterly direction along an existing barbed wire fence for the following calls;

N 46°45'51" W for a distance of 185.21 feet;
N 65°57'45" W for a distance of 283.38 feet;
N 70°40'02" W for a distance of 142.16 feet;
N 69°20'11" W for a distance of 1407.34 feet;
N 70°09'18" W for a distance of 101.78 feet;
S 68°35'27" W for a distance of 24.99 feet;
N 51°40'24" W for a distance of 68.20 feet;
N 70°41"51" W for a distance of 279.32 feet to a point for the PLACE OF BEGINNING;

THENCE continue with said fence for the following calls;

N 70°41'51" W for a distance of 400.00 feet;
N 69°13'45" W for a distance of 702.71 feet;

Project No. 83-3032

N 65°32'08" W for a distance of 16.89 feet;
N 58°19'19" W for a distance of 42.90 feet;
S 69°29'08" E for a distance of 0.09 feet;
N 55°34'54" W for a distance of 129.54 feet to a point lying on the east bank of the Navasota River;

THENCE along the bank of the Navasota River for the following calls:

N 29°42'00" W for a distance of 130.39 feet;
N 20°58'17" W for a distance of 96.98 feet;
N 01°32'37" W for a distance of 41.59 feet;
N 21°12'25" W for a distance of 108.52 feet;
N 39°53'40" W for a distance of 156.28 feet;
N 64°19'42" W for a distance of 72.10 feet;
N 75°18'26" W for a distance of 78.01 feet;
N 80°57'17" W for a distance of 92.47 feet;
N 74°41'11" W for a distance of 68.19 feet;
N 65°08'25" W for a distance of 89.82 feet;
N 63°08'12" W for a distance of 45.04 feet;
N 62°17'22" W for a distance of 233.78 feet;
N 56°23'08" W for a distance of 99.57 feet;
N 46°34'36" W for a distance of 81.39 feet;
N 32°26'39" W for a distance of 29.81 feet;
N 21°47'52" W for a distance of 38.30 feet;
N 05°57'53" E for a distance of 27.07 feet;
N 01°32'02" W for a distance of 201.16 feet;
N 06°40'17" E for a distance of 61.86 feet;
N 09°06'42" W for a distance of 56.20 feet;
N 39°37'05" W for a distance of 28.06 feet;
N 03°54'14" E for a distance of 37.80 feet;
N 28°04'04" W for a distance of 81.56 feet;
N 30°59'20" W for a distance of 67.70 feet;
N 42°03'43" W for a distance of 56.51 feet;
N 56°05'57" W for a distance of 13.52 feet;
N 58°52'30" W for a distance of 72.66 feet;
N 74°03'53" W for a distance of 66.79 feet;
N 69°16'19" W for a distance of 65.25 feet;
N 65°10'34" W for a distance of 45.47 feet;
N 07°09'43" W for a distance of 52.91 feet;
N 21°41"18" E for a distance of 28.83 feet;
N 85°54'47" E for a distance of 34.69 feet;
S 75°22'05" W for a distance of 176.35 feet;
S 18°26'51" E for a distance of 87.97 feet;
S 18°26'51" E for a distance of 8.32 feet;

WEST for a distance of 6.32 feet to a 1/2 inch iron rod found for corner, said iron rod also lying in a barbed wire fence marking the northwest line of the said 757.141 acre tract;

THENCE N 44°33'23" W with the said fence for a distance of 484.62 feet to a point for corner;

THENCE S 45°40'34" W for a distance of 1318.46 feet to a point for corner;

THENCE S 44°19'26" E for a distance of 350.00 feet to a point for corner;

THENCE S 45°40'34" W for a distance of 794.99 feet to a point for corner;

THENCE S 44°19'26" E for a distance of 1365.01 feet to a point for corner;

THENCE N 45°40'34" E for a distance of 794.99 feet to a point for corner;

THENCE S 44°19'26" E for a distance of 2486.51 feet to a point for corner;

THENCE N 67°04'18" E for a distance of 5.34 feet to a point lying in the bank of the Navasota River;

THENCE along the bank of the Navasota River for the following calls:

N 10°23'28" W	for a distance of	115.90 feet;
N 37°29'48" W	for a distance of	128.32 feet;
N 19°07'55" W	for a distance of	187.74 feet;
N 07°22'01" W	for a distance of	15.90 feet;
N 17°02'13" E	for a distance of	36.90 feet;
N 39°53'06" E	for a distance of	42.09 feet;
N 71°36'47" E	for a distance of	102.87 feet;
N 69°28'56" E	for a distance of	77.26 feet;
S 89°27'57" E	for a distance of	86.85 feet;
N 66°56'05" E	for a distance of	318.86 feet;
N 38°33'51" E	for a distance of	80.38 feet;
N 11°42'00" E	for a distance of	13.26 feet;

THENCE N 71°25'16" E for a distance of 606.08 feet to a point for corner;

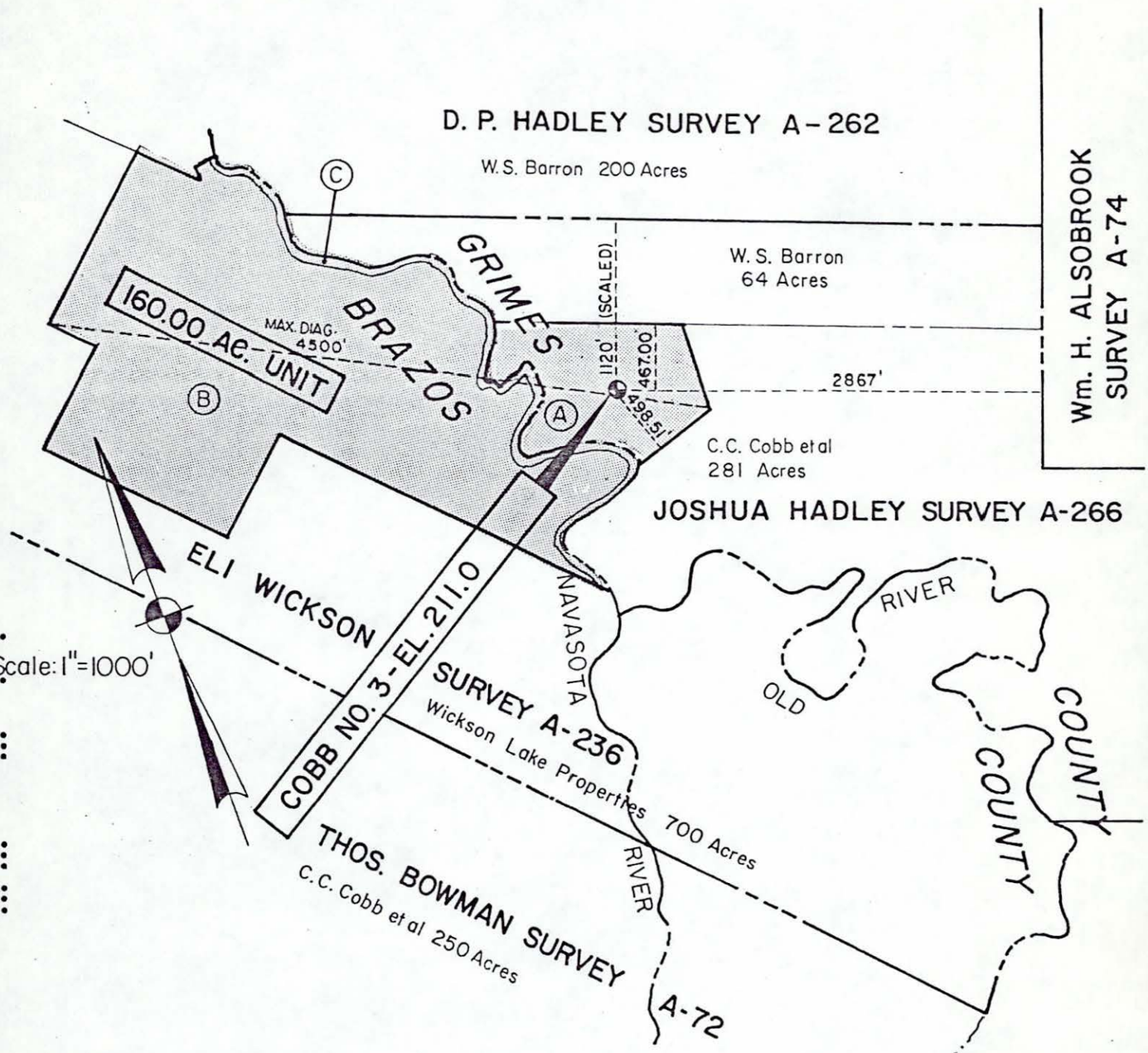
THENCE NORTH for a distance of 650.00 feet to the PLACE OF BEGINNING and containing 160.00 acres of land more or less.

September 1983

Surveyed by: Mark R. Paulson

Mark R. Paulson
Registered Public
Surveyor No. 2099

Project No. 83-3032



TRACT NO.	ACREAGE	LESSOR	VOL.	PAGE	
A	23.28	Clarence W. Cobb et ux	443	265	Grimes County Records
B	134.31	Wickson Lake Club	289	71	
C	2.41	State of Texas	66	26	Lease Records

WELL LOCATION

COBB NO. 3

L. & B. OIL COMPANY, INC.

JOSHUA HADLEY SURVEY A-266

ELI WICKSON SURVEY A-236

BRAZOS & GRIMES COUNTY, TEXAS

STATE OF TEXAS
MARK R. PAULSON
2099
REGISTERED
PUBLIC SURVEYOR

PAULSON SURVEYING INCORPORATED
P. O. Box 9384, College Station, TX 77840, (713) 693-2242

Drawn: Downs

Scale: 1" = 1000'

Date: Sept., 1983

Rev.:

Sheet of

DESIGNATION OF OIL UNIT

STATE OF TEXAS X

KNOW ALL MEN BY THESE PRESENTS:

COUNTIES OF GRIMES & BRAZOS X

WHEREAS, L & B Oil Company, Inc. and other undersigned parties are the owners of the Oil, Gas, and Mineral Leases, described on Exhibit "A" attached hereto and made a part hereof for all purposes, insofar as said leases cover the portion thereof, included within the unit acreage described in Exhibit "B" also attached hereto, and,

WHEREAS, said leases provide for the pooling and unitizing of leasehold, royalty and all other interest in oil, casinghead gas and all other liquid and liquifiable hydrocarbons produced therewith to form pooled units for the purpose of drilling for and producing oil, casinghead gas and all other liquid and liquifiable hydrocarbons produced therewith, with oil units not to exceed 40 acres, plus a tolerance, provided that such larger units as may be required by the Texas Railroad Commission for allowable purposes, may be formed and,

WHEREAS, by special order, dated July 7, 1983, Oil and Gas Docket #3-80, 409, the Railroad Commission of Texas, Oil and Gas Division, adopted temporary field rules and regulations for Iola South Field, Grimes and Brazos Counties, Texas, said order permitting only one well to each one hundred sixty (160) acre proration unit, with optional 80 acre units, for the production of oil from the Subclarksville Sand.

NOW THEREFORE, L & B Oil Company, Inc. and the other undersigned owners of said leases, acting pursuant to the powers therein granted, and pursuant to the Railroad Commission of Texas Field Rules set out above, do hereby pool, combine and unitize said leases and the working interest, royalty interest, and all other interest created thereunder insofar as the same covers oil, gas distillate and all other liquid and liquifiable hydrocarbons produced therewith, in and under land described in Exhibit "B", into a single unit comprising 160 acres of land for the purpose of drilling for and producing oil, casinghead gas and all other liquid and liquifiable hydrocarbons produced therewith, from the Subclarksville Sand, and for the purpose of accounting for such unit production or the proceeds thereof to the various owners of such working interest, royalty interest or other interest in

such unit production according to the terms of the leases or other agreements covering said unit land. Said unit shall be known as the Cobb Unit No. 2, and will be operated by L & B Oil Company, Inc. The test well on the unit created hereby has been drilled and completed, and it is hereby provided that this Unit Designation shall terminate ninety (90) days from and after the abandonment of said well.

This instrument may be executed in any number of counterparts, each of which shall be considered an original for all purposes.

IN WITNESS WHEREOF, this instrument is executed on this _____ day of _____, 1983.

ATTEST:

By: _____
Jo Ann Folse, Secretary

L & B OIL COMPANY, INC.

By: _____
Gary W. Loveless, President

ATTEST:

_____

TONTO DRILLING SERVICES

By: _____

ATTEST:

_____

W. T. I., Inc.

By: _____

LEAR PETROLEUM EXPLORATION, INC.

By: _____
Attorney-in-Fact

GULF OIL CORPORATION

By: _____
Attorney-in-Fact

MITCHELL ENERGY CORPORATION

By: _____

COSEKA RESOURCES (U.S.A.) LIMITED

By: _____
Attorney-in-Fact

PETROLEUM CORPORATION OF TEXAS

By: _____

M. M. CONE

_____

DAVID M. CARMICHAEL

_____

MAX W. WOODARD

_____

DENNIS R. DRAKE

_____

M. S. CONE

_____

KERR GEOPHYSICAL COMPANY

_____

MC RESOURCES, INC.

_____

KERRY G. BONNER

_____

ROBERT C. MCCURRY

_____

LARRY AMES

_____

PETE SHUKIS

_____

JO ANN FOLSE

_____

ATTEST:

_____

TRICENTROL UNITED STATES, INC.

_____

ATTEST:

_____

PRODECO OIL & GAS COMPANY, LTD.

_____

ATTEST:

_____

79902 RESOURCES LIMITED

_____

ATTEST:

_____

PRODECO EXPLORATION, INC.

_____

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF OIL UNIT DESIGNATION

(COBB UNIT NO. 2)

DATED THE _____ DAY OF _____, 1983.

1. Oil, Gas and Mineral Lease from Clarence W. Cobb and wife, Lavelle Cobb to Lear Petroleum Exploration, Inc., dated February 2, 1982, recorded in Volume 443, Page 232 of the Real Property Records of Grimes County, Texas, covering 166.415 acres of land, of which 51.98 acres are situated in the Oil Unit designated herein.

2. Oil, Gas and Mineral Lease from S. J. Enloe and wife, Ruby Estelle Enloe to Lear Petroleum Exploration, Inc., dated February 2, 1982, recorded in Volume 443, Page 276 of the Real Property Records of Grimes County, Texas, covering 166.415 acres of land, of which 51.98 acres are situated in the Oil Unit designated herein.

3. Oil, Gas and Mineral Lease from Martha Lucille Pratt to Cayuga Exploration, Inc., dated September 29, 1976, recorded in Volume 24, Page 780 of the Deed Records of Brazos County, Texas, covering 695.56 acres of land, of which 51.98 acres are situated in the Oil Unit designated herein.

4. Oil, Gas and Mineral Lease from Christine Waldo, et al to Lear Petroleum Exploration, Inc., dated March 9, 1982, recorded in Volume 55, Page 506 of the Oil and Gas Records of Brazos County, Texas, covering 537.8236 acres of land, of which 69.71 acres are situated in the Oil Unit designated herein.

4. Oil, Gas and Mineral Lease from Gearl D. Rasco and wife, Annie Laura Rasco to Exploration Group, Inc., dated October 1, 1981, recorded in Volume 42, Page 690 of the Oil and Gas Records of Brazos County, Texas, covering 123.61 acres of land, of which 9.00 acres are situated in the Oil Unit designated herein.

5. Oil and Gas Lease from the State of Texas to Republic Energy, Inc., dated October 6, 1981, recorded in Volume 66, Page 26 of the Oil and Gas Records of Brazos County, Texas, and in Volume 440, Page 866 of the Real Property Records of Grimes County, Texas, covering 30 acres of land, of which 5.14 acres are situated in the Oil Unit designated herein.

6. Oil, Gas and Mineral Lease from Cecil B. Cox, Individually and as Trustee for the Estate of Beulah Cox, deceased, to Lear Petroleum Exploration, Inc., dated March 15, 1982, recorded in Volume 56, Page 209 of the Oil and Gas Records of Brazos County, Texas, covering 304.332 acres of land, of which 2.13 acres are situated in the Oil Unit designated herein.

7. Oil, Gas and Mineral Lease from Clarence W. Cobb and wife, Levelle Cobb to Lear Petroleum Exploration, Inc., dated March 15, 1982, recorded in Volume 53, Page 451 of the Oil and Gas Records of Brazos County, Texas, covering 274.628 acres of land, of which 22.04 acres are situated in the Oil Unit designated herein.

EXHIBIT "B"

Metes and Bounds Description
of a
160.00 Acre Tract
Joshua Hadley Survey, Abstract 266
Grimes County, Texas
Eli Wickson Survey, Abstract 236
Thomas Bowman Survey, Abstract 72
Brazos County, Texas
(Cobb No. 2 - Unit)

Metes and bounds description of all that certain 160.00 acre tract or parcel of land lying and being situated in the Joshua Hadley Survey, Abstract 266, Grimes County, Texas, the Eli Wickson Survey, Abstract 236, the Thomas Bownam Survey, Abstract 72, Brazos County, Texas, and being a portion of the following described property:

1. 51.98 Acres out of a 332.83 acre tract described as exhibit "A", by metes and bounds recorded in volume 443, page 332 of the deed records of Grimes County, Texas.

2. 69.71 Acres out of a 757.141 acre tract described by a partition deed recorded in volume 289, page 71 of the deed records of Brazos County, Texas.

3. 9.00 Acres out of a 123.61 acre tract described by a deed recorded in volume 298, page 5 of the deed records of Brazos County, Texas.

4. 22.04 Acres out of a 249.0 acre tract described by a deed recorded in volume 97, page 615 of the deed records of Brazos County, Texas.

5. 2.13 Acres out of a 290.00 acre tract described by a deed recorded in volume 94, page 97 of the deed records of Brazos County, Texas.

6. 5.14 Acres out of the Navasota River as described by a lease recorded in volume 66, page 26 of the lease records of Brazos County, Texas.

Said 160.00 acre tract more particularly described by metes and bounds as follows:

COMMENCING at an 11 inch oak tree found marking the most northerly east corner of the said 332.83 acre tract, said tree lying on the approximate west line of the William Alsobrook Survey, Abstract 74, Grimes County, Texas;

THENCE in a northwesterly direction along an existing barbed wire fence for the following calls:

N 46°45'51" W for a distance of 185.21 feet;
N 65°57'45" W for a distance of 283.38 feet;
N 70°40'02" W for a distance of 142.16 feet;
N 69°20'11" W for a distance of 727.97 feet to the PLACE OF BEGINNING;

THENCE continue with said fence line for the following calls:

N 69°20'11" W for a distance of 679.37 feet;
N 70°09'18" W for a distance of 101.78 feet;
S 68°35'27" W for a distance of 24.99 feet;
N 51°40'24" W for a distance of 68.20 feet;
N 70°41'51" W for a distance of 279.32 feet;

THENCE SOUTH for a distance of 650.00 feet to a point for corner;

THENCE S 71°25'16" W for a distance of 606.08 feet to a point lying on the east bank of the Navasota River;

THENCE with the east bank of the Navasota River for the following calls:

S 11°42'00" W for a distance of 13.26 feet;
S 38°33'51" W for a distance of 80.38 feet;
S 66°56'05" W for a distance of 318.86 feet;
N 89°27'57" W for a distance of 86.85 feet;
S 69°28'56" W for a distance of 77.26 feet;
S 71°36'47" W for a distance of 102.87 feet;
S 39°53'06" W for a distance of 42.09 feet;
S 17°02'13" W for a distance of 36.90 feet;
S 07°22'01" E for a distance of 15.90 feet;
S 19°07'55" E for a distance of 187.74 feet;
S 37°29'48" E for a distance of 128.32 feet;
S 10°23'28" E for a distance of 115.90 feet to a point for corner;

THENCE S 67°04'18" W for a distance of 2076.51 feet to a point for corner;

THENCE S 39°12'23" E for a distance of 2022.25 feet to a point for corner;

THENCE S 68°26'37" E for a distance of 1123.91 feet to a point for corner;

THENCE N 12°45'44" E for a distance of 2525.45 feet to a point for corner;

THENCE N 51°55'29" E at a distance of 73.51 feet past a point lying in the old abandoned river channel of the Navasota River, continue for a total distance of 1467.76 feet to a point for corner;

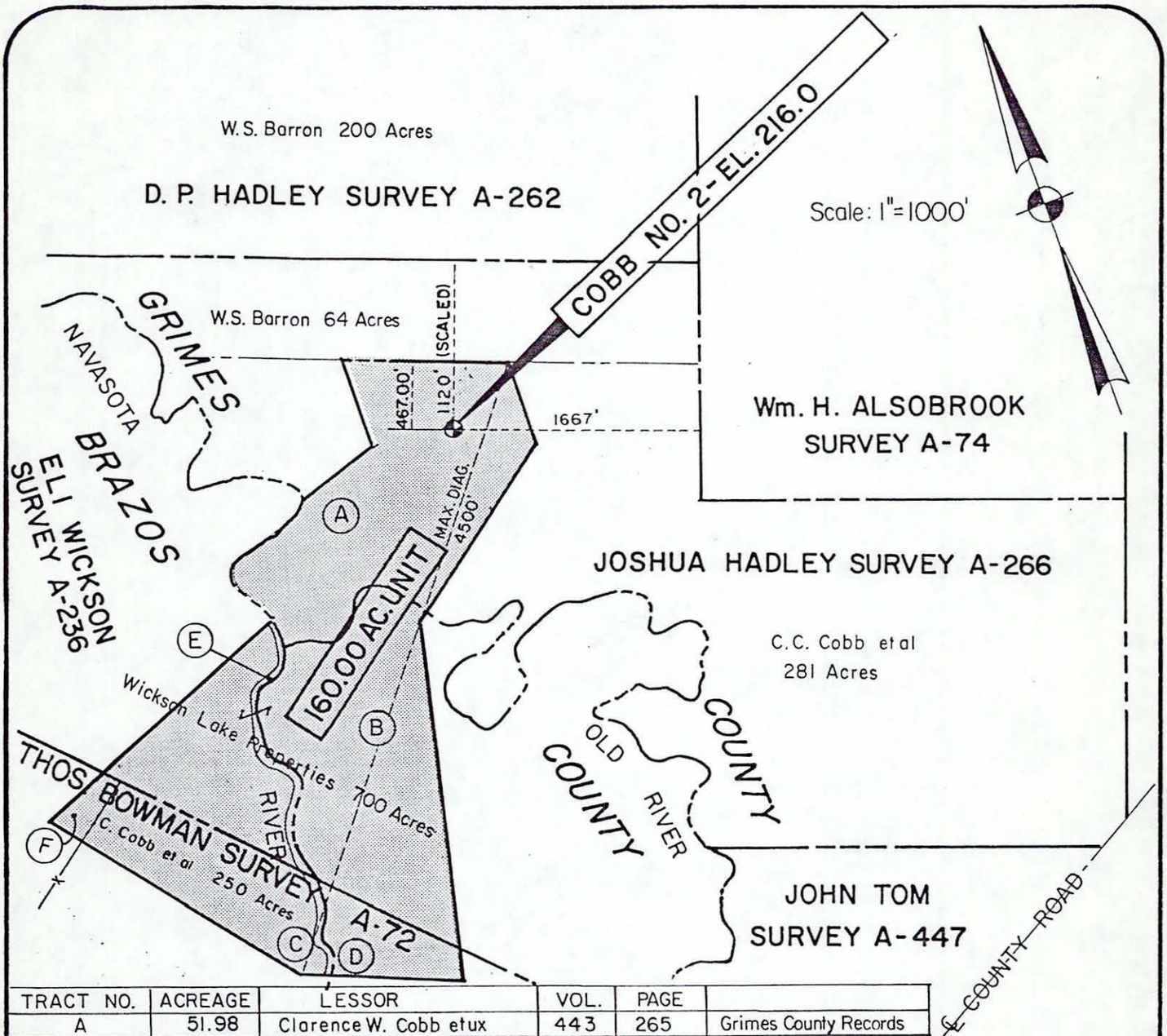
THENCE NORTH for a distance of 600.00 feet to the PLACE OF BEGINNING and containing 160.00 acres of land more or less.

September 1983

Surveyed by: Mark R. Paulson

Mark R. Paulson
Registered Public
Surveyor No. 2099

Project No. 83-3032



TRACT NO.	ACREAGE	LESSOR	VOL.	PAGE	
A	51.98	Clarence W. Cobb etux	443	265	Grimes County Records
B	69.71	Wickson Lake Club	289	71	
C	22.04	Clarence W. Cobb etux	97	615	
D	9.00	Gearl D. Rasco	298	5	
E	5.14	State of Texas	66	26	Lease Records
F	2.13	Cecil B. Cox, Trustee	94	97	

WELL LOCATION

COBB NO. 2

L. & B. OIL COMPANY, INC.

JOSHUA HADLEY SURVEY A-266

THOS. BOWMAN SURVEY A-72

ELI WICKSON SURVEY A-236

BRAZOS & GRIMES COUNTY, TEXAS

STATE OF TEXAS
MARK R. PAULSON
4039
REGISTERED PUBLIC SURVEYOR

PAULSON SURVEYING INCORPORATED
P. O. Box 9384, College Station, TX 77840, (713) 693-2242

Drawn: Downs

Scale: 1" = 1000'

Date: Sept., 1983

Rev.:

Sheet of

(100) M-86481

Declaration of Unit
FIPO

2-24-84 ml

GAS DIVISION ORDER

TO: L & B Oil Company, Inc.
2600 South Gessner, Suite 220
Houston, Texas 77063

Well Name Cobb Unit No. 3
Date November 21, 1983
Effective Date of First Purchase
Field Iola, S. (Sub-clarksville)
Lease No 3020730310

The undersigned, and each of them, guarantee and warrant that they are legal owners of the interest shown opposite their names set out below of the proceeds of all gas produced or sold from the Cobb Unit No. 3 Lease (or Unit), Grimes & Brazos County, State of Texas the following described property:

160 acres of land, more or less, situated out of the Joshua Hadley Survey, A-266, Grimes County, Texas, the Eli Wickson League, A-236, Brazos County and State of Texas Oil and Gas Lease No. 86481 insofar as it covers 2.41 acres situated out of a 30 acre tract of land comprised of the Navasota River, Brazos and Grimes Counties, Texas

You are authorized to receive, purchase and account for gas, as to the interest of each of the undersigned owners, subject to the covenants and conditions as set forth herein.

CREDIT TO:	Division of Interest
General Land Office of the State of Texas Oil & Gas Lease No. 86481 1700 North Congress Austin, Texas 78701	$\frac{2.41}{160.0} \times .25 =$ .0037656 RI ✓

All covenants appearing on the reverse side hereof are incorporated herein by reference and the undersigned agree that each shall be deemed and considered an essential part of this division order in like manner and with the same effect as if printed above our signatures.

SIGNATURE OF WITNESS	SIGNATURE OF OWNER	SOCIAL SECURITY OR TAX I.D. NUMBER
X	X	X
X		
X		

Mail Checks to Following Address: X

Zip

COPY GL Copy

The following covenants are parts of this instrument and shall be binding on the undersigned, their successors, legal representatives, and assigns:

Settlements for gas shall be based on the net proceeds realized from the sale thereof, after deducting a fair and reasonable charge for compressing and making it merchantable and for transporting if the gas is sold off the property. Where gas is sold subject to regulation by the Federal Power Commission or other governmental authority, the price applicable to such sale approved by order to such authority shall be used to determine the net proceeds realized from the sale.

All payments for gas hereunder shall be made to the above address by check mailed to the respective owner at the address given above during the following calendar month after the receipt by you for the proceeds thereof. However, it is agreed that should the proceeds accruing to any interest hereunder for any one month amount to less than Five Dollars ($5.00), you may accumulate such proceeds and proceeds for subsequent months, without interest, until the first regular settlement date when the amounts withheld total as much as Five Dollars ($5.00); provided, that regardless of the total, payment of accumulated amounts shall be made in the month of December of each year.

Each owner warrants the title to the interest credited to such owner according to the division of interest hereinabove indicated and agrees to furnish evidence satisfactory to you of title to such interest. In case of any dispute or adverse claim thereto or any part or value thereof, each owner agrees to defend, protect and indemnify you and/or your designated nominee therefrom and from any fees, costs and expenses in connection therewith, and you are authorized to retain all sums accruing hereunder, without interest, until the dispute is settled or finally determined and you receive evidence thereof satisfactory to you.

The undersigned owners severally agree to notify you in writing of any change in their ownership. You will not be responsible for any change of ownership unless and until you receive at the above address written notice and proof evidencing such transfer or other change of ownership of any interest hereunder and your regular form of Transfer Order or Division Order is executed and returned to you. Also, you assume no responsibility for overpayment of any limited amounts set forth herein, and without liability may continue payments as set forth herein unless and until furnished with written releases terminating such agreements. Regardless of the effective date of the instrument of conveyance, any transfer of interest shall be made effective as of 7:00 a.m. of the first day of the calendar month following the receipt of said written notice.

You are hereby authorized, as may be required, to withhold from the proceeds accruing hereunder to any owner the amount of any severance, production, occupation, or other tax, levied by or under authority of the laws of the State in which the property is situated or the United States against him for and on account of said interest, and to pay such tax or taxes with the withheld proceeds.

Each of the undersigned owners of a royalty interest in the above-described property recognizes as valid and subsisting and in full force and effect all oil and gas leases of record held by the herein named working interest owners, which cover his interest in said property as well as the above mentioned pooled unit (if this division order covers a unit) and the same are hereby adopted, ratified and confirmed.

The word "GAS" shall mean the proceeds from gas, including casinghead gas, and all other gaseous substances.

This division order shall become valid and binding upon each of the undersigned owners, his successors, legal representatives and assigns, when signed by him, regardless of whether or not any other owner signs.

INSTRUCTIONS TO ALL INTEREST OWNERS

Please read carefully before signing the Division Order

This Division Order should not be altered in any way unless accompanied by documentary evidence to support the change. If your name and interest are correctly shown:

Signature: Sign name as shown on the Division Order and have your signature witnessed by at least one disinterested party.

If signing for a corporation, signature must be attested, title of signatory party shown and corporate seal affixed.

If signing for a partnership, all partners must sign unless signed by authorized partner and certified copy of his authority attached.

Signature by Second Party: If the Division Order is signed by an attorney-in-fact, agent, guardian, estate representative, trustee or any other party than the named interest owner, we must have evidence of rights invested in the signatory party.

Taxpayer Identification Number: Insert your number in the space provided below. If you do not have a taxpayer identification number or social security number, you may obtain the form upon which to make application at your nearest Social Security or Internal Revenue office.

Mailing Address: Indicate in the space provided the address to which your checks are to be mailed. Print or type and do not abbreviate.

Change of Address: You should notify us promptly of any change in your mailing address. This notice must be over your own signature or the signature of your appointed agent. Always include your owner number and old address as well as your new address and zip code.

Lease No: In the upper right corner of this Division Order you will find a lease number assigned to this property. This number will appear on your statement or on the counterfoil portion of the check and should be used when corresponding with this company.

Settlement for your Interest: Upon receipt of properly executed Division Order and evidence of clear title, the interest credited to you will be authorized for payment. Checks will be mailed out around the 25th of each month when accruals to your interest are over $10.00. In December of each year, payment will be made for all accumulated sums under $10.00.

Please execute and return this Division Order without delay to the address below. Keep one copy for your records.

L & B Oil Company, Inc.
2600 South Gessner
Suite 220
Houston, Texas 77063

Garry Mauro
Commissioner
General Land Office

June 1, 1984

L & B Oil Company
2600 South Gessner, Suite 200
Houston, TX 77063

ATTENTION: MS. NANCY L. BRYAN

RE: State Lease M-86481
Cobb Unit #3 Well Lease
Iola S (Sub Clarksville) Field
Brazos and Grimes Counties, Texas

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 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 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,

Marilyn Logan
Division Order Analyst
Energy Resources
Phone No. (512) 475-2858

jrf
Enclosure
Copy of Division Order

Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701
(512) 475-2071

M. F. 86481

CORRESPONDENCE FILE

(19)

TO

Division Order

FROM

DATED 6-4-84

ASSIGNMENT OF OIL AND GAS LEASE

WHEREAS, under date of October 6, 1981 that certain Oil and Gas Lease was made and entered into by and between the State of Texas, as Lessor, and Republic Energy, Inc., a Texas corporation, as Lessee, covering the following described land in the County of Grimes, State of Texas to wit:

> Tract 2, Navasota River, Brazos and Grimes Counties, Texas containing approximately 30 acres, is bound on the North by a Southeasterly extension of the Northeast line of the Eli Wickson Survey, A-236, and is bound on the South by a Southeasterly extension of the most Easterly Southwest line of the Thos. Bowman Survey, A-72, both surveys being in Brazos County, Texas.

WHEREAS, said lease is recorded in Volume 440, Page 866 in the Deed Records of Grimes County, Texas;

WHEREAS, said lease and all rights thereunder or incident thereto are now owned by Republic Energy, Inc., Dover Petroleum Company and Tesoro Petroleum Corporation, whose assignments are attached on seperate instruments.

NOW, THEREFORE, for and in consideration of ten dollars ($10.00) and other good and valuable consideration, Republic Energy, Inc. does hereby bargain, sell, transfer, assign and convey, without any warranty or covenants of title or other representations, express or implied, all rights, title and interest of the original Lessee in and to said lease to L&B Oil Company, Inc., a Texas corporation.

IN WITNESS WHEREOF, this Assignment is made this the 1st day of June, 1983.

ATTEST:

Michael Morgan
~~Assistant~~ Secretary

REPUBLIC ENERGY, INC.

By: Bernard Sweet
Chairman of the Board

279717

FILED FOR RECORD
DATE 10-12-83
AT 10:00 O'CLOCK A M
FRANK DORISKIE
BRAZOS COUNTY CLERK
Dawn Dawson

THE STATE OF MINNESOTA

COUNTY OF HENNEPIN

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Bernard Sweet, 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 Republic Energy, Inc., a Texas corporation, and that he executed the same as the act of such corporation for the purpose and consideration therein expressed, and in the capacity therein stated

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 9 day of June A.D., 1983.

My commission expires:

BARBARA WELDY
NOTARY PUBLIC - MINNESOTA
HENNEPIN COUNTY
My Commission Expires Apr. 29, 1984

Barbara Weldy
NOTARY PUBLIC IN AND FOR HENNEPIN COUNTY, MINNESOTA

THE STATE OF TEXAS }
COUNTY OF BRAZOS }

I, Frank Boriskie, County Clerk of Brazos County, Texas, do hereby certify that the foregoing is a true and correct copy of the original as the same appears of record in Vol. 613, Page 446 in Official Records of said County on file in my office.

ATTEST: 10-13-83
Frank Boriskie, County Clerk
Brazos County, Texas

By _____, Deputy

VOL 490 PAGE 570 (IGNMENT OF OIL AND GAS LEASE(

#75865

WHEREAS, under date of October 6, 1981 that certain Oil and Gas Lease was made and entered into by and between the State of Texas, as Lessor, and Republic Energy, Inc., a Texas corporation, as Lessee, covering the following described land in the County of Grimes, State of Texas to wit:

Tract 2, Navasota River, Brazos and Grimes Counties, Texas containing approximately 30 acres, is bound on the North by a Southeasterly extension of the Northeast line of the Eli Wickson Survey, A-236, and is bound on the South by a Southeasterly extension of the most Easterly Southwest line of the Thos. Bowman Survey, A-72, both surveys being in Brazos County, Texas.

WHEREAS, said lease is recorded in Volume 440, Page 866 in the Deed Records of Grimes County, Texas;

WHEREAS, said lease and all rights thereunder or incident thereto are now owned by Republic Energy, Inc., Dover Petroleum Company and Tesoro Petroleum Corporation, whose assignments are attached on seperate instruments.

NOW, THEREFORE, for and in consideration of ten dollars ($10.00) and other good and valuable consideration, Republic Energy, Inc. does hereby bargain, sell, transfer, assign and convey, without any warranty or covenants of title or other representations, express or implied, all rights, title and interest of the original Lessee in and to said lease to L&B Oil Company, Inc., a Texas corporation.

IN WITNESS WHEREOF, this Assignment is made this the 10th day of June, 1983.

ATTEST:

Michael Meyer
~~Assistant~~ Secretary

REPUBLIC ENERGY, INC.

By: Bernard Sweet
Chairman of the Board

279717

FILED FOR RECORD
DATE 10-12-83
AT 10:00 O'CLOCK A M
BLANK BORISKIE
BRAZOS COUNTY CLERK
Deputy

THE STATE OF MINNESOTA

COUNTY OF HENNEPIN

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Bernard Sweet, 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 Republic Energy, Inc., a Texas corporation, and that he executed the same as the act of such corporation for the purpose and consideration therein expressed, and in the capacity therein stated

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 9 day of June A.D., 1983.

My commission expires:

BARBARA WELDY
NOTARY PUBLIC - MINNESOTA
HENNEPIN COUNTY
My Commission Expires Apr. 29, 1984

Barbara Weldy
NOTARY PUBLIC IN AND FOR HENNEPIN COUNTY, MINNESOTA

RECORDER'S MEMORANDUM
At the time of recordation this instrument was found to be inadequate for the best photographic reproduction because of illegibility.

VOL 613 PAGE 446

Republic Energy, Inc
to
L & B Oil Company, Inc

0758665

FILED FOR RECORD AT
'83 OCT 26 AM 8 44

TRINSTON HARRIS CO. CLK.
GRIMES CO., TEX.

VOL 490 PAGE 571

3-

L & B Oil Company, Inc.
2600 S. Gessner, Suite 220
Houston, Tx. 77063

COUNTY OF BRAZOS
STATE OF TEXAS
I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the volume and page of the named records of Brazos County, Texas as stamped hereon by me.

OCT 12 1983

COUNTY CLERK, Brazos County, Texas

RECORDER'S MEMORANDUM
At the time of recordation this instrument was found to be inadequate for the best photographic reproduction because of illegibility.

THE STATE OF TEXAS
COUNTY OF GRIMES

THIS CERTIFIES that the foregoing instrument, with its certificates of authentication was filed for record in my office on the 26th day of October, A. D. 1983 and duly recorded by me on the 26th day of October, A. D. 1983 in Vol. 490, Page 570 of the Real Property records of Grimes County, Texas.

Trinston Harris
County Clerk, Grimes County, Texas
By Lina Sciacchi, Deputy

Examiner Print

(20)

M 86481
Assignment

File dated 12-14-83

Garry Mauro, Commissioner

RECEIVED AS STATED
$10.00

DATE 12-14-83
Reg. No. 42918

GENERAL LAND OFFICE

THE STATE OF TEXAS }
COUNTY OF GRIMES } I, TRINSTON HARRIS, Clerk of the County Court of Grimes County, Texas,

do hereby certify that the above and foregoing is a true and correct copy of Assgn. of O&G Lease from Republic Energy Inc. to L&B Oil Co., Inc.

as the same appears on record in volume 490, page 570 of the Real Property Records of Grimes County, Texas.

GIVEN UNDER MY HAND AND THE SEAL OF SAID COURT at office in Anderson, Texas, this the 14th day of November A.D. 19 83

TRINSTON HARRIS, CLERK COUNTY COURT
Grimes County, Texas.

BY Gina M. Ortiz
Deputy

RECEIVED
AUG 31 1983
Ans'd.....

ASSIGNMENT OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS: 279716

FILED
At 10:00 O'clock A M
OCT 12 1983
FRANK DORISKIE
County Clerk, Brazos County, Bryan, Texas
By Deputy

The undersigned,

Dover Petroleum Company
1100 Aquitaine Tower
540 - 5th Avenue S.W.
Calgary, Alberta
T2P 0M2

("Assignor")

for and in consideration of the sum of $2,625.00 (U.S.) does hereby sell, assign, transfer and set over unto

L&B Oil Company, Inc.
2600 S. Gessner
Suite 220
HOUSTON, Texas, U.S.A.
77063

("Assignee")

its undivided, 25 percent right, title and interest in and to the Oil and Gas Leases described in Schedule "A" attached hereto, the lands covered thereby, and all rights incident thereto ("said lands").

And for the same consideration, the Assignor covenants that to the best of its knowledge:

(i) it is the lawful owner of and has good title to the interest assigned hereunder in the said Lease, estate and rights and that it is free and clear of all liens, encumbrances or adverse claims; and

(ii) the said Lease is valid and subsisting leases on the said lands and that all rentals and royalties due thereunder have been paid and all conditions necessary to keep the same in full force and effect have been duly performed.

This agreement shall endure to the benefit of and be binding upon the successors and assigns of both the Assignor and the Assignee.

EXECUTED this 31st day of May, 1983.

DOVER PETROLEUM COMPANY

President

Vice-President Exploration

Acctg	
Expl	
Land	
Prod	

L&B OIL COMPANY, INC.

By: Gary W. Loveless
Gary W. Loveless, President

Tax ID # 74-1879853

ATTEST:

Jo Ann Folse
Secretary

(This space reserved for evidence of registration.)

SCHEDULE "A"

Attached to and forming part of an Assignment of Oil and Gas Lease dated May 31st, 1983 between DOVER PETROLEUM COMPANY and L&B OIL COMPANY, INC.

State of Texas Oil and Gas Lease No.	Land Description
86481	Tract 2, Navasota River, Brazos and Grimes Counties, Texas, containing approximately 30 acres, is bound on the North by Southeasterly extension of the Northeast line of the Eli Wickson Survey, A-236, and is bound on the South by a Southeasterly extension of the most Easterly Southwest line of the Thos. Bowman Survey, A-72, both surveys being in Brazos County, Texas, U.S.A.

Before me, the undersigned authority, on this day personally appeared J.H. Geddes and T.W. Whittingham known to me to be the persons whose names ARE subscribed to the foregoing instrument as President and Vice-President of Exploration of Dover Petroleum Company and EACH acknowledged to me that he executed RESPECTIVELY the same for the purposes and consideration therein expressed, and as the act and deed of said corporation.

Given under my hand and seal of office this 28th day of September, 1983.

My Commission Expires:

Notary Public

HOWARD R. WARD
A NOTARY PUBLIC IN AND FOR THE PROVINCE OF ALBERTA

THE STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Frank Boriskie, County Clerk of Brazos County, Texas, do hereby certify that the foregoing is a true and correct copy of the original as the same appears of record in Vol. 613, Page 444 in Official Records of said County on file in my office.

ATTEST: 10-13-83

Frank Boriskie, County Clerk
Brazos County, Texas

By Dale Gardner, Deputy

VOL 490 PAGE 572

ASSIGNMENT OF OIL AND GAS LEASE

#73866

279716

KNOW ALL MEN BY THESE PRESENTS:

FILED
At 10:00 O'clock A M
OCT 12 1983
FRANK BORISKIE
County Clerk, Brazos County, Bryan, Texas
By Deputy

The undersigned,

Dover Petroleum Company
1100 Aquitaine Tower
540 - 5th Avenue S.W.
Calgary, Alberta
T2P 0M2

("Assignor")

for and in consideration of the sum of $2,625.00 (U.S.) does hereby sell, assign, transfer and set over unto

L&B Oil Company, Inc.
2600 S. Gessner
Suite 220
HOUSTON, Texas, U.S.A.
77063

("Assignee")

its undivided, 25 percent right, title and interest in and to the Oil and Gas Leases described in Schedule "A" attached hereto, the lands covered thereby, and all rights incident thereto ("said lands").

And for the same consideration, the Assignor covenants that to the best of its knowledge:

(i) it is the lawful owner of and has good title to the interest assigned hereunder in the said Lease, estate and rights and that it is free and clear of all liens, encumbrances or adverse claims; and

(ii) the said Lease is valid and subsisting leases on the said lands and that all rentals and royalties due thereunder have been paid and all conditions necessary to keep the same in full force and effect have been duly performed.

This agreement shall endure to the benefit of and be binding upon the successors and assigns of both the Assignor and the Assignee.

EXECUTED this 31st day of May, 1983.

DOVER PETROLEUM COMPANY

President

Vice-President Exploration

Acctg
Expl
Land
Prod

L&B OIL COMPANY, INC.

By: Gary W. Loveless, President

Tax ID # [redacted]

ATTEST:

Jo Ann Folse, Secretary

(This space reserved for evidence of registration.)

RECORDER'S MEMORANDUM
At the time of recordation this instrument was found to be inadequate for the best photographic reproduction because of illegibility.

VOL 613 PAGE 444

SCHEDULE "A"

Attached to and forming part of an Assignment of Oil and Gas Lease dated May 31st, 1983 between DOVER PETROLEUM COMPANY and L&B OIL COMPANY, INC.

State of Texas Oil and Gas Lease No.	Land Description
86481	Tract 2, Navasota River, Brazos and Grimes Counties, Texas, containing approximately 30 acres, is bound on the North by Southeasterly extension of the Northeast line of the Eli Wickson Survey, A-236, and is bound on the South by a Southeasterly extension of the most Easterly Southwest line of the Thos. Bowman Survey, A-72, both surveys being in Brazos County, Texas, U.S.A.

Province of Alberta,
Country of Canada

Before me, the undersigned authority, on this day personally appeared J.H. Geddes and T.W. Whittingham known to me to be the persons whose names are subscribed to the foregoing instrument as President and Vice-President of Exploration, respectively of Dover Petroleum Company and each acknowledged to me that he executed the same for the purposes and consideration therein expressed, and as the act and deed of said corporation.

Given under my hand and seal of office this 28th day of September, 1983.

My Commission Expires:

Notary Public

NOTARY PUBLIC
HOWARD R. WARD
A NOTARY PUBLIC IN AND FOR THE PROVINCE OF ALBERTA

Dover Petroleum Co.
to
L & B Oil Company, Inc.

L & B Oil Company
2600 S. Gessner, Suite 220
Houston, TX. 77063

VOL 490 PAGE 574

STATE OF TEXAS
COUNTY OF BRAZOS
I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the volume and page of the named records of Brazos County, Texas as stamped hereon by me.

OCT 12 1983

Frank Benaske
COUNTY CLERK, Brazos County, Texas

FILED FOR RECORD AT
'83 OCT 26 AM 8' 45

TRINSTON HARRIS CO. CLK.
GRIMES CO., TEX.

Linda Lee

998570

THE STATE OF TEXAS
COUNTY OF GRIMES

THIS CERTIFIES that the foregoing instrument, with its certificates of authentication was filed for record in my office on the 26th day of October, A. D. 1983 and duly recorded by me on the 26th day of October, A. D. 1983 in Vol. 490, Page 572 of the Real Property records of Grimes County, Texas.

Trinston Harris
County Clerk, Grimes County, Texas
By Lina Scarabe, Deputy

Examiner Print

(21)

80481

M Assignment

File dated 12-14-83

Garry Mauro, Commissioner

RECEIVED AS STATED
$1000

DATE 12-14-83
Reg. No. 42918

GENERAL LAND OFFICE

THE STATE OF TEXAS }
COUNTY OF GRIMES } I, TRINSTON HARRIS, Clerk of the County Court of Grimes County, Texas,

do hereby certify that the above and foregoing is a true and correct copy of Assignment of Oil & Gas Lease Between Dover Petroleum Company and L&B Oil Company, Inc.

as the same appears on record in volume 490, page 572 of the Real Property Records of Grimes County, Texas.

GIVEN UNDER MY HAND AND THE SEAL OF SAID COURT at office in Anderson, Texas, this the 14th day of November A.D. 19 83

TRINSTON HARRIS, CLERK COUNTY COURT
Grimes County, Texas

BY Carol Rose
Deputy

ASSIGNMENT OF OIL AND GAS LEASE

WHEREAS, under date of October 6, 1981 that certain Oil and Gas Lease was made and entered into by and between the State of Texas, as Lessor, and Republic Energy, Inc., a Texas corporation, as Lessee, covering the following described land in the County of Grimes, State of Texas to wit:

> Tract 2, Navasota River, Brazos and Grimes Counties, Texas containing approximately 30 acres, is bound on the North by a Southeasterly extension of the Northeast line of the Eli Wickson Survey, A-236, and is bound on the South by a Southeasterly extension of the most Easterly Southwest line of the Thos. Bowman Survey, A-72, both surveys being in Brazos County, Texas.

WHEREAS, said lease is recorded in Volume 440, Page 866 in the Deed Records of Grimes County, Texas;

WHEREAS, said lease and all rights thereunder or incident thereto are now owned by Republic Energy, Inc., Dover Petroleum Company and Tesoro Petroleum Corporation, whose assignments are attached on seperate instruments.

NOW, THEREFORE, for and in consideration of ten dollars ($10.00) and other good and valuable consideration, Republic Energy, Inc. does hereby bargain, sell, transfer, assign and convey, without any warranty or covenants of title or other representations, express or implied, all rights, title and interest of the original Lessee in and to said lease to L&B Oil Company, Inc., a Texas corporation.

IN WITNESS WHEREOF, this Assignment is made this the 1st day of June, 1983.

ATTEST:

~~Assistant~~ Secretary

REPUBLIC ENERGY, INC.

By: _____

Chairman of the Board

279717

FILED FOR RECORD
DATE 10-12-83
AT 10:00 O'CLOCK A M
FRANK MORISKIE
BRAZOS COUNTY CLERK

THE STATE OF MINNESOTA

COUNTY OF HENNEPIN

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Bernard Sweet, 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 Republic Energy, Inc., a Texas corporation, and that he executed the same as the act of such corporation for the purpose and consideration therein expressed, and in the capacity therein stated

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 9 day of June A.D., 1983.

My commission expires:

BARBARA WELDY
NOTARY PUBLIC — MINNESOTA
HENNEPIN COUNTY
My Commission Expires Apr. 23, 1984

NOTARY PUBLIC IN AND FOR HENNEPIN COUNTY, MINNESOTA

THE STATE OF TEXAS }
COUNTY OF BRAZOS }

I, Frank Boriskie, County Clerk of Brazos County, Texas, do hereby certify that the foregoing is a true and correct copy of the original as the same appears of record in Vol. 613, Page 446 in Official Records of said County on file in my office.

ATTEST: 10-13-83
Frank Boriskie, County Clerk
Brazos County, Texas

By _____, Deputy

VOL 490 PAGE 570 (IGNMENT OF OIL AND GAS LEASE(

#75865

WHEREAS, under date of October 6, 1981 that certain Oil and Gas Lease was made and entered into by and between the State of Texas, as Lessor, and Republic Energy, Inc., a Texas corporation, as Lessee, covering the following described land in the County of Grimes, State of Texas to wit:

Tract 2, Navasota River, Brazos and Grimes Counties, Texas containing approximately 30 acres, is bound on the North by a Southeasterly extension of the Northeast line of the Eli Wickson Survey, A-236, and is bound on the South by a Southeasterly extension of the most Easterly Southwest line of the Thos. Bowman Survey, A-72, both surveys being in Brazos County, Texas.

WHEREAS, said lease is recorded in Volume 440, Page 866 in the Deed Records of Grimes County, Texas;

WHEREAS, said lease and all rights thereunder or incident thereto are now owned by Republic Energy, Inc., Dover Petroleum Company and Tesoro Petroleum Corporation, whose assignments are attached on seperate instruments.

NOW, THEREFORE, for and in consideration of ten dollars ($10.00) and other good and valuable consideration, Republic Energy, Inc. does hereby bargain, sell, transfer, assign and convey, without any warranty or covenants of title or other representations, express or implied, all rights, title and interest of the original Lessee in and to said lease to L&B Oil Company, Inc., a Texas corporation.

IN WITNESS WHEREOF, this Assignment is made this the 10th day of June, 1983.

ATTEST: REPUBLIC ENERGY, INC.

~~Assistant~~ Secretary

By: Bernard Sweet
Chairman of the Board

279717

FILED FOR RECORD
DATE 10-12-83
AT 10:00 O'CLOCK A M
FRANK BORISKIE
BRAZOS COUNTY CLERK
Kathi Barton

THE STATE OF MINNESOTA

COUNTY OF HENNEPIN

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Bernard Sweet, 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 Republic Energy, Inc., a Texas corporation, and that he executed the same as the act of such corporation for the purpose and consideration therein expressed, and in the capacity therein stated

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 9 day of June A.D., 1983.

My commission expires:

BARBARA WELDY
NOTARY PUBLIC - MINNESOTA
HENNEPIN COUNTY
My Commission Expires Apr. 29, 1984

Barbara Weldy
NOTARY PUBLIC IN AND FOR HENNEPIN COUNTY, MINNESOTA

RECORDER'S MEMORANDUM
At the time of recordation this instrument was found to be inadequate for the best photographic reproduction because of illegibility.

VOL 613 PAGE 446

Republic Energy, Inc
to
L & B Oil Company, Inc

L & B Oil Company, Inc.
2600 S. Gessner, Suite 220
Houston, Tx. 77063

0758865

FILED FOR RECORD AT
'83 OCT 26 AM 8 44

TRINSTON HARRIS CO. CLK.
GRIMES CO., TEX.

VOL 490 PAGE 571

STATE OF TEXAS
COUNTY OF BRAZOS
I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the volume and page of the named records of Brazos County, Texas as stamped hereon by me.

OCT 12 1983

COUNTY CLERK, Brazos County, Texas

RECORDER'S MEMORANDUM
At the time of recordation this instrument was found to be inadequate for the best photographic reproduction because of illegibility.

THE STATE OF TEXAS
COUNTY OF GRIMES

THIS CERTIFIES that the foregoing instrument, with its certificates of authentication was filed for record in my office on the 26th day of October, A. D. 1983 and duly recorded by me on the 26th day of October, A. D. 1983 in Vol. 490, Page 570, of the Real Property records of Grimes County, Texas.

Trinston Harris
County Clerk, Grimes County, Texas
By Lina Scarabe, Deputy

Examiner Print

(20)

M 86481
Assignment

File dated 12-14-83
Garry Mauro, Commissioner

RECEIVED AS STATED
$10.00
DATE 12-14-83
Reg. No. 42918
GENERAL LAND OFFICE

THE STATE OF TEXAS }
COUNTY OF GRIMES } I, TRINSTON HARRIS, Clerk of the County Court of Grimes County, Texas,

do hereby certify that the above and foregoing is a true and correct copy of Assgn. of O&G Lease from Republic Energy Inc. to L&B Oil Co., Inc.
as the same appears on record in volume 490, page 570 of the Real Property Records of Grimes County, Texas.

GIVEN UNDER MY HAND AND THE SEAL OF SAID COURT at office in Anderson, Texas, this the 14th day of November A.D. 19 83

TRINSTON HARRIS, CLERK COUNTY COURT
Grimes County, Texas.
BY Gina M. Ortiz
Deputy

RECEIVED
AUG 8 1 1983
Ans'd.....

ASSIGNMENT OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS: 279716

FILED
At 10:00 O'clock A M
OCT 12 1983
FRANK DORISKIE
County Clerk, Brazos County, Bryan, Texas
By Deputy

The undersigned,

Dover Petroleum Company
1100 Aquitaine Tower
540 - 5th Avenue S.W.
Calgary, Alberta
T2P 0M2

("Assignor")

for and in consideration of the sum of $2,625.00 (U.S.) does hereby sell, assign, transfer and set over unto

L&B Oil Company, Inc.
2600 S. Gessner
Suite 220
HOUSTON, Texas, U.S.A.
77063

("Assignee")

its undivided, 25 percent right, title and interest in and to the Oil and Gas Leases described in Schedule "A" attached hereto, the lands covered thereby, and all rights incident thereto ("said lands").

And for the same consideration, the Assignor covenants that to the best of its knowledge:

(i) it is the lawful owner of and has good title to the interest assigned hereunder in the said Lease, estate and rights and that it is free and clear of all liens, encumbrances or adverse claims; and

(ii) the said Lease is valid and subsisting leases on the said lands and that all rentals and royalties due thereunder have been paid and all conditions necessary to keep the same in full force and effect have been duly performed.

This agreement shall endure to the benefit of and be binding upon the successors and assigns of both the Assignor and the Assignee.

EXECUTED this 31st day of May, 1983.

DOVER PETROLEUM COMPANY

President

Vice-President Exploration

L&B OIL COMPANY, INC.

By: Gary W. Loveless, President

Tax ID # 74-1879853

ATTEST:

Jo Ann Folse, Secretary

Acctg	
Expl	
Land	
Prod	

(This space reserved for evidence of registration.)

SCHEDULE "A"

Attached to and forming part of an Assignment of Oil and Gas Lease dated May 31st, 1983 between DOVER PETROLEUM COMPANY and L&B OIL COMPANY, INC.

State of Texas Oil and Gas Lease No.	Land Description
86481	Tract 2, Navasota River, Brazos and Grimes Counties, Texas, containing approximately 30 acres, is bound on the North by Southeasterly extension of the Northeast line of the Eli Wickson Survey, A-236, and is bound on the South by a Southeasterly extension of the most Easterly Southwest line of the Thos. Bowman Survey, A-72, both surveys being in Brazos County, Texas, U.S.A.

Before me, the undersigned authority, on this day personally appeared J.H. Geddes and T.W. Whittingham known to me to be the persons whose names ARE ~~is~~ subscribed to the foregoing instrument as President and Vice-President of of Dover Petroleum Company and EACH acknowledged to me that he executed Exploration RESPECTIVELY the same for the purposes and consideration therein expressed, and as the act and deed of said corporation.

Given under my hand and seal of office this 28th day of September, 1983.

My Commission Expires:

Notary Public

HOWARD R. WARD
A NOTARY PUBLIC IN AND FOR THE PROVINCE OF ALBERTA

THE STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Frank Boriskie, County Clerk of Brazos County, Texas, do hereby certify that the foregoing is a true and correct copy of the original as the same appears of record in Vol. 613, Page 444 in Official Records of said County on file in my office.

ATTEST: 10-13-83

Frank Boriskie, County Clerk
Brazos County, Texas

By Kate Davidson, Deputy

VOL 490 PAGE 572

ASSIGNMENT OF OIL AND GAS LEASE

#75866

279716

KNOW ALL MEN BY THESE PRESENTS:

FILED
At 10:00 O'clock A M
OCT 12 1983
FRANK BORISKIE
County Clerk, Brazos County, Bryan, Texas
By Deputy

The undersigned,

Dover Petroleum Company
1100 Aquitaine Tower
540 - 5th Avenue S.W.
Calgary, Alberta
T2P 0M2

("Assignor")

for and in consideration of the sum of $2,625.00 (U.S.) does hereby sell, assign, transfer and set over unto

L&B Oil Company, Inc.
2600 S. Gessner
Suite 220
HOUSTON, Texas, U.S.A.
77063

("Assignee")

its undivided, 25 percent right, title and interest in and to the Oil and Gas Leases described in Schedule "A" attached hereto, the lands covered thereby, and all rights incident thereto ("said lands").

And for the same consideration, the Assignor covenants that to the best of its knowledge:

(i) it is the lawful owner of and has good title to the interest assigned hereunder in the said Lease, estate and rights and that it is free and clear of all liens, encumbrances or adverse claims; and

(ii) the said Lease is valid and subsisting leases on the said lands and that all rentals and royalties due thereunder have been paid and all conditions necessary to keep the same in full force and effect have been duly performed.

This agreement shall endure to the benefit of and be binding upon the successors and assigns of both the Assignor and the Assignee.

EXECUTED this 31st day of May, 1983.

DOVER PETROLEUM COMPANY

President

Vice-President Exploration

Acctg
Expl
Land
Prod

L&B OIL COMPANY, INC.

By: Gary W. Loveless, President

Tax ID # [redacted]

ATTEST:

Jo Ann Folse, Secretary

(This space reserved for evidence of registration.)

RECORDER'S MEMORANDUM
At the time of recordation this instrument was found to be inadequate for the best photographic reproduction because of illegibility.

VOL 613 PAGE 444

SCHEDULE "A"

Attached to and forming part of an Assignment of Oil and Gas Lease dated May 31st, 1983 between DOVER PETROLEUM COMPANY and L&B OIL COMPANY, INC.

State of Texas Oil and Gas Lease No.	Land Description
86481	Tract 2, Navasota River, Brazos and Grimes Counties, Texas, containing approximately 30 acres, is bound on the North by Southeasterly extension of the Northeast line of the Eli Wickson Survey, A-236, and is bound on the South by a Southeasterly extension of the most Easterly Southwest line of the Thos. Bowman Survey, A-72, both surveys being in Brazos County, Texas, U.S.A.

Province of Alberta,
Country of Canada

Before me, the undersigned authority, on this day personally appeared J.H. Geddes and T.W. Whittingham known to me to be the persons whose name~~s~~ ~~is~~ are subscribed to the foregoing instrument as President and Vice-President of Exploration, respectively of Dover Petroleum Company and each acknowledged to me that he executed the same for the purposes and consideration therein expressed, and as the act and deed of said corporation.

Given under my hand and seal of office this 28th day of September, 1983.

My Commission Expires:

Notary Public

NOTARY PUBLIC
HOWARD R. WARD
A NOTARY PUBLIC IN AND FOR THE PROVINCE OF ALBERTA

Dover Petroleum Co.
to
L & B Oil Company, Inc.

L & B Oil Company
2600 S. Gessner, Suite 220
Houston, TX. 77063

VOL 490 PAGE 574

STATE OF TEXAS
COUNTY OF BRAZOS
I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the volume and page of the named records of Brazos County, Texas as stamped hereon by me.

OCT 12 1983

Frank Benaske
COUNTY CLERK, Brazos County, Texas

FILED FOR RECORD AT
'83 OCT 26 AM 8:45

TRINSTON HARRIS CO. CLK.
GRIMES CO., TEX.

075869

THE STATE OF TEXAS
COUNTY OF GRIMES

THIS CERTIFIES that the foregoing instrument, with its certificates of authentication was filed for record in my office on the 26th day of October, A. D. 1983 and duly recorded by me on the 26th day of October, A. D. 1983 in Vol. 490, Page 572 of the Real Property records of Grimes County, Texas.

Trinston Harris
County Clerk, Grimes County, Texas
By Lina Scarabe, Deputy

Examiner Print

(21)

M 80481
Assignment
File dated 12-14-83
Garry Mauro, Commissioner

RECEIVED AS STATED
$1000
DATE 12-14-83
Reg. No. 42918
GENERAL LAND OFFICE

THE STATE OF TEXAS }
COUNTY OF GRIMES } I, TRINSTON HARRIS, Clerk of the County Court of Grimes County, Texas,

do hereby certify that the above and foregoing is a true and correct copy of Assignment of Oil & Gas Lease Between Dover Petroleum Company and L&B Oil Company, Inc.

as the same appears on record in volume 490, page 572 of the Real Property Records of Grimes County, Texas.

GIVEN UNDER MY HAND AND THE SEAL OF SAID COURT at office in Anderson, Texas, this the 14th day of November A.D. 19 83

TRINSTON HARRIS, CLERK COUNTY COURT
Grimes County, Texas

BY Carol Rose
Deputy

L&B
Oil Company, Inc.

December 12, 1983

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

RE: Assignments of Oil & Gas Leases
Joshua Prospect
Brazos & Grimes Counties
Texas

Gentlemen:

We submit for your approval certified copies of the following recorded assignments covering the State of Texas Lease No. 86481 which is located in Brazos and Grimes Counties, Texas:

1) Assignment from Dover Petroleum Company to L & B Oil Company, Inc., dated May 31, 1983
2) Assignment from Republic Energy, Inc. to L & B Oil Company, Inc., dated June 9, 1983.

Also enclosed is our check for the amount of $40.00 to cover the costs of the filing fees.

We thank you for your attention to this matter.

X 40.00 42918

Very truly yours,

L & B OIL COMPANY, INC.

Nancy L. Bryan

Nancy L. Bryan
Land Department

/nlb
Enclosures

2600 S. GESSNER. SUITE 220 • HOUSTON. TEXAS 77063 • 713/977-0670

(22)

A. F. 864481

CORRESPONDENCE FILE

Re L Boldo.

From

Dated 12-12-83

13-JAN-83

June 21, 1984

Ms. Nancy L. Bryan
L&B Oil Company, Inc.
2600 S. Gessner, Suite 220
Houston, Texas 77063

Re: Assignments of State Fee Leases M-86481
1. Dover Petroleum Company to L&B Oil Company, Inc.
2. Republic Energy, Inc. to L&B Oil Co., Inc.
Brazos and Grimes Counties, Texas

Dear Ms. Bryan:

The certified copies of assignments covering the captioned oil and gas lease have been filed in our records.

We have applied $20.00 of your $40.00 remittance as the required filing fees and have requested a refund of the remaining $20.00 from our accounting department. If you have any questions, please call.

Sincerely,

Diana Dickson, Assistant
Oil and Gas Division
Legal Services
512 475-4246

/dd

E Austin Building
th Congress Avenue
xas 78701
-2071

(2)

: 86481

CORRESPONDENCE FILE

To FBO & Co.

From

Dated 6-21-84

Garry Mauro
Commissioner
General Land Office

April 9, 1984

L & B Oil Company, Inc.
2600 S. Gessner, Suite 220
Houston, Texas 77063

Attention: Mr. C. A. Hutchinson, Jr.

Re: State Lease M-86481
Navidad River
Brazos and Grimes Counties

Gentlemen:

This office and the Pooling Committee continue to review your applications for pooling the captioned.

Before presentation to the School Land Board, the Committee requests the following:

1) Plats of each unit, with State lease acreage and total acreage

2) Copies of Railroad Commission W-2 Forms on each well

3) Date of first production from each well

4) Current daily rate of production from each well.

Upon receipt of this information, we will proceed with your applications.

Sincerely,

Jack M. Howard, Geologist
Petroleum & Minerals Division
Phone: (512) 475-0727

JMH:gs

Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701
(512) 475-2071

(24.)

M-86481
L to to
L & B Oil Company, Inc.
dated 4-9-84 gs

161

L&B
Oil Company, Inc.

April 16, 1984

Mr. Jack M. Howard, Geologist
Petroleum & Minerals Division
General Land Office
Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701

RE: State Lease M-86481
Navasota River
Brazos and Grimes Counties

Dear Mr. Howard:

This is in response to your letter of April 9, 1984, requesting some additional information. Incidentally, all of this information I presented to you at the time I was in Austin before the Committee with the exception of the present daily rate on the two unit wells.

Enclosed are plats of each unit with the state lease acreage and total acreage being shown. Also enclosed are copies of the Railroad Commission W-2 forms on each well.

The Cobb 2-1 first produced on July 26, 1983 and is presently producing 264 bbls. of oil per day and 778 Mcf of gas per day. The Cobb 3-1 first produced on July 26, 1983 and is presently producing 113 bbls. of oil per day and 668 Mcf of gas per day.

Very truly yours,

L & B OIL COMPANY, INC.

C. A. Hutchinson, Jr.

CAH/ksk
Enclosures

2600 S. GESSNER. SUITE 220 • HOUSTON. TEXAS 77063 • 713/977-0670

(25.)

M-86481

Ltr fr

L & B Oil Company, Inc.

dated 4-16-84

Garry Mauro
Commissioner
General Land Office

May 1, 1984

Mr. C. A. Hutchinson, Jr.
L & B Oil Company, Inc.
2600 S. Gessner, Suite 220
Houston, Texas 77063

Re: Oil pooling application
State Lease M-86481
Cobb 2-1 Unit
Brazos & Grimes Counties, Texas

Dear Mr. Huthinson:

The oil pooling application was approved by the School Land Board, May 1, 1984 with the condition that State participation begin with date of first production of July 26, 1983.

Please submit fully executed duplicate copies of the unitization agreement so that we may circulate same for execution.

If you have any questions, please contact Virgil Morelle of our Legal Division at 512 475-6298.

Sincerely,

Garry Mauro

By

Linda K. Fisher

Linda K. Fisher, Secretary
School Land Board

Enclosure
Phone 512 475-4307

Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701
(512) 475-2071

(26.)

M-86481

Ltr to

C.A. Hutchinson, Jr.

dated 5-1-84 gs

Garry Mauro
Commissioner
General Land Office

May 1, 1984

Mr. C. A. Hutchinson, Jr.
L & B Oil Company, Inc.
2600 S. Gessner, Suite 220
Houston, Texas 77063

Re: Oil pooling application
State Lease M-86481
Cobb 3-1 Unit
Brazos & Grimes Counties, Texas

Dear Mr. Hutchinson:

The oil pooling application was approved by the School Land Board, May 1, 1984 with the condition that State participation begin with date of first production of July 26, 1983.

Please submit fully executed duplicate copies of the unitization agreement so that we may circulate same for execution.

If you have any questions, please contact Virgil Morelle of our Legal Division at 512 475-6298.

Sincerely,

Garry Mauro

By

Linda K. Fisher

Linda K. Fisher, Secretary
School Land Board

Enclosure
Phone 512 475-4307

Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701
(512) 475-2071

(27)

M-86481
Ltr to
C.A. Hutchinson, Jr.
dated 5-1-84 gs

L&B
Oil Company, Inc.

May 9, 1984

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

Attention: Ms. Linda K. Fischer, Secretary
School Land Board

Re: Unitization Agreements
Cobb 2-1 Unit &
Cobb 3-1 Unit
State Lease M-86481
Grimes & Brazos
Counties, Texas

Gentlemen:

Pursuant to you letters dated May 1, 1984, attached are two Unitization Agreements, in duplicate, covering the Cobb 2-1 and Cobb 3-1 units for your approval and execution.

Upon approval, please return one fully executed copy to this office. Should any additonal information be required, please direct correspondence to the undersigned of this office.

Thank you,

Norman Zeiler
Landman

NZ/is
attachments

2600 S. GESSNER, SUITE 220 • HOUSTON, TEXAS 77063 • 713/977-0670

(28)

M-86481

Ltr fr

L & B Oil Company, Inc.

dated 5-9-84

Garry Mauro
Commissioner
General Land Office

May 17, 1984

Mr. Norman Zeiler
L & B Oil Company, Inc.
2600 S. Gessner, Suite 220
Houston, Texas 77063

Re: Pooling Agreements
Cobb 2-1 Unit
Cobb 3-1 Unit
State Lease M-86481
Grimes and Brazos Counties, Texas

Dear Mr. Zeiler:

We are returning the captioned Pooling Agreements unexecuted in order that you may correct and initial Exhibit "A" and "B" which should be reversed in each instrument to correspond to Paragraph 2 of the Pooling Agreement. Exhibit "A" should describe the lands in each unit and Exhibit "B" should describe the leases.

Please resubmit the corrected instrument for execution by the state.

Sincerely,

V. C. Morelle, Attorney
Oil and Gas Division
Legal Services
512 475-4246

VCM/dd

Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701
(512) 475-2071

(29.)

M-86481
Ltr to
Norman Zeiler
dated 5-17-849

L&B
Oil Company, Inc.

May 22, 1984

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

Attention: V. C. Morelle, Attorney
Oil and Gas Division
Legal Services

RE: Pooling Agreements
Cobb 2-1 Unit
Cobb 3-1 Unit
State Lease M-86481
Grimes & Brazos Counties, Texas

Gentlemen:

With referenced to your letter of May 17, 1984, enclosed are the captioned Pooling Agreements which are being resubmitted to you for execution by the state. The Exhibits "A" and "B" have been corrected to correspond with Paragraph 2 of the Pooling Agreement.

We apologize for this inconvenience to you and thank you for your help.

Very truly yours,

L & B OIL COMPANY, INC.

Nancy L. Bryan

Nancy L. Bryan
Land Department

/nlb
Enclosures

(30.)

M-86481
Ltr fr
L & B Oil Company, Inc.
dated 5-22-84

POOLING AGREEMENT

(Interoffice Routing Slip)

(Keep this item moving)

Date Rec'd	Name	Date Passed
5-25-84	V. C. Morelle	5-29-84
	L. Gilbert	
5-29-84	J. Howard	5-29-84
5-29-84	L. Fisher	5-29-84
	J. Giberson	5-30-84
	Commissioner	5-30-84
	D. Dickson	

Comments:

GLO-L-33-11-83

TEXAS STATE LIBRARY

LORENZO DE ZAVALA STATE ARCHIVES AND LIBRARY BUILDING
BOX 12927, AUSTIN, TEXAS 78711

Texas State Library
and Archives Commission

Dorman H. Winfrey
Director and Librarian

AN EQUAL OPPORTUNITY EMPLOYER

Administration	(512) 475-2166	(STS 822-2166)
Administrative Division	(512) 475-4140	(STS 822-4140)
Archives Division	(512) 475-2445	(STS 822-2445)
Information Services Division	(512) 475-2996	(STS 822-2996)
Library Development Division	(512) 475-4119	(STS 822-4119)
Division for the Blind and Physically Handicapped	(512) 475-4758	(STS 822-4758)
Records Management Division	(512) 454-2705	—

DO NOT DESTROY 1521

-MEMO-

Operator L + B OIL COMPANY INC

Unit Name COBB 2-1

County BRAZOS & GRIMES (3)

Effective Date 7-26-83

Unitized for: Oil X Gas ___ Oil & Gas ___

1. M.F. No. 8648/

Area _____ Tr. _____

Sec. ____ Blk. ____ Survey _____

5.14/160 x .2500 00.803125 %
.032125

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 VB Entered Unit Book 8-6-84

84-27

POOLING COMMITTEE REPORT

5-30-84
APP. S.L.B. 5-1-84

TO: SCHOOL LAND BOARD

DATE: April 23, 1984

OPERATOR: L & B Oil Company, Inc. COUNTY Brazos and Grimes

UNIT NAME: Cobb 2-1 FIELD Iola, S.

FILE NUMBER	TOTAL ACRES	ACRES IN UNIT
M-86481	30	5.14

Unitized for:

Oil X - Sub Clarksville jmd
Gas
Oil and Gas

Kind of land:

State Owned X - Riverbed
Relinquishment Act
Free Royalty

Size of Unit 160.00 Acres
State owned 5.14 Acres
Privately owned 154.86 Acres

Well location:
State land
Private land X

Participation:

Basis Surface Acreage
Royalty 1/4

Railroad Commission Field Rules:

Spacing 160 + 10%
Well factor
Acreage factor 100%

Agrees to drill to density of field rules: Yes X No
Holds only acreage included in unit past primary term: Yes X No
Satisfactory geological data furnished: Yes X No

REMARKS: This operator has completed the well for this proposed unit, and the well was first produced on July 26, 1983.

The State Lease is to participate from date of first production.

State Lease M-86481 was acquired 10-6-81 with a 3-year term and 1/4 royalty.

APPROVAL: Recommended X Not Recommended

JMR Sept 8-2-84

Jose Manuel Rangel

Larry Craddock

Jack M. Howard

Murphy E. Hawkins

GLO-ED-13-(1-84)

Rev. Mar., 1978

POOLING AGREEMENT

THIS AGREEMENT is entered into by and between the Commissioner of the General Land Office, on behalf of the State of Texas, and L & B Oil Company, Inc., Lessee, and the owners of the soil, if any, under the Texas Relinquishment Act, and such other interested parties as may join in the execution hereof, in consideration of the mutual agreements hereinafter set forth and other valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and for the purposes and upon the terms and conditions which follows:

PURPOSES: 1.

This agreement is made for the purposes of conservation and utilization of the pooled mineral, to prevent waste, to facilitate orderly development and to preserve correlative rights. To such ends, it is the purpose of this agreement to effect equitable participation within the unit formed hereby. This agreement is intended to be performed pursuant to and in compliance with all applicable statutes, decisions, regulations, rules, orders and directives of any governmental agency having jurisdiction over the production and conservation of the pooled mineral and in its interpretation and application shall, in all things, be subject thereto.

UNIT DESCRIPTION: 2.

The pooled unit shall consist of all of the lands described in Exhibit "A" attached hereto and made a part hereof. The oil and gas leases, which are included within the pooled unit, are listed on the attached Exhibit "B", to which leases and the records thereof reference is here made for all pertinent purposes.

MINERAL POOLED: 3.

The mineral pooled and unitized hereby shall be oil as defined and designated by the Railroad Commission of Texas, and shall extend to Sub-Clarksville Sand - by special order dated July 7, 1983, Oil & Gas Docket #3-80,409 - Iola South Field. (define sand, depth, stratigraphic interval, subsurface portion, etc., as appropriate) underlying the surface boundaries of the pooled unit.

POOLING AND EFFECT: 4.

The parties hereto commit all of their interests which are within the unit to the extent and as above described into said unit and unitize and pool hereunder the separate tracts described on the attached Exhibit "A", for and during the term hereof, so that such pooling or unitization shall have the following effect:

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

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

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

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

(e) A shut-in gas well located upon any lease included within said unit shall be considered as a shut-in gas well located upon each lease included within said unit; provided, however, that shut-in 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 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 agreement.

(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 shown in Exhibit "A" only as provided in each such lease without regard to unit operations or unit production. Neither production of the pooled mineral, nor unit operations with respect thereto, nor the payment of shut-in royalties from a unit gas well, shall serve to hold any State lease in force as to any area outside the unitized area, regardless of whether the production or operations on the unit are actually located on the State lease or not. "Area" as used in this paragraph shall be based upon surface acres to the end that 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 field rules providing for oil and/or gas proration units of less than 160.00 acres, then Lessee agrees to either (1) drill to the density permitted by the Railroad Commission, (2) reform the unit to comply with Railroad Commission unit rules, or (3) make application to the School Land Board of the State of Texas for such remedy as may be agreeable to the Board.

(h) This agreement shall not relieve Lessee from the duty of protecting the above described leases from drainage from any well situated on privately owned land, but, subject to such obligation, Lessee may produce the allowable for the entire unit as fixed by the Railroad Commission of Texas or other lawful authority, from any one or more wells completed thereon.

(i) There shall be no obligation to drill internal offsets to any other well on separate tracts within the unit, nor to develop the tracts separately, as to the pooled mineral except as provided herein.

(j) Should this agreement 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 conditions in the same manner as though there had been production or operations under said lease or contract and the same had ceased on the date of the termination of this agreement.

ALLOCATION OF PRODUCTION: 5.

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

unit, and the share of production to which each interest owner is entitled shall be computed on the basis of such owner's interest in the production so allocated to each tract.

TAKING ROYALTY IN KIND: 6.

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

FULL MARKET VALUE: 7.

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

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

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

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

EFFECTIVE DATE: 8.

This agreement shall become effective when signed by the Commissioner of the General Land Office of the State of Texas, or from the date production of the pooled mineral is first obtained, whichever date is sooner.

TERM: 9.

This agreement shall remain in effect as long as the pooled mineral is being produced from said unit, or so long as drilling or reworking operations are being prosecuted thereon with no more than sixty (60) days between cessation of either production or such operations and the beginning or resumption of either of them, as the case may be, from time to time thereafter, or so long as all existing leases covering the pooled mineral 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. 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 included in this agreement.

STATE LAND: 10.

Insofar as the royalty interest of the State of Texas in and under any State tract committed to the unit is concerned, this agreement is entered into, made and executed by the undersigned Commissioner of the General Land Office by virtue of the authority and pursuant to the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, authorizing the same,

after the prerequisites, findings and approval hereof, as provided in said Code, having been duly considered, made and obtained.

DISSOLUTION: 11.

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

(Paragraph 12 is optional and may be omitted.)

NON-STATE LAND: 12.

In the event any of the leases described in Exhibit "B" hereof contains a pooling provision which requires the filing of a designation or declaration instrument in order to effectuate pooling, the filing of this instrument in the appropriate records of the county in which the leased land is located shall constitute the designation or declaration provided for in such lease.

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

Date Executed 5-30-84

STATE OF TEXAS

By Garry Mauro
Commissioner of the General Land Office

Approved
Legal
Geology
Executive

Date Executed 5/9/84

L & B OIL COMPANY, INC.

By G. W. Loveless
G. W. Loveless, President

ATTEST:

Jo Ann Folse
Jo Ann Folse, Secretary

Date Executed _____

By _____

ATTEST:

_____

Date Executed _____

Date Executed _____

Date Executed _____

STATE OF TEXAS X

COUNTY OF HARRIS X

Before me, the undersigned authority, on this day personally appeared GARY W. LOVELESS, PRESIDENT of L & B OIL COMPANY, INC., a Texas Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and being by me first duly sworn, 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 on this 9th day of May, 1984.

Norman Fuller
Notary Public

My Commission Expires:

11/16/85

CERTIFICATE

I, Linda Fisher, 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 1st day of May, 1984, 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 29th day of May, 1984.

Linda K. Fisher
Secretary of the School Land Board

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

BEFORE ME, the undersigned authority, on this day personally appeared Garry Mauro, Commissioner of the General Land Office, 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, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 30th day of May, 1984.

DIANA DICKSON
GENERAL NOTARY
COMMISSION EXPIRES 5-18-87

Diana Dickson
Notary Public in and for Travis County, Texas

EXHIBIT "A"

Metes and Bounds Description
of a
160.00 Acre Tract
Joshua Hadley Survey, Abstract 266
Grimes County, Texas
Eli Wickson Survey, Abstract 236
Thomas Bowman Survey, Abstract 72
Brazos County, Texas
(Cobb No. 2 - Unit)

Metes and bounds description of all that certain 160.00 acre tract or parcel of land lying and being situated in the Joshua Hadley Survey, Abstract 266, Grimes County, Texas, the Eli Wickson Survey, Abstract 236, the Thomas Bownam Survey, Abstract 72, Brazos County, Texas, and being a portion of the following described property:

1. 51.98 Acres out of a 332.83 acre tract described as exhibit "A", by metes and bounds recorded in volume 443, page 332 of the deed records of Grimes County, Texas.

2. 69.71 Acres out of a 757.141 acre tract described by a partition deed recorded in volume 289, page 71 of the deed records of Brazos County, Texas.

3. 9.00 Acres out of a 123.61 acre tract described by a deed recorded in volume 298, page 5 of the deed records of Brazos County, Texas.

4. 22.04 Acres out of a 249.0 acre tract described by a deed recorded in volume 97, page 615 of the deed records of Brazos County, Texas.

5. 2.13 Acres out of a 290.00 acre tract described by a deed recorded in volume 94, page 97 of the deed records of Brazos County, Texas.

6. 5.14 Acres out of the Navasota River as described by a lease recorded in volume 66, page 26 of the lease records of Brazos County, Texas.

Said 160.00 acre tract more particularly described by metes and bounds as follows:

COMMENCING at an 11 inch oak tree found marking the most northerly east corner of the said 332.83 acre tract, said tree lying on the approximate west line of the William Alsobrook Survey, Abstract 74, Grimes County, Texas;

THENCE in a northwesterly direction along an existing barbed wire fence for the following calls:

N 46°45'51" W for a distance of 185.21 feet;
N 65°57'45" W for a distance of 283.38 feet;
N 70°40'02" W for a distance of 142.16 feet;
N 69°20'11" W for a distance of 727.97 feet to the PLACE OF BEGINNING;

THENCE continue with said fence line for the following calls:

N 69°20'11" W for a distance of 679.37 feet;
N 70°09'18" W for a distance of 101.78 feet;
S 68°35'27" W for a distance of 24.99 feet;
N 51°40'24" W for a distance of 68.20 feet;
N 70°41'51" W for a distance of 279.32 feet;

THENCE SOUTH for a distance of 650.00 feet to a point for corner;

THENCE S 71°25'16" W for a distance of 606.08 feet to a point lying on the east bank of the Navasota River;

THENCE with the east bank of the Navasota River for the following calls:

S 11°42'00" W for a distance of 13.26 feet;
S 38°33'51" W for a distance of 80.38 feet;
S 66°56'05" W for a distance of 318.86 feet;
N 89°27'57" W for a distance of 86.85 feet;
S 69°28'56" W for a distance of 77.26 feet;
S 71°36'47" W for a distance of 102.87 feet;
S 39°53'06" W for a distance of 42.09 feet;
S 17°02'13" W for a distance of 36.90 feet;
S 07°22'01" E for a distance of 15.90 feet;
S 19°07'55" E for a distance of 187.74 feet;
S 37°29'48" E for a distance of 128.32 feet;
S 10°23'28" E for a distance of 115.90 feet to a point for corner;

THENCE S 67°04'18" W for a distance of 2076.51 feet to a point for corner;

THENCE S 39°12'23" E for a distance of 2022.25 feet to a point for corner;

THENCE S 68°26'37" E for a distance of 1123.91 feet to a point for corner;

THENCE N 12°45'44" E for a distance of 2525.45 feet to a point for corner;

THENCE N 51°55'29" E at a distance of 73.51 feet past a point lying in the old abandoned river channel of the Navasota River, continue for a total distance of 1467.76 feet to a point for corner;

THENCE NORTH for a distance of 600.00 feet to the PLACE OF BEGINNING and containing 160.00 acres of land more or less.

September 1983

Surveyed by: Mark R. Paulson

Mark R. Paulson
Registered Public
Surveyor No. 2099

Project No. 83-3032

EXHIBIT "B"

ATTACHED TO AND MADE A PART OF OIL UNIT DESIGNATION

(COBB UNIT NO. 2)

DATED THE 9th DAY OF May, 1984.

1. Oil, Gas and Mineral Lease from Clarence W. Cobb and wife, Lavelle Cobb to Lear Petroleum Exploration, Inc., dated February 2, 1982, recorded in Volume 443, Page 232 of the Real Property Records of Grimes County, Texas, covering 166.415 acres of land, of which 51.98 acres are situated in the Oil Unit designated herein.

2. Oil, Gas and Mineral Lease from S. J. Enloe and wife, Ruby Estelle Enloe to Lear Petroleum Exploration, Inc., dated February 2, 1982, recorded in Volume 443, Page 276 of the Real Property Records of Grimes County, Texas, covering 166.415 acres of land, of which 51.98 acres are situated in the Oil Unit designated herein.

3. Oil, Gas and Mineral Lease from Martha Lucille Pratt to Cayuga Exploration, Inc., dated September 29, 1976, recorded in Volume 24, Page 780 of the Deed Records of Brazos County, Texas, covering 695.56 acres of land, of which 51.98 acres are situated in the Oil Unit designated herein.

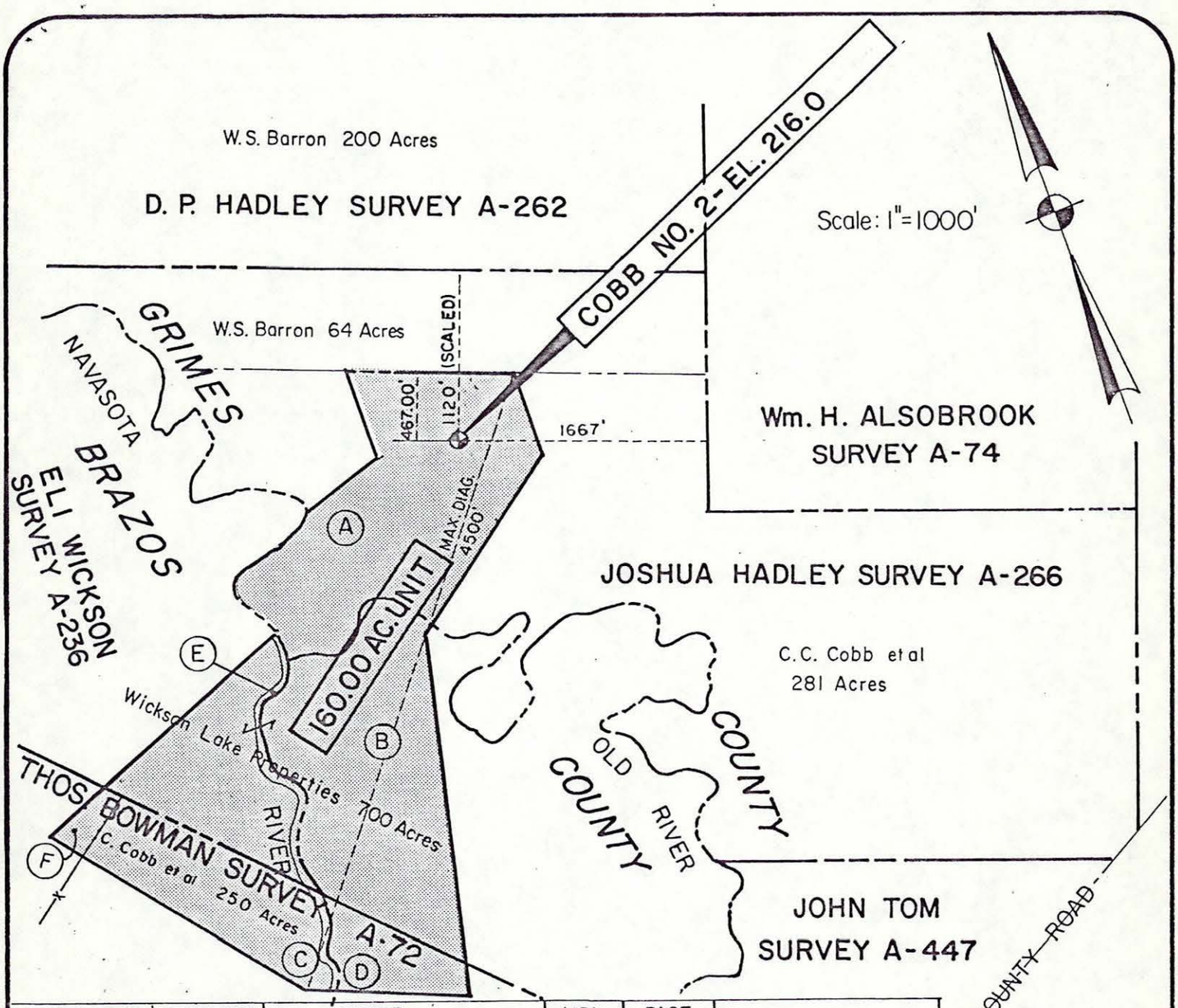
4. Oil, Gas and Mineral Lease from Christine Waldo, et al to Lear Petroleum Exploration, Inc., dated March 9, 1982, recorded in Volume 55, Page 506 of the Oil and Gas Records of Brazos County, Texas, covering 537.8236 acres of land, of which 69.71 acres are situated in the Oil Unit designated herein.

4. Oil, Gas and Mineral Lease from Gearl D. Rasco and wife, Annie Laura Rasco to Exploration Group, Inc., dated October 1, 1981, recorded in Volume 42, Page 690 of the Oil and Gas Records of Brazos County, Texas, covering 123.61 acres of land, of which 9.00 acres are situated in the Oil Unit designated herein.

5. Oil and Gas Lease from the State of Texas to Republic Energy, Inc., dated October 6, 1981, recorded in Volume 66, Page 26 of the Oil and Gas Records of Brazos County, Texas, and in Volume 440, Page 866 of the Real Property Records of Grimes County, Texas, covering 30 acres of land, of which 5.14 acres are situated in the Oil Unit designated herein.

6. Oil, Gas and Mineral Lease from Cecil B. Cox, Individually and as Trustee for the Estate of Beulah Cox, deceased, to Lear Petroleum Exploration, Inc., dated March 15, 1982, recorded in Volume 56, Page 209 of the Oil and Gas Records of Brazos County, Texas, covering 304.332 acres of land, of which 2.13 acres are situated in the Oil Unit designated herein.

7. Oil, Gas and Mineral Lease from Clarence W. Cobb and wife, Levelle Cobb to Lear Petroleum Exploration, Inc., dated March 15, 1982, recorded in Volume 53, Page 451 of the Oil and Gas Records of Brazos County, Texas, covering 274.628 acres of land, of which 22.04 acres are situated in the Oil Unit designated herein.



TRACT NO.	ACREAGE	LESSOR	VOL.	PAGE	
A	51.98	Clarence W. Cobb etux	443	265	Grimes County Records
B	69.71	Wickson Lake Club	289	71	
C	22.04	Clarence W. Cobb etux	97	615	
D	9.00	Gearl D. Rasco	298	5	
E	5.14	State of Texas	66	26	Lease Records
F	2.13	Cecil B. Cox, Trustee	94	97	

WELL LOCATION

COBB NO. 2

L. & B. OIL COMPANY, INC.

JOSHUA HADLEY SURVEY A-266

THOS. BOWMAN SURVEY A-72

ELI WICKSON SURVEY A-236

BRAZOS & GRIMES COUNTY, TEXAS

PAULSON SURVEYING INCORPORATED
P. O. Box 9384, College Station, TX 77840, (713) 693-2242

Drawn: Downs

Scale: 1" = 1000'

Date: Sept., 1983

Rev.:

Sheet of

(31)
M-86481
Pooling agreement
Cobb 2-1 Unit
dated 5-30-84 gs

DO NOT DESTROY

-MEMO-

1522

Operator L & B OIL COMPANY INC

Unit Name COBB 3-1

County BRAZOS & GRIMES

Effective Date

Unitized for: Oil X Gas ___ Oil & Gas ___

1. M.F. No. 86481

Area ___ Tr. 1

Sec. ___ Blk. ___ Survey ___

2.41/160 x .25 00.3765625 %
10150625

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 VB Entered Unit Book VB

STATE OF TEXAS X

COUNTY OF HARRIS X

Before me, the undersigned authority, on this day personally appeared GARY W. LOVELESS, PRESIDENT of L & B OIL COMPANY, INC., a Texas Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and being by me first duly sworn, 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 on this 9th day of MAY, 1984.

Norman Baker
Notary Public

My Commission Expires:

11/16/85

84-28

POOLING COMMITTEE REPORT

5-30-84
App. S.L.B. 5-1-84

1522

TO: SCHOOL LAND BOARD

DATE: April 23, 1984

OPERATOR: L & B Oil Company, Inc. COUNTY Brazos and Grimes

UNIT NAME: Cobb 3-1 FIELD Iola, S.

FILE NUMBER	TOTAL ACRES	ACRES IN UNIT
M-86481	30	2.41

Unitized for:

Oil X - Sub @ Clarksville (John)
Gas
Oil and Gas

Kind of land:

State Owned X - Riverbed
Relinquishment Act
Free Royalty

Size of Unit 160.00 Acres
State owned 2.41 Acres
Privately owned 157.59 Acres

Well location:
State land
Private land X

Participation:

Basis Surface Acreage
Royalty 1/4

Railroad Commission Field Rules:

Spacing 160 + 10%
Well factor
Acreage factor 100%

Agrees to drill to density of field rules: Yes X No
Holds only acreage included in unit past primary term: Yes X No
Satisfactory geological data furnished: Yes X No

REMARKS: The well for this proposed unit first produced on July 26, 1983, and the State is to participate from date of first production.

State Lease M-86481 was acquired 10-6-81 with a 3-year term and 1/4 royalty.

APPROVAL: Recommended X Not Recommended

Jose Manuel Rangel

Larry Craddock

Jack M. Howard

Murphy E. Hawkins

9-2-84

GLO-ED-13-(1-84)

Tract 3

POOLING AGREEMENT

THIS AGREEMENT is entered into by and between the Commissioner of the General Land Office, on behalf of the State of Texas, and L & B Oil Company, Inc., Lessee, and the owners of the soil, if any, under the Texas Relinquishment Act, and such other interested parties as may join in the execution hereof, in consideration of the mutual agreements hereinafter set forth and other valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and for the purposes and upon the terms and conditions which follows:

PURPOSES: 1.

This agreement is made for the purposes of conservation and utilization of the pooled mineral, to prevent waste, to facilitate orderly development and to preserve correlative rights. To such ends, it is the purpose of this agreement to effect equitable participation within the unit formed hereby. This agreement is intended to be performed pursuant to and in compliance with all applicable statutes, decisions, regulations, rules, orders and directives of any governmental agency having jurisdiction over the production and conservation of the pooled mineral and in its interpretation and application shall, in all things, be subject thereto.

UNIT DESCRIPTION: 2.

The pooled unit shall consist of all of the lands described in Exhibit "A" attached hereto and made a part hereof. The oil and gas leases, which are included within the pooled unit, are listed on the attached Exhibit "B", to which leases and the records thereof reference is here made for all pertinent purposes.

MINERAL POOLED: 3.

The mineral pooled and unitized hereby shall be oil as defined and designated by the Railroad Commission of Texas, and shall extend to Sub-Clarksville Sand - by special order dated July 7, 1983, Oil & Gas Docket #3-80,409 - Iola South Field. (define sand, depth, stratigraphic interval, subsurface portion, etc., as appropriate) underlying the surface boundaries of the pooled unit.

POOLING AND EFFECT: 4.

The parties hereto commit all of their interests which are within the unit to the extent and as above described into said unit and unitize and pool hereunder the separate tracts described on the attached Exhibit "A", for and during the term hereof, so that such pooling or unitization shall have the following effect:

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

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

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

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

(e) A shut-in gas well located upon any lease included within said unit shall be considered as a shut-in gas well located upon each lease included within said unit; provided, however, that shut-in 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 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 agreement.

(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 shown in Exhibit "A" only as provided in each such lease without regard to unit operations or unit production. Neither production of the pooled mineral, nor unit operations with respect thereto, nor the payment of shut-in royalties from a unit gas well, shall serve to hold any State lease in force as to any area outside the unitized area, regardless of whether the production or operations on the unit are actually located on the State lease or not. "Area" as used in this paragraph shall be based upon surface acres to the end that 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 field rules providing for oil and/or gas proration units of less than 160.00 acres, then Lessee agrees to either (1) drill to the density permitted by the Railroad Commission, (2) reform the unit to comply with Railroad Commission unit rules, or (3) make application to the School Land Board of the State of Texas for such remedy as may be agreeable to the Board.

(h) This agreement shall not relieve Lessee from the duty of protecting the above described leases from drainage from any well situated on privately owned land, but, subject to such obligation, Lessee may produce the allowable for the entire unit as fixed by the Railroad Commission of Texas or other lawful authority, from any one or more wells completed thereon.

(i) There shall be no obligation to drill internal offsets to any other well on separate tracts within the unit, nor to develop the tracts separately, as to the pooled mineral except as provided herein.

(j) Should this agreement 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 conditions in the same manner as though there had been production or operations under said lease or contract and the same had ceased on the date of the termination of this agreement.

ALLOCATION OF PRODUCTION: 5.

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

unit, and the share of production to which each interest owner is entitled shall be computed on the basis of such owner's interest in the production so allocated to each tract.

TAKING ROYALTY IN KIND: 6.

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

FULL MARKET VALUE: 7.

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

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

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

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

EFFECTIVE DATE: 8.

This agreement shall become effective when signed by the Commissioner of the General Land Office of the State of Texas, or from the date production of the pooled mineral is first obtained, whichever date is sooner.

TERM: 9.

This agreement shall remain in effect as long as the pooled mineral is being produced from said unit, or so long as drilling or reworking operations are being prosecuted thereon with no more than sixty (60) days between cessation of either production or such operations and the beginning or resumption of either of them, as the case may be, from time to time thereafter, or so long as all existing leases covering the pooled mineral 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. 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 included in this agreement.

STATE LAND: 10.

Insofar as the royalty interest of the State of Texas in and under any State tract committed to the unit is concerned, this agreement is entered into, made and executed by the undersigned Commissioner of the General Land Office by virtue of the authority and pursuant to the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, authorizing the same,

after the prerequisites, findings and approval hereof, as provided in said Code, having been duly considered, made and obtained.

DISSOLUTION: 11.

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

(Paragraph 12 is optional and may be omitted.)

NON-STATE LAND: 12.

In the event any of the leases described in Exhibit "B" hereof contains a pooling provision which requires the filing of a designation or declaration instrument in order to effectuate pooling, the filing of this instrument in the appropriate records of the county in which the leased land is located shall constitute the designation or declaration provided for in such lease.

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

Date Executed 5-30-84

STATE OF TEXAS

Approved
Audit
Legal
Geology
Execution

By _____
Commissioner of the General Land Office

Date Executed 5/9/84

L & B OIL COMPANY, INC.

By _____
G. W. Loveless, President

ATTEST:

_____
Jo Ann Folse, Secretary

Date Executed _____

By _____

ATTEST:

_____

Date Executed _____

Date Executed _____

Date Executed _____

CERTIFICATE

I, Linda Fisher, 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 1st day of May, 1984, 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 29th day of May, 1984.

Linda K. Fisher
Secretary of the School Land Board

THE STATE OF TEXAS)
)
COUNTY OF TRAVIS)

BEFORE ME, the undersigned authority, on this day personally appeared GARRY MAURO, Commissioner of the General Land Office, 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, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 30th day of May, 1984.

DIANA DICKSON
GENERAL NOTARY
COMMISSION EXPIRES 5-18-87

Diana Dickson
Notary Public in and for Travis County, Texas

EXHIBIT "A"

Metes and Bounds Description
of a
160.00 Acre Tract
Joshua Hadley Survey, Abstract 266
Grimes County, Texas
Eli Wickson Survey, Abstract 236
Brazos County, Texas
(Cobb No. 3 - Unit)

Metes and bounds description of all that certain 160.00 acre tract or parcel of land lying and being situated in the Joshua Hadley Survey, Abstract 266, Grimes County, Texas and the Eli Wickson Survey, Abstract 236, Brazos County, Texas and being a portion of the following described property:

1. 23.28 Acres out of a 332.83 acre tract described as exhibit "A", by metes and bounds recorded in volume 443, page 232 of the deed records of Grimes County, Texas.

2. 130.96 Acres out of a 757.141 acre tract described by a partition deed recorded in volume 289, page 71 of the deed records of Brazos County, Texas.

3. 5.76 Acres out of the Navasota River described by a lease recorded in volume 66, page 26 of the lease records of Brazos County, Texas.

Said 160.0 acre tract more particularly described by metes and bounds as follows:

COMMENCING at an 11 inch Oak tree found marking the most northerly east corner of the said 332.83 acre tract, said tree lying on the approximate west line of the William Alsobrook Survey, Abstract 74, Grimes County, Texas;

THENCE in a northwesterly direction along an existing barbed wire fence for the following calls;

N 46°45'51" W for a distance of 185.21 feet;
N 65°57'45" W for a distance of 283.38 feet;
N 70°40'02" W for a distance of 142.16 feet;
N 69°20'11" W for a distance of 1407.34 feet;
N 70°09'18" W for a distance of 101.78 feet;
S 68°35'27" W for a distance of 24.99 feet;
N 51°40'24" W for a distance of 68.20 feet;
N 70°41"51" W for a distance of 279.32 feet to a point for the PLACE OF BEGINNING;

THENCE continue with said fence for the following calls;

N 70°41'51" W for a distance of 400.00 feet;
N 69°13'45" W for a distance of 702.71 feet;

Project No. 83-3032

N 65°32'08" W for a distance of 16.89 feet;
N 58°19'19" W for a distance of 42.90 feet;
S 69°29'08" E for a distance of 0.09 feet;
N 55°34'54" W for a distance of 129.54 feet to a point lying on the east bank of the Navasota River;

THENCE along the bank of the Navasota River for the following calls:

N 29°42'00" W for a distance of 130.39 feet;
N 20°58'17" W for a distance of 96.98 feet;
N 01°32'37" W for a distance of 41.59 feet;
N 21°12'25" W for a distance of 108.52 feet;
N 39°53'40" W for a distance of 156.28 feet;
N 64°19'42" W for a distance of 72.10 feet;
N 75°18'26" W for a distance of 78.01 feet;
N 80°57'17" W for a distance of 92.47 feet;
N 74°41'11" W for a distance of 68.19 feet;
N 65°08'25" W for a distance of 89.82 feet;
N 63°08'12" W for a distance of 45.04 feet;
N 62°17'22" W for a distance of 233.78 feet;
N 56°23'08" W for a distance of 99.57 feet;
N 46°34'36" W for a distance of 81.39 feet;
N 32°26'39" W for a distance of 29.81 feet;
N 21°47'52" W for a distance of 38.30 feet;
N 05°57'53" E for a distance of 27.07 feet;
N 01°32'02" W for a distance of 201.16 feet;
N 06°40'17" E for a distance of 61.86 feet;
N 09°06'42" W for a distance of 56.20 feet;
N 39°37'05" W for a distance of 28.06 feet;
N 03°54'14" E for a distance of 37.80 feet;
N 28°04'04" W for a distance of 81.56 feet;
N 30°59'20" W for a distance of 67.70 feet;
N 42°03'43" W for a distance of 56.51 feet;
N 56°05'57" W for a distance of 13.52 feet;
N 58°52'30" W for a distance of 72.66 feet;
N 74°03'53" W for a distance of 66.79 feet;
N 69°16'19" W for a distance of 65.25 feet;
N 65°10'34" W for a distance of 45.47 feet;
N 07°09'43" W for a distance of 52.91 feet;
N 21°41"18" E for a distance of 28.83 feet;
N 85°54'47" E for a distance of 34.69 feet;
S 75°22'05" W for a distance of 176.35 feet;
S 18°26'51" E for a distance of 87.97 feet;
S 18°26'51" E for a distance of 8.32 feet;

WEST for a distance of 6.32 feet to a 1/2 inch iron rod found for corner, said iron rod also lying in a barbed wire fence marking the northwest line of the said 757.141 acre tract;

THENCE N 44°33'23" W with the said fence for a distance of 484.62 feet to a point for corner;

THENCE S 45°40'34" W for a distance of 1318.46 feet to a point for corner;

THENCE S 44°19'26" E for a distance of 350.00 feet to a point for corner;

THENCE S 45°40'34" W for a distance of 794.99 feet to a point for corner;

THENCE S 44°19'26" E for a distance of 1365.01 feet to a point for corner;

THENCE N 45°40'34" E for a distance of 794.99 feet to a point for corner;

THENCE S 44°19'26" E for a distance of 2486.51 feet to a point for corner;

THENCE N 67°04'18" E for a distance of 5.34 feet to a point lying in the bank of the Navasota River;

THENCE along the bank of the Navasota River for the following calls:

N 10°23'28" W	for a distance of	115.90 feet;
N 37°29'48" W	for a distance of	128.32 feet;
N 19°07'55" W	for a distance of	187.74 feet;
N 07°22'01" W	for a distance of	15.90 feet;
N 17°02'13" E	for a distance of	36.90 feet;
N 39°53'06" E	for a distance of	42.09 feet;
N 71°36'47" E	for a distance of	102.87 feet;
N 69°28'56" E	for a distance of	77.26 feet;
S 89°27'57" E	for a distance of	86.85 feet;
N 66°56'05" E	for a distance of	318.86 feet;
N 38°33'51" E	for a distance of	80.38 feet;
N 11°42'00" E	for a distance of	13.26 feet;

THENCE N 71°25'16" E for a distance of 606.08 feet to a point for corner;

THENCE NORTH for a distance of 650.00 feet to the PLACE OF BEGINNING and containing 160.00 acres of land more or less.

September 1983

Surveyed by: Mark R. Paulson

Mark R. Paulson
Registered Public
Surveyor No. 2099

Project No. 83-3032

EXHIBIT "B"

ATTACHED TO AND MADE A PART OF OIL UNIT DESIGNATION

(COBB UNIT NO. 3)

DATED THE 9th DAY OF May, 1984.

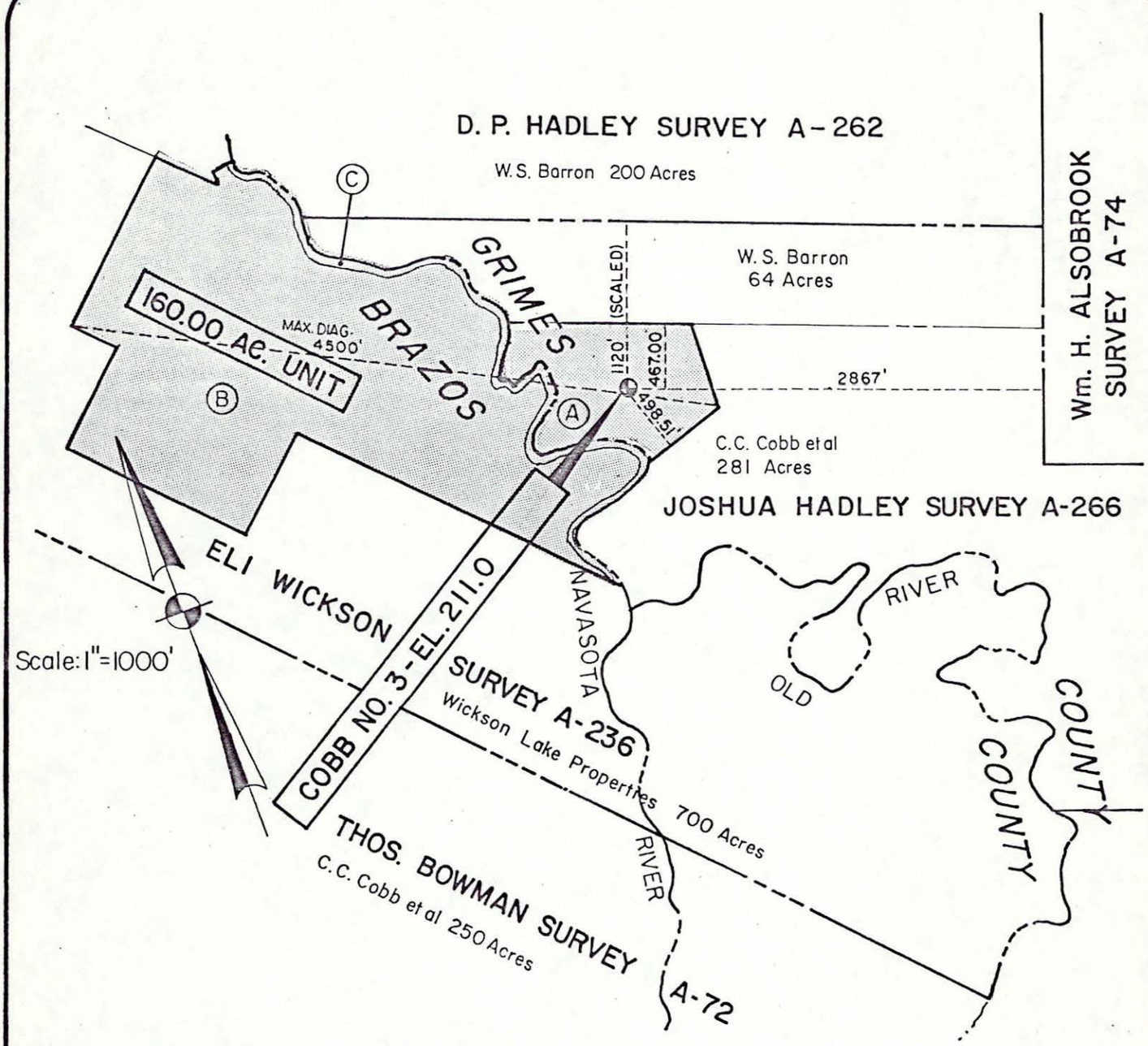
1. Oil, Gas and Mineral Lease from Clarence W. Cobb and wife, Lavelle Cobb to Lear Petroleum Exploration, Inc., dated February 1, 1981, recorded in Volume 443, Page 232 of the Real Property Records of Grimes County, Texas, covering 166.415 acres of land, of which 23.28 acres are situated in the Oil Unit designated herein.

2. Oil, Gas and Mineral Lease from S. J. Enloe and wife, Ruby Estelle Enloe to Lear Petroleum Exploration, Inc., dated February 2, 1982, recorded in Volume 443, Page 276 of the Real Property Records of Grimes County, Texas, covering 166.415 acres of land, of which 23.28 acres are situated in the Oil Unit designated herein.

3. Oil, Gas and Mineral Lease from Martha Lucille Pratt to Cayuga Exploration, Inc., dated September 29, 1976, recorded in Volume 24, Page 780 of the Deed Records of Brazos County, Texas, covering 695.56 acres of land, of which 23.28 acres are situated in the Oil Unit designated herein.

4. Oil, Gas and Mineral Lease from Christine Waldo, et al to Lear Petroleum Exploration, Inc., dated March 9, 1982, recorded in Volume 55, Page 506 of the Oil and Gas Records of Brazos County, Texas, covering 537.8236 acres of land, of which 134.31 acres are situated in the Oil Unit designated herein.

5. Oil and Gas Lease from the State of Texas to Republic Energy, Inc., dated October 6, 1981, recorded in Volume 66, Page 26 of the Oil and Gas Records of Brazos County, Texas, and in Volume 440, Page 866 of the Real Property Records of Grimes County, Texas, covering 30 acres of land, of which 2.41 acres are situated in the Oil Unit designated herein.



TRACT NO.	ACREAGE	LESSOR	VOL.	PAGE	
A	23.28	Clarence W. Cobb et ux	443	265	Grimes County Records
B	134.31	Wickson Lake Club	289	71	
C	2.41	State of Texas	66	26	Lease Records

WELL LOCATION

COBB NO. 3

L. & B. OIL COMPANY, INC.

JOSHUA HADLEY SURVEY A-266

ELI WICKSON SURVEY A-236

BRAZOS & GRIMES COUNTY, TEXAS

STATE OF TEXAS
MARK R. PAULSON
2099
REGISTERED PUBLIC SURVEYOR

PAULSON SURVEYING INCORPORATED
P. O. Box 9384, College Station, TX 77840, (713) 693-2242

Drawn: Downs

Scale: 1" = 1000'

Date: Sept., 1983

Rev.:

Sheet of

(32.)
M-86481
Pooling agreement
Cobb 3-1 Unit
Dated 5-30-84

Garry Mauro
Commissioner
General Land Office

June 7, 1984

Mr. C. A. Hutchinson, Jr.
L & B Oil Company, Inc.
2600 S. Gessner, Suite 220
Houston, Texas 77063

Re: Oil Pooling Agreement
State Lease M-86481
Cobb 2-1 Unit
Brazos and Grimes Counties, Texas

Dear Mr. Hutchinson:

Enclosed are the originals of the captioned pooling agreements, fully executed by the Commissioner of the General Land Office. We have retained a copy for our files.

If you have any questions, please call.

Sincerely,

Diana Dickson, Assistant
Oil and Gas Division
Legal Department
512 475-4246

/dd

Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701
(512) 475-2071

(33.)
M-86481
Ltr to
C. A. Hutchinson, Jr.
dated 6-7-84 gs

MINERAL ACCOUNTING
MEMORANDUM

(File in "B" File)

RE: M- 86481-A

Split from M-_____ which is

☐ Producing

☐ Nonproducing

Operator _____

Lease _____

County _____

		Date	Name
FROM:	Mineral Accounting	10-17-84	Kay Wagenfuhr
TO:	Exploration & Development	_____	_____
TO:	Legal	_____	_____

NONPRODUCING

___ Delay Rental Due On _____ Not Received

___ Primary Term Expired 10-6-84

PRODUCING STATUS

OIL: No production reported from _____ (mo./year) through _____ (mo./year)

Oil Royalty Status: ☐ Due $_____ ☐ Royalty paid in full

Name _____

GAS: No production reported from _____ (mo./year) through _____ (mo./year)

Gas Royalty Status: ☐ Due $_____ ☐ Royalty paid in full

Name _____

RENTAL:

MAPS: Portion outside unit should expire 10-23-84

GLO-RA-12-(1-82)

(34) M-86481
Acctg Memo
10-17-84

VOL 533 PAGE 264

84287

WHEN RECORDED RETURN TO:

James A. Taylor
Baker & Botts
One Shell Plaza
Houston, Texas 77002

ASSIGNMENT, CONVEYANCE AND BILL OF SALE

THIS ASSIGNMENT, CONVEYANCE AND BILL OF SALE is from the undersigned, whose mailing address is c/o L&B Company, Inc., 9800 Centre Parkway, Suite 900, Houston, Texas 77036 (hereinafter individually called "Grantor" and collectively called "Grantors"), to American Producing Properties Company (hereinafter called "Grantee"), whose mailing address is 4500 RepublicBank Center, Houston, Texas 77002.

W I T N E S S E T H:

Grantors, for One Thousand Dollars ($1,000) and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, subject to all of the exceptions and reservations set forth below, do hereby grant, bargain, sell, convey, assign, transfer, set over and deliver unto Grantee, effective as of 7 o'clock A.M., Central Daylight Time, on March 1, 1985 (said hour and day being hereinafter called the "Effective Time"), the following properties:

(a) The undivided interest owned by each Grantor in and to the leasehold estates (i.e., in and to the interest owned by the lessees) in, to and under, or derived from, the oil, gas and mineral leases which are described in Exhibit A attached hereto and hereby made a part hereof;

(b) The undivided interest owned by each Grantor in, to and under, or derived from, all of the presently existing and valid unitization and pooling agreements and the properties covered and the units created thereby (including all units formed under orders, regulations, rules or other official acts of any federal, state or other governmental agency having jurisdiction) which relate to any of the oil, gas and mineral leases described in Exhibit A or conveyed hereby;

(c) The undivided interest owned by each Grantor in, to and under, or derived from, all of the presently existing and valid oil, casinghead gas and gas sales, purchase, exchange and processing contracts and agreements, operating agreements, farmouts, farmins, and all other contracts, agreements and instruments, which relate to any of the oil, gas and mineral leases described in Exhibit A or conveyed hereby;

(d) Without limiting the foregoing, all of each Grantor's right, title and interest (whether now owned or hereafter acquired by operation of law or otherwise) in and to the oil, gas and mineral leases specifically described in Exhibit

RAS052D/049A02

A, even though Grantor's interests in said leases be incorrectly described in, or a description of such interests be omitted from, Exhibit A; and

(e) All of each Grantor's right, title and interest in and to all personal property, improvements, easements, permits, licenses, servitudes and rights-of-way situated upon or used or useful or held for use in connection with the exploration, development or operation of the oil, gas and mineral leases described in Exhibit A or the production, treating, storing or transportation of oil, gas, other hydrocarbons or other minerals therefrom, including, but not by way of limitation, wells, tanks, boilers, fixtures, machinery and other equipment, pipelines, power lines, telephone and telegraph lines, roads and other appurtenances situated upon or used or useful or held for use in connection with the exploration, development or operation of said leases or the production, treating, storing or transportation of oil, gas, other hydrocarbons or other minerals therefrom (all such personal property, improvements, easements, permits, licenses, servitudes and rights-of-way being herein called the "Assigned Appurtenances");

EXPRESSLY EXCEPTING AND RESERVING, however, from this Assignment, Conveyance and Bill of Sale any and all overriding royalty interests presently owned by any Grantor in and to the oil, gas and mineral leases described in Exhibit A or to which any Grantor may hereafter be entitled to receive in any of said leases, pursuant to the assignments of overriding royalty or other agreements listed and described on Exhibit B attached hereto and made a part hereof, and SUBJECT, however, to the Permitted Encumbrances (as defined below). The leases, properties and rights described in the foregoing subsections (a) through (e), subject to the exceptions and reservations as aforesaid, are herein called the "Subject Properties".

This Assignment, Conveyance and Bill of Sale is expressly made and accepted subject to the Permitted Encumbrances (defined below) and by acceptance hereof Grantee assumes and agrees to keep and perform its proportionate share of the obligations of Grantors (to the extent the same are binding upon Grantors) under the Permitted Encumbrances which accrue from and after (but not prior to) the Effective Time.

Each Grantor, with respect to its undivided interest in the Subject Properties, hereby severally agrees to warrant and defend title to that portion of the Subject Properties located within the units identified on Exhibit C attached hereto and made a part hereof unto Grantee, its successors and assigns, against every person lawfully claiming the same or any part thereof by, through or under such Grantor, but not otherwise. With respect to any part or portions of the Subject Properties located outside the units identified on Exhibit C hereto, this Assignment, Conveyance and Bill of Sale is made without any warranty or covenant of title of any kind, express or implied. GRANTORS MAKE NO REPRESENTATIONS OR WARRANTIES, EITHER EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY, QUALITY, CONDITION OR FITNESS FOR PARTICULAR USES OF ANY OF THE ASSIGNED APPURTENANCES, ALL OF THE SAME BEING HEREBY EXPRESSLY EXCLUDED AND DENIED. This Assignment, Conveyance and Bill of Sale also

is made with full substitution and subrogation of Grantee in and to all covenants and warranties by others heretofore given or made in respect of the Subject Properties or any part thereof.

"Permitted Encumbrances" means all contracts, exceptions, restrictions, reservations, charges, encumbrances and other matters which are valid and in force and effect as to the Subject Properties and which are listed on Exhibit B attached hereto and made a part hereof.

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

Each Grantor warrants, severally in the proportion set opposite its name on Exhibit "D" attached hereto, that by virtue of this Assignment, Conveyance and Bill of Sale, Grantee is entitled to receive in all oil, gas, and other hydrocarbons produced, saved and sold in respect of the wells and units described in Exhibit "C", not less than the interest set forth in Exhibit "C" as the Net Interest in such wells and units, and is obligated to bear costs and expenses relating to the maintenance and development of, and the operations with respect to, such wells and units in an amount not greater than the Working Interest set forth in Exhibit "C" for such wells and units.

All of the terms, provisions, covenants and agreements herein contained shall extend to and be binding upon the parties hereto, their respective successors and assigns.

The term "oil, gas and mineral lease" as used in this instrument and in Exhibit A hereto includes, in addition to oil, gas and mineral leases, oil and gas leases, oil, gas and sulphur leases, lease ratifications and subleases, as appropriate.

The terms and provisions of Exhibits A, B, C and D (and all documents referred to therein) attached hereto are incorporated herein as if set forth herein.

IN WITNESS WHEREOF, each party Grantor has caused this instrument to be executed on the respective date in the acknowledgments annexed hereto, but effective as of the Effective Time, which latter date shall be deemed to be the date hereof.

DAVID M. CARMICHAEL

M. M. CONE

DENNIS R. DRAKE

RAS052D/049A02

W. T. I., INC VOL 533 PAGE 267

By: Larry D Pulet
Name: Larry D Pulet
Title: Pres.

M S Cone
M. S. CONE

MC RESOURCES, INC.

By:
Name: C.R. Hutchinson, Jr.
Title: Vice Pres.

Kerry B. Bonner
KERRY B. BONNER

KERR GEOPHYSICAL COMPANY

By: Bobby L Kerr
Name: Bobby L Kerr
Title: PRESIDENT

ROBERT C. McCURRY

Larry Ames
LARRY AMES

A. P. SHUKIS

Jo Ann Folse
JO ANN FOLSE

TONTO DRILLING SERVICES COMPANY
by its ~~general~~ partner
Tonto Drilling Services, Inc.

By:
Charles E. Croft
President

L&B OIL COMPANY, INC.

By:
Name; Gary Loveless
Title: President

RAS052D/049A02

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by David M. Carmichael.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by M. M. Cone.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by Dennis R. Drake.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by Larry Pabst, President of W. T. I. Inc., a Texas corporation, on behalf of said corporation.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

RAS052D/049A02

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by M. S. Cone.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by C.H. Leitchman Jr. President of MC Resources, Inc., a Texas corporation, on behalf of said corporation.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by Kerry G. Bonner.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by Bobby G. Kerr, President of Kerr Geophysical Company, a Texas corporation, on behalf of said corporation.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by Robert C. McCurry.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by Larry Ames.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by A. P. Shukis.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

RAS052D/0049A

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by Jo Ann Folse.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by Charles E. Croft, President of Tonto Drilling Services, Inc., a Nevada corporation, partner of Tonto Drilling Services Company, a Nevada partnership, on behalf of said corporation and partnership.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by Gary Fowlers, President of L&B Oil Company, Inc., a Texas corporation, on behalf of said corporation.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

RAS052D/049A02

EXHIBIT "A"
Schedule of leases

LESSOR	LESSEE	DATE	DESCRIPTION	VOL.	PAGE	COUNTY
Martha L. Muller	Cayuga Exploration, Inc.	9/29/76	695.56 acres of land situated out of the Joshua Hadley Survey, A-266, Grimes County, Texas, the John Tom Survey, A-447, Grimes County, Texas, the Thomas Henry Survey, A-127 and the Thomas Bowman Survey, A-72, Brazos County, Texas	344 24	849 780	Grimes Brazos
Martha L. Muller, et vir	Lear Petroleum Exploration, Inc.	2/2/82	166.415 acres of land situated out of the Joshua Hadley Survey, A-266, Grimes County, Texas	443	221	Grimes
Clarence W. Cobb, et ux	Lear Petroleum Exploration, Inc.	2/2/82	Same as above	443	232	Grimes
S. J. Enloe, et al	Lear Petroleum Exploration, Inc.	2/2/82	Same as above	443	276	Grimes
John L. Pierce	Lear Petroleum Exploration, Inc.	3/13/82	Same as above	446	153	Grimes
Clarence W. Cobb, et ux	Lear Petroleum Exploration, Inc.	3/15/82	274.628 acres situated out of the Thomas Bowman Survey, A-72, Brazos County	53	451	Brazos
Lloyd W. Rooney, et ux	Lear Petroleum Exploration, Inc.	3/15/82	74 acres situated out of the William Vess Survey, A-233, Brazos County	53	443	Brazos
Cecil B. Cox, et al	Lear Petroleum Exploration, Inc.	3/15/82	304.332 acres situated out of the Thomas Bowman Survey, A-72, Brazos County	56	209	Brazos

Mary Ruth Mitchem, et al	L&B Oil Company, Inc.	11/30/83	216.9 acres of land situated out of the Thomas Bowman Survey, A-72 and the William Vess Labor, A-233, Brazos County, Texas	628	352	Brazos
77-90 Joint Venture	L&B Oil Company, Inc.	8/23/83	133.7 acres of land situated out of the John Tom Survey, A-447, Grimes County, Texas	487	802	Grimes
Ona Mae Armstrong	L&B Oil Company, Inc.	8/2/83, effective 10/2/83	43.7 acres situated out of the John Tom Survey, A-447, Grimes County, Texas	485	53	Grimes
J. P. Fuqua, et ux	Lone Star Exploration Corp.	4/30/80	140.5 acres of land situated out of the Joshua Hadley Survey, A-266, Grimes County, Texas	399	810	Grimes
Floyd Fuqua, et ux	Lone Star Exploration Corp.	4/30/80	Same as above	399	813	Grimes
Percy V. Fuqua, et ux	Lone Star Exploration Corp.	4/30/80	Same as above	399	816	Grimes
Clarence W. Cobb, et ux	L&B Oil Company, Inc.	11/14/83	235.6 acres of land situated out of the Thomas Bowman Survey, A-72 and Thomas Henry Survey, A-127, Brazos County	624	211	Brazos
Charles Herzog	L&B Oil Company, Inc.	12/5/83	68 acres, more or less, out of the William Vess League, A-233, Brazos County, Texas	653	829	Brazos
Zenas Eirvin Risinger, Jr.	L&B Oil Company, Inc.	12/5/83	Same as above	654	21	Brazos
Alice Pearl Risinger Wells	L&B Oil Company, Inc.	12/5/83	Same as above	654	56	Brazos
Eugene H. Herzog	L&B Oil Company, Inc.	12/5/83	Same as above	653	824	Brazos
Alton R. Sembera	L&B Oil Company, Inc.	12/5/83	Same as above	654	41	Brazos

Nancy Risinger Mager	L&B Oil Company, Inc.	12/5/83	Same as above	653	849	Brazos
Arnold W. Sembera	L&B Oil Company, Inc.	12/5/83	Same as above	654	36	Brazos
Loraine Wilson	L&B Oil Company, Inc.	12/5/83	Same as above	654	66	Brazos
Albinka Dueser	L&B Oil Company, Inc.	12/5/83	Same as above	653	814	Brazos
Martha Hammett	L&B Oil Company, Inc.	12/5/83	Same as above	653	819	Brazos
Jacob Conrad Merka, Jr.	L&B Oil Company, Inc.	12/5/83	Same as above	653	844	Brazos
Lottie Merka Riley	L&B Oil Company, Inc.	12/5/83	Same as above	654	01	Brazos
Thomas E. Sembera	L&B Oil Company, Inc.	12/5/83	Same as above	654	31	Brazos
Eidelweiss Schultz Weatherly	L&B Oil Company, Inc.	12/5/83	Same as above	654	61	Brazos
Minnie Lee Trlica	L&B Oil Company, Inc.	12/5/83	Same as above	654	46	Brazos
John R. Risinger	L&B Oil Company, Inc.	12/5/83	Same as above	654	16	Brazos
Dorothy Merka Reger	L&B Oil Company, Inc.	12/5/83	Same as above	654	11	Brazos
Victoria Merka Riley	L&B Oil Company, Inc.	12/5/83	Same as above	654	06	Brazos
Henry Syptak	L&B Oil Company, Inc.	12/5/83	Same as above	654	26	Brazos
Thomas Merka, Jr.	L&B Oil Company, Inc.	12/5/83	Same as above	653	839	Brazos
Doris Miller	L&B Oil Company, Inc.	12/5/83	Same as above	653	834	Brazos
Eddie Joe Syptak	L&B Oil Company, Inc.	12/5/83	Same as above	656	759	Brazos
Carolyn Teeter	L&B Oil Company, Inc.	12/5/83	Same as above	654	51	Brazos

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Wickson Lake Club	Lear Petroleum Exploration, Inc.	3/9/82	411.6436 acres of land situated out of the Eli Wickson League, A-236, Brazos County, Texas, being all of a called 757.14 acre tract of land, save and except (i) 89.7551 acres as described in Pooling Designation dated March 31, 1980, recorded in Volume 448, Page 498, Deed Records of Brazos County and save and except (ii) 144.08 acres of land as described in Pooling Designation, filed in Volume 475, Page 809, Deed Records of Brazos County, save and except (iii) 126.1836 acres which have been heretofore released. → pot	55	506	Brazos
Gearl L. Rasco, et ux.	Exploration Group, Inc.	10/1/81	123.61 acres of Thomas Bowman Survey, A-72, Brazos County, Texas insofar and only insofar as said lease covers (i) 1.22 acres in the Cobb No. 1 oil unit and (ii) 9.0 acres in the Cobb No. 2 oil unit. → pot	42	690	Brazos
General Land Office	Republic Energy, Inc.	10/6/81	30 acres being all of Tract 2, Navasota River, Grimes and Brazos Counties. → M-86481	440 453	866 351	Brazos Grimes

EXHIBIT "B"
Permitted Encumbrances

1. That certain Farmout Agreement dated December 3, 1982 by and between Lear Petroleum Exploration, Inc., as farmor, and L&B Oil Company, Inc., as farmee, as amended January 13, 1983, August 24, 1983, November 30, 1983 and March 9, 1984.

2. Partial Assignment of Oil, Gas and Mineral Leases dated May 6, 1984 from Lear Petroleum Exploration, Inc., as assignor, to L&B Oil Company, Inc., as assignee, filed for record in Volume 687, Page 203, Oil and Gas Records of Brazos County, Texas and Volume 509, Page 27, Deed Records of Grimes County, Texas.

3. Joint Operating Agreement dated December 3, 1983 between L&B Oil Company, Inc., as operator and Lear Petroleum Exploration, Inc., as non-operator.

4. Joint Operating Agreement dated December 3, 1983 between L&B Oil Company, Inc., as operator and David M. Carmichael, et al, as non-operators.

5. That certain Farmout Agreement and Joint Operating Agreement attached thereto, dated March 25, 1983 by and between Petroleum Corporation of Texas, as farmor, and Lear Petroleum Exploration, Inc., as farmee, as amended by amendment dated April 5, 1983.

6. That certain Farmout Agreement and Joint Operating Agreement attached thereto, dated March 2, 1983 between Coseka Resources (USA), Ltd., Prodeco Oil & Gas, Ltd. and 79902 Resources Limited, as farmors, and Lear Petroleum Exploration, Inc., as farmee, as amended March 28, 1983.

7. That certain Farmout Agreement and Joint Operating Agreement attached thereto, dated May 3, 1983 between Gulf Oil Corporation, Individually and acting on behalf of Prodeco Exploration, Inc., as farmors, and Lear Petroleum Exploration, Inc., as farmee, as amended May 4, 1983.

8. That certain Farmout Agreement and Joint Operating Agreement attached thereto, dated April 8, 1983 from Mitchell Energy Corporation, as farmor, to Lear Petroleum Exploration, Inc., as farmee, as amended May 6, 1983 and May 16, 1983.

9. That certain Farmout Agreement and Joint Operating Agreement attached thereto, dated March 2, 1983 by and between Tricentrol United States, Inc., as farmor, and Lear Petroleum Exploration, Inc., as farmee.

10. That certain Farmout Agreement and Joint Operating Agreement attached thereto, dated July 6, 1983 by and between Cashco Oil Company, as farmor, and L&B Oil Company, Inc., as farmee, as amended July 15, 1983 and August 17, 1983.

11. Assignment of Oil and Gas Leases dated December 3, 1982 from Exploration Group, Inc., as assignor, to L&B Oil Company, Inc., as assignee.

12. Assignment of Oil and Gas Lease dated December 15, 1983, from Eugene C. Cashman D/B/A Cashman Oil and Gas Company, and Thomas J. Cashman, as Trustee, as assignors, to L&B Oil Company, Inc., as assignee, recorded in Volume 496, Page 736, Deed Records Grimes County, Texas.

13. Partial Assignment of Oil and Gas Lease dated November 11, 1983, from Gulf Oil Corporation, as assignor, to L&B Oil Company, Inc., as assignee, recorded in Volume 492, Page 264, Deed Records of Grimes County, Texas.

14. Partial Assignment of Oil & Gas Lease dated November 11, 1983, from Gulf Oil Corporation, as assignor, to L&B Oil Company, Inc. as assignee, recorded in Volume 492, Page 258, Deed Records of Grimes County, Texas.

15. Partial Assignment of Oil and Gas Lease dated November 11, 1983, from Gulf Oil Corporation, as assignor to L&B Oil Company, Inc., as assignee, and recorded in Volume 492, Page 252 of Deed Records, Grimes County, Texas.

16. Assignment of Oil and Gas Mineral Lease dated October 29, 1984, from L&B Oil Company, Inc., as assignees to David M. Carmichael, et al, as assignor, recorded in Volume 754, Page 471, of Deed Records of Brazos County, Texas and Volume 525, Page 440 of Deed Records of Grimes County, Texas.

17. Assignment of Overriding Royalty Interest dated September 18, 1984, from L&B Oil Company, Inc., as assignor, to Robert C. McCurry, et al, as assignees Recorded in Volume 726, Page 233, Deed Records of Brazos County, Texas and Volume 520, Page 47 Deed Records of Grimes County, Texas, SAVE AND EXCEPT that certain Partial Assignment of Overriding Royalty dated April 3, 1985 from Robert C. McCurry, et al, as Assignors, to L&B Oil Company, Inc., as Assignee, recorded in Volume ___, Page ___ Deed Records of Brazos County and Volume ___, Page ___ Deed Records of Grimes County.

18. Partial Assignment of Oil & Gas Lease dated January 31, 1985 from L&B Oil Company, Inc., et al, as assignor, to Lear Petroleum exploration, Inc., as assignee recorded in Volume ___, Page ___ of Deed Records, Brazos County, Texas and Volume ____, Page ____ of Deed Records for Grimes County, Texas.

19. Surface Lease Agreement dated February 21, 1984, between Clarence W. Cobb, et al, as lessors and L&B Oil Company, Inc., as lessee, covering tank Battery "A". (Grimes County, Texas)

20. Surface Lease Agreement dated February 84, 1984, between Clarence W. Cobb, as lessor and L&B Oil Company, as lessee covering tank Battery "B". (Brazos County, Texas)

21. Correction Assignment dated January 25, 1985, from Lear Petroleum Exploration, Inc., as assignor, to L&B Oil Company, Inc., as assignee, recorded in Volume ____, Page ___, Brazos County, Texas.

22. Gas Purchase Agreement dated August 12, 1983 between L&B Oil Company, Inc., as seller, and Producer's Gas Company, as buyer.

EXHIBIT "C"

ZOLA, SOUTH FIELD

WORKING & NET INTERESTS
L&B OIL COMPANY GROUP

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Unit Name	Unit Acreage	No of Wells In Unit	Working Interest	Net Interest
Birdwell 1	160.00	1	.6562500	.4804250
Cobb 1	160.00	1	.6562500	.4802747
Cobb 2	160.00	2	.6562500	.4788959
Cobb 3	160.00	1	.6562500	.4802276
Cobb 4	160.00	2	.6562500	.4804250
Cobb 5	160.00	1	.7677168	.5896624
Cobb 6	160.00	1	.6562500	.4804250
Cobb 7	320.00[1]	1	.7726728	.5997194
Cox 1	160.00	2	.6562500	.4804250
Fuqua 1	167.70	1	.6562500[2]	.4686700[2]
TOTAL	1,767.70			

1 Approximately 11 acres overlapping onto Cobb Unit 5 and Cobb Unit 6

2 After payout reduces to .4680037 WI & .3430136 NI

RECORDER'S MEMORANDUM
At the time of recordation this instrument was found to be inadequate for the best photographic reproduction because of illegibility.

EXHIBIT "C"
Schedule of Designations of Oil and Gas Units

VOL 533 PAGE 279

No. 1

L&B Oil Company, Inc. Cobb No. 1 Oil Unit comprised of 160 acres of land, more or less, situated out of the Joshua Hadley Survey, A-266, Grimes County, the Eli Wickson League, A-236, Brazos County and the Thomas Bowman Survey, A-72, Brazos County, Texas being more particularly described in that certain Designation of Oil Unit dated October 6, 1983, filed for record in Volume 658, Page 146, Deed Records of Brazos County, and Volume 499, Page 768, Deed Records of Grimes County, Texas, to which reference is made herein for all descriptive purposes.

No. 2

L&B Oil Company, Inc. Cobb No. 2 Oil Unit comprised of 160 acres of land, more or less, situated out of the Joshua Hadley Survey, A-266, Grimes County, Texas, the Eli Wickson League, A-236, Brazos County and the Thomas Bowman Survey, A-72, Brazos County and State of Texas Oil and Gas Lease No. 86481 covering 5.14 acres of the Navasota River, Brazos and Grimes Counties, Texas and being more particularly described in that certain Designation of Oil Unit dated October 6, 1983, filed for record in Volume 658, Page 309, Deed Records of Brazos County, and Volume 500, Page 89, Deed Records of Grimes County, Texas, to which reference is made herein for all descriptive purposes

No. 3

L&B Oil Company, Inc. Cobb No. 3 Oil Unit comprised of 160 acres of land, more or less, situated out of the Joshua Hadley Survey, A-266, Grimes County, Texas, the Eli Wickson League, A-236, Brazos County, Texas and State of Texas Oil and Gas Lease No. 86481 covering 2.41 acres situated out of the Navasota River, Brazos and Grimes Counties, Texas and being more particularly described in that certain Designation of Oil Unit dated October 6, 1983, filed for record in Volume 658, Page 472, Deed Records of Brazos County, and Volume 500, Page 268, Deed Records of Grimes County, Texas, to which reference is made herein for all descriptive purposes

No. 4

L&B Oil Company, Inc. Birdwell No. 1 Oil Unit comprised of 160 acres of land, more or less, situated out of the Eli Wickson League, A-236, Brazos County and the Thomas Bowman Survey, A-72, Brazos County, Texas and being more particularly described in that certain Designation of Oil Unit dated November 10, 1983, filed for record in Volume 652, Page 137, Deed Records of Brazos County, Texas, to which reference is made herein for all descriptive purposes

No. 5

L&B Oil Company, Inc. Fuqua No. 1 Oil Unit comprised of 167.7 acres of land, more or less, situated out of the Eli Wickson League, A-236, Brazos County, Texas and the Joshua Hadley Survey, A-266, Brazos County, Texas and being more particularly described in that certain Designation of Oil Unit dated November 10, 1983, filed for record in Volume 653, Page 721, Deed Records of Brazos County, and Volume 501, Page 704, Deed Records of Grimes County, Texas, to which reference is made herein for all descriptive purposes

No. 6

L&B Oil Company, Inc. Cox No. 1 Oil Unit comprised of 160 acres of land, more or less, situated out of the Thomas Bowman Survey, A-72, Brazos County, Texas and being more particularly described in that certain Designation of Oil Unit dated February 9, 1984, filed for record in Volume 656, Page 154, Deed Records of Brazos County, Texas, to which reference is made herein for all descriptive purposes

No. 7

L&B Oil Company, Inc. Cobb No. 4 Oil Unit comprised of 160 acres of land, more or less, situated out of the Thomas Bowman Survey, A-72, Brazos County, Texas and being more particularly described in that certain Designation of Oil Unit dated May 22, 1984, filed for record in Volume 707, Page 54, Deed Records of Brazos County, Texas, to which reference is made herein for all descriptive purposes

No. 8

L&B Oil Company, Inc. Cobb No. 5 Oil Unit comprised of 160 acres of land, more or less, situated out of the Thomas Bowman Survey, A-72, Brazos County, Texas and being more particularly described in that certain Designation of Oil Unit dated March 15, 1984, filed for record in Volume 684, Page 234, Deed Records of Brazos County, Texas, to which reference is made herein for all descriptive purposes

No. 9

L&B Oil Company, Inc. Cobb No. 6-1 Oil Unit comprised of 160 acres of land, more or less, situated out of the Thomas Bowman Survey, A-72 and the Thomas Henry Survey, A-127, Brazos County, Texas and being more particularly described in that certain Designation of Oil Unit dated May 22, 1984, filed for record in Volume 712, Page 154, Deed Records of Brazos County, Texas, to which reference is made herein for all descriptive purposes

No. 10

L&B Oil Company, Inc. Cobb No. 7 Gas Unit comprised of 320 acres of land, more or less, situated out of the Thomas Bowman Survey, A-72 and the William Vess Survey, A-233, Brazos County, Texas and being more particularly described in that certain Designation of Gas Unit dated October 8, 1984, filed for record in Volume 752, page 293, Deed Records of Brazos County, Texas, to which reference is made herein for all descriptive purposes

Exhibit "D"

VOL 533 PAGE 281

PERCENTAGE INTERESTS

Name	Percentage
David M. Carmichael	14.285714286
M. M. Cone	14.285714286
Dennis R. Drake	12.571428571
W. T. I., Inc.	1.714285714
M. S. Cone	1.142857143
MC Resources, Inc.	1.142857143
Kerry G. Bonner	1.142857143
Kerr Geophysical Company	1.142857143
Robert C. McCurry	1.142857143
Larry Ames	0.380952381
A. P. Shukis	0.380952381
Jo Ann Folse	0.380952381
Tonto Drilling Services Company	7.142857143
L&B Oil Company, Inc.	43.142857142
Total	100.000000000

FILED FOR RECORD
'85 APR 4 PM 3 02

Pd 37.00

08427

THE STATE OF TEXAS
COUNTY OF GRIMES

THIS CERTIFIES that the foregoing instrument, with its certificates of authentication was filed for record in my office on the 4th day of April, A. D. 1985 and duly recorded by me on the 8th day of April, A. D. 1985 in Vol. 533, Page 264, of the Real Property records of Grimes County, Texas.

Trinston Harris
County Clerk, Grimes County, Texas

By Jina Sciambra Deputy

THE STATE OF TEXAS }
COUNTY OF GRIMES } I, TRINSTON HARRIS, Clerk of the County Court of Grimes County, Texas,

do hereby certify that the above and foregoing is a true and correct copy of THE ASSIGNMENT, CONVEYANCE, AND BILL OF SALE FROM DAVID M. CARMICHAEL, ETAL TO AMERICAN PRODUCING PROPERTIES COMPANY
as the same appears on record in volume 533, page 264 of the REAL PROPERTY Records of Grimes County, Texas.

GIVEN UNDER MY HAND AND THE SEAL OF SAID COURT at office in Anderson, Texas, this the 29TH day of MAY A.D. 19 85

TRINSTON HARRIS, CLERK COUNTY COURT
Grimes County, Texas.

BY Tina Siciński
Deputy

37th
Brazos Co. Tx

FILED

1985 APR -4 PM 4:05

COUNTY CLERK
BRAZOS COUNTY, TEXAS

WHEN RECORDED RETURN TO:

James A. Taylor
Baker & Botts
One Shell Plaza
Houston, Texas 77002

323885

ASSIGNMENT, CONVEYANCE AND
BILL OF SALE

THIS ASSIGNMENT, CONVEYANCE AND BILL OF SALE is from the undersigned, whose mailing address is c/o L&B Company, Inc., 9800 Centre Parkway, Suite 900, Houston, Texas 77036 (hereinafter individually called "Grantor" and collectively called "Grantors"), to American Producing Properties Company (hereinafter called "Grantee"), whose mailing address is 4500 RepublicBank Center, Houston, Texas 77002.

W I T N E S S E T H:

Grantors, for One Thousand Dollars ($1,000) and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, subject to all of the exceptions and reservations set forth below, do hereby grant, bargain, sell, convey, assign, transfer, set over and deliver unto Grantee, effective as of 7 o'clock A.M., Central Daylight Time, on March 1, 1985 (said hour and day being hereinafter called the "Effective Time"), the following properties:

(a) The undivided interest owned by each Grantor in and to the leasehold estates (i.e., in and to the interest owned by the lessees) in, to and under, or derived from, the oil, gas and mineral leases which are described in Exhibit A attached hereto and hereby made a part hereof;

(b) The undivided interest owned by each Grantor in, to and under, or derived from, all of the presently existing and valid unitization and pooling agreements and the properties covered and the units created thereby (including all units formed under orders, regulations, rules or other official acts of any federal, state or other governmental agency having jurisdiction) which relate to any of the oil, gas and mineral leases described in Exhibit A or conveyed hereby;

(c) The undivided interest owned by each Grantor in, to and under, or derived from, all of the presently existing and valid oil, casinghead gas and gas sales, purchase, exchange and processing contracts and agreements, operating agreements, farmouts, farmins, and all other contracts, agreements and instruments, which relate to any of the oil, gas and mineral leases described in Exhibit A or conveyed hereby;

(d) Without limiting the foregoing, all of each Grantor's right, title and interest (whether now owned or hereafter acquired by operation of law or otherwise) in and to the oil, gas and mineral leases specifically described in Exhibit

A, even though Grantor's interests in said leases be incorrectly described in, or a description of such interests be omitted from, Exhibit A; and

(e) All of each Grantor's right, title and interest in and to all personal property, improvements, easements, permits, licenses, servitudes and rights-of-way situated upon or used or useful or held for use in connection with the exploration, development or operation of the oil, gas and mineral leases described in Exhibit A or the production, treating, storing or transportation of oil, gas, other hydrocarbons or other minerals therefrom, including, but not by way of limitation, wells, tanks, boilers, fixtures, machinery and other equipment, pipelines, power lines, telephone and telegraph lines, roads and other appurtenances situated upon or used or useful or held for use in connection with the exploration, development or operation of said leases or the production, treating, storing or transportation of oil, gas, other hydrocarbons or other minerals therefrom (all such personal property, improvements, easements, permits, licenses, servitudes and rights-of-way being herein called the "Assigned Appurtenances");

EXPRESSLY EXCEPTING AND RESERVING, however, from this Assignment, Conveyance and Bill of Sale any and all overriding royalty interests presently owned by any Grantor in and to the oil, gas and mineral leases described in Exhibit A or to which any Grantor may hereafter be entitled to receive in any of said leases, pursuant to the assignments of overriding royalty or other agreements listed and described on Exhibit B attached hereto and made a part hereof, and SUBJECT, however, to the Permitted Encumbrances (as defined below). The leases, properties and rights described in the foregoing subsections (a) through (e), subject to the exceptions and reservations as aforesaid, are herein called the "Subject Properties".

This Assignment, Conveyance and Bill of Sale is expressly made and accepted subject to the Permitted Encumbrances (defined below) and by acceptance hereof Grantee assumes and agrees to keep and perform its proportionate share of the obligations of Grantors (to the extent the same are binding upon Grantors) under the Permitted Encumbrances which accrue from and after (but not prior to) the Effective Time.

Each Grantor, with respect to its undivided interest in the Subject Properties, hereby severally agrees to warrant and defend title to that portion of the Subject Properties located within the units identified on Exhibit C attached hereto and made a part hereof unto Grantee, its successors and assigns, against every person lawfully claiming the same or any part thereof by, through or under such Grantor, but not otherwise. With respect to any part or portions of the Subject Properties located outside the units identified on Exhibit C hereto, this Assignment, Conveyance and Bill of Sale is made without any warranty or covenant of title of any kind, express or implied. GRANTORS MAKE NO REPRESENTATIONS OR WARRANTIES, EITHER EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY, QUALITY, CONDITION OR FITNESS FOR PARTICULAR USES OF ANY OF THE ASSIGNED APPURTENANCES, ALL OF THE SAME BEING HEREBY EXPRESSLY EXCLUDED AND DENIED. This Assignment, Conveyance and Bill of Sale also

is made with full substitution and subrogation of Grantee in and to all covenants and warranties by others heretofore given or made in respect of the Subject Properties or any part thereof.

"Permitted Encumbrances" means all contracts, exceptions, restrictions, reservations, charges, encumbrances and other matters which are valid and in force and effect as to the Subject Properties and which are listed on Exhibit B attached hereto and made a part hereof.

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

Each Grantor warrants, severally in the proportion set opposite its name on Exhibit "D" attached hereto, that by virtue of this Assignment, Conveyance and Bill of Sale, Grantee is entitled to receive in all oil, gas, and other hydrocarbons produced, saved and sold in respect of the wells and units described in Exhibit "C", not less than the interest set forth in Exhibit "C" as the Net Interest in such wells and units, and is obligated to bear costs and expenses relating to the maintenance and development of, and the operations with respect to, such wells and units in an amount not greater than the Working Interest set forth in Exhibit "C" for such wells and units.

All of the terms, provisions, covenants and agreements herein contained shall extend to and be binding upon the parties hereto, their respective successors and assigns.

The term "oil, gas and mineral lease" as used in this instrument and in Exhibit A hereto includes, in addition to oil, gas and mineral leases, oil and gas leases, oil, gas and sulphur leases, lease ratifications and subleases, as appropriate.

The terms and provisions of Exhibits A, B, C and D (and all documents referred to therein) attached hereto are incorporated herein as if set forth herein.

IN WITNESS WHEREOF, each party Grantor has caused this instrument to be executed on the respective date in the acknowledgments annexed hereto, but effective as of the Effective Time, which latter date shall be deemed to be the date hereof.

DAVID M. CARMICHAEL

M. M. CONE

DENNIS R. DRAKE

RAS052D/049A02

W. T. I., INC.

By: Larry D Pickett
Name: Larry D Pickett
Title: VP&S.

M S Cone
M. S. CONE

MC RESOURCES, INC.

By: C A Hutchinson Jr
Name: C A Hutchinson Jr
Title: President

Kerry G. Bonner
KERRY G. BONNER

KERR GEOPHYSICAL COMPANY

By: Bobby D Kerr
Name: Bobby D Kerr
Title: PRESIDENT

Robt C McCurry
ROBERT C. McCURRY

Larry Ames
LARRY AMES

A P Shukis
A. P. SHUKIS

Jo Ann Folse
JO ANN FOLSE

TONTO DRILLING SERVICES COMPANY
by its ~~general partner~~
Tonto Drilling Services, Inc.

By: Charles E. Croft
Charles E. Croft
President

L&B OIL COMPANY, INC.

By: Gary Loveless
Name: Gary Loveless
Title: President

RAS052D/049A02

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by David M. Carmichael.

Eileen Grabowski
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by M. M. Cone.

Eileen Grabowski
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by Dennis R. Drake.

Eileen Grabowski
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by Larry Pabst, President of W. T. I. Inc., a Texas corporation, on behalf of said corporation.

Eileen Grabowski
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

RAS052D/049A02

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by M. S. Cone.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by C. H. Hutchinson, Jr. President of MC Resources, Inc., a Texas corporation, on behalf of said corporation.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by Kerry G. Bonner.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by Bobby D. Kerr, President of Kerr Geophysical Company, a Texas corporation, on behalf of said corporation.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by Robert C. McCurry.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by Larry Ames.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by A. P. Shukis.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

RAS052D/049A02

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by Jo Ann Folse.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by Charles E. Croft, President of Tonto Drilling Services, Inc., a Nevada corporation, partner of Tonto Drilling Services Company, a Nevada partnership, on behalf of said corporation and partnership.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 4, 1985 by Gary Fowler, President of L&B Oil Company, Inc., a Texas corporation, on behalf of said corporation.

Eileen Gradwohl
Notary Public, State of Texas

My Commission Expires:
March 29, 1989

EXHIBIT "A"
Schedule of leases

LESSOR	LESSEE	DATE	DESCRIPTION	VOL.	PAGE	COUNTY
Martha L. Muller	Cayuga Exploration, Inc.	9/29/76	695.56 acres of land situated out of the Joshua Hadley Survey, A-266, Grimes County, Texas, the John Tom Survey, A-447, Grimes County, Texas, the Thomas Henry Survey, A-127 and the Thomas Bowman Survey, A-72, Brazos County, Texas	344 24	849 780	Grimes Brazos
Martha L. Muller, et vir	Lear Petroleum Exploration, Inc.	2/2/82	166.415 acres of land situated out of the Joshua Hadley Survey, A-266, Grimes County, Texas	443	221	Grimes
Clarence W. Cobb, et ux	Lear Petroleum Exploration, Inc.	2/2/82	Same as above	443	232	Grimes
S. J. Enloe, et al	Lear Petroleum Exploration, Inc.	2/2/82	Same as above	443	276	Grimes
John L. Pierce	Lear Petroleum Exploration, Inc.	3/13/82	Same as above	446	153	Grimes
Clarence W. Cobb, et ux	Lear Petroleum Exploration, Inc.	3/15/82	274.628 acres situated out of the Thomas Bowman Survey, A-72, Brazos County	53	451	Brazos
Lloyd W. Rooney, et ux	Lear Petroleum Exploration, Inc.	3/15/82	74 acres situated out of the William Vess Survey, A-233, Brazos County	53	443	Brazos
Cecil B. Cox, et al	Lear Petroleum Exploration, Inc.	3/15/82	304.332 acres situated out of the Thomas Bowman Survey, A-72, Brazos County	56	209	Brazos

Mary Ruth Mitchem, et al	L&B Oil Company, Inc.	11/30/83	216.9 acres of land situated out of the Thomas Bowman Survey, A-72 and the William Vess Labor, A-233, Brazos County, Texas	628	352	Brazos
77-90 Joint Venture	L&B Oil Company, Inc.	8/23/83	133.7 acres of land situated out of the John Tom Survey, A-447, Grimes County, Texas	487	802	Grimes
Ona Mae Armstrong	L&B Oil Company, Inc.	8/2/83, effective 10/2/83	43.7 acres situated out of the John Tom Survey, A-447, Grimes County, Texas	485	53	Grimes
J. P. Fuqua, et ux	Lone Star Exploration Corp.	4/30/80	140.5 acres of land situated out of the Joshua Hadley Survey, A-266, Grimes County, Texas	399	810	Grimes
Floyd Fuqua, et ux	Lone Star Exploration Corp.	4/30/80	Same as above	399	813	Grimes
Percy V. Fuqua, et ux	Lone Star Exploration Corp.	4/30/80	Same as above	399	816	Grimes
Clarence W. Cobb, et ux	L&B Oil Company, Inc.	11/14/83	235.6 acres of land situated out of the Thomas Bowman Survey, A-72 and Thomas Henry Survey, A-127, Brazos County	624	211	Brazos
Charles Herzog	L&B Oil Company, Inc.	12/5/83	68 acres, more or less, out of the William Vess League, A-233, Brazos County, Texas	653	829	Brazos
Zenas Eirvin Risinger, Jr.	L&B Oil Company, Inc.	12/5/83	Same as above	654	21	Brazos
Alice Pearl Risinger Wells	L&B Oil Company, Inc.	12/5/83	Same as above	654	56	Brazos
Eugene H. Herzog	L&B Oil Company, Inc.	12/5/83	Same as above	653	824	Brazos
Alton R. Sembera	L&B Oil Company, Inc.	12/5/83	Same as above	654	41	Brazos

Nancy Risinger Mager	L&B Oil Company, Inc.	12/5/83	Same as above	653	849	Brazos
Arnold W. Sembera	L&B Oil Company, Inc.	12/5/83	Same as above	654	36	Brazos
Loraine Wilson	L&B Oil Company, Inc.	12/5/83	Same as above	654	66	Brazos
Albinka Dueser	L&B Oil Company, Inc.	12/5/83	Same as above	653	814	Brazos
Martha Hammett	L&B Oil Company, Inc.	12/5/83	Same as above	653	819	Brazos
Jacob Conrad Merka, Jr.	L&B Oil Company, Inc.	12/5/83	Same as above	653	844	Brazos
Lottie Merka Riley	L&B Oil Company, Inc.	12/5/83	Same as above	654	01	Brazos
Thomas E. Sembera	L&B Oil Company, Inc.	12/5/83	Same as above	654	31	Brazos
Eidelweiss Schultz Weatherly	L&B Oil Company, Inc.	12/5/83	Same as above	654	61	Brazos
Minnie Lee Trlica	L&B Oil Company, Inc.	12/5/83	Same as above	654	46	Brazos
John R. Risinger	L&B Oil Company, Inc.	12/5/83	Same as above	654	16	Brazos
Dorothy Merka Reger	L&B Oil Company, Inc.	12/5/83	Same as above	654	11	Brazos
Victoria Merka Riley	L&B Oil Company, Inc.	12/5/83	Same as above	654	06	Brazos
Henry Syptak	L&B Oil Company, Inc.	12/5/83	Same as above	654	26	Brazos
Thomas Merka, Jr.	L&B Oil Company, Inc.	12/5/83	Same as above	653	839	Brazos
Doris Miller	L&B Oil Company, Inc.	12/5/83	Same as above	653	834	Brazos
Eddie Joe Syptak	L&B Oil Company, Inc.	12/5/83	Same as above	656	759	Brazos
Carolyn Teeter	L&B Oil Company, Inc.	12/5/83	Same as above	654	51	Brazos

Wickson Lake Club	Lear Petroleum Exploration, Inc.	3/9/82	411.6436 acres of land situated out of the Eli Wickson League, A-236, Brazos County, Texas, being all of a called 757.14 acre tract of land, save and except (i) 89.7551 acres as described in Pooling Designation dated March 31, 1980, recorded in Volume 448, Page 498, Deed Records of Brazos County and save and except (ii) 144.08 acres of land as described in Pooling Designation, filed in Volume 475, Page 809, Deed Records of Brazos County, save and except (iii) 126.1836 acres which have been heretofore released.	55	506	Brazos
Gearl L. Rasco, et ux.	Exploration Group, Inc.	10/1/81	123.61 acres of Thomas Bowman Survey, A-72, Brazos County, Texas insofar and only insofar as said lease covers (i) 1.22 acres in the Cobb No. 1 oil unit and (ii) 9.0 acres in the Cobb No. 2 oil unit.	42	690	Brazos
General Land Office	Republic Energy, Inc.	10/6/81	30 acres being all of Tract 2, Navasota River, Grimes and Brazos Counties.	440 453	866 351	Brazos Grimes

EXHIBIT "B"
Permitted Encumbrances

1. That certain Farmout Agreement dated December 3, 1982 by and between Lear Petroleum Exploration, Inc., as farmor, and L&B Oil Company, Inc., as farmee, as amended January 13, 1983, August 24, 1983, November 30, 1983 and March 9, 1984.

2. Partial Assignment of Oil, Gas and Mineral Leases dated May 6, 1984 from Lear Petroleum Exploration, Inc., as assignor, to L&B Oil Company, Inc., as assignee, filed for record in Volume 687, Page 203, Oil and Gas Records of Brazos County, Texas and Volume 509, Page 27, Deed Records of Grimes County, Texas.

3. Joint Operating Agreement dated December 3, 1983 between L&B Oil Company, Inc., as operator and Lear Petroleum Exploration, Inc., as non-operator.

4. Joint Operating Agreement dated December 3, 1983 between L&B Oil Company, Inc., as operator and David M. Carmichael, et al, as non-operators.

5. That certain Farmout Agreement and Joint Operating Agreement attached thereto, dated March 25, 1983 by and between Petroleum Corporation of Texas, as farmor, and Lear Petroleum Exploration, Inc., as farmee, as amended by amendment dated April 5, 1983.

6. That certain Farmout Agreement and Joint Operating Agreement attached thereto, dated March 2, 1983 between Coseka Resources (USA), Ltd., Prodeco Oil & Gas, Ltd. and 79902 Resources Limited, as farmors, and Lear Petroleum Exploration, Inc., as farmee, as amended March 28, 1983.

7. That certain Farmout Agreement and Joint Operating Agreement attached thereto, dated May 3, 1983 between Gulf Oil Corporation, Individually and acting on behalf of Prodeco Exploration, Inc., as farmors, and Lear Petroleum Exploration, Inc., as farmee, as amended May 4, 1983.

8. That certain Farmout Agreement and Joint Operating Agreement attached thereto, dated April 8, 1983 from Mitchell Energy Corporation, as farmor, to Lear Petroleum Exploration, Inc., as farmee, as amended May 6, 1983 and May 16, 1983.

9. That certain Farmout Agreement and Joint Operating Agreement attached thereto, dated March 2, 1983 by and between Tricentrol United States, Inc., as farmor, and Lear Petroleum Exploration, Inc., as farmee.

10. That certain Farmout Agreement and Joint Operating Agreement attached thereto, dated July 6, 1983 by and between Cashco Oil Company, as farmor, and L&B Oil Company, Inc., as farmee, as amended July 15, 1983 and August 17, 1983.

11. Assignment of Oil and Gas Leases dated December 3, 1982 from Exploration Group, Inc., as assignor, to L&B Oil Company, Inc., as assignee.

12. Assignment of Oil and Gas Lease dated December 15, 1983, from Eugene C. Cashman D/B/A Cashman Oil and Gas Company, and Thomas J. Cashman, as Trustee, as assignors, to L&B Oil Company, Inc., as assignee, recorded in Volume 496, Page 736, Deed Records Grimes County, Texas.

13. Partial Assignment of Oil and Gas Lease dated November 11, 1983, from Gulf Oil Corporation, as assignor, to L&B Oil Company, Inc., as assignee, recorded in Volume 492, Page 264, Deed Records of Grimes County, Texas.

14. Partial Assignment of Oil & Gas Lease dated November 11, 1983, from Gulf Oil Corporation, as assignor, to L&B Oil Company, Inc. as assignee, recorded in Volume 492, Page 258, Deed Records of Grimes County, Texas.

15. Partial Assignment of Oil and Gas Lease dated November 11, 1983, from Gulf Oil Corporation, as assignor to L&B Oil Company, Inc., as assignee, and recorded in Volume 492, Page 252 of Deed Records, Grimes County, Texas.

16. Assignment of Oil and Gas Mineral Lease dated October 29, 1984, from L&B Oil Company, Inc., as assignees to David M. Carmichael, et al, as assignor, recorded in Volume 754, Page 471; of Deed Records of Brazos County, Texas and Volume 525, Page 440 of Deed Records of Grimes County, Texas.

17. Assignment of Overriding Royalty Interest dated September 18, 1984, from L&B Oil Company, Inc., as assignor, to Robert C. McCurry, et al, as assignees Recorded in Volume 726, Page 233, Deed Records of Brazos County, Texas and Volume 520, Page 47 Deed Records of Grimes County, Texas, SAVE AND EXCEPT that certain Partial Assignment of Overriding Royalty dated April 3, 1985 from Robert C. McCurry, et al, as Assignors, to L&B Oil Company, Inc., as Assignee, recorded in Volume ___, Page ___ Deed Records of Brazos County and Volume ___, Page ___ Deed Records of Grimes County.

18. Partial Assignment of Oil & Gas Lease dated January 31, 1985 from L&B Oil Company, Inc., et al, as assignor, to Lear Petroleum exploration, Inc., as assignee recorded in Volume ___, Page ___ of Deed Records, Brazos County, Texas and Volume ____, Page ____ of Deed Records for Grimes County, Texas.

19. Surface Lease Agreement dated February 21, 1984, between Clarence W. Cobb, et al, as lessors and L&B Oil Company, Inc., as lessee, covering tank Battery "A". (Grimes County, Texas)

20. Surface Lease Agreement dated February 84, 1984, between Clarence W. Cobb, as lessor and L&B Oil Company, as lessee covering tank Battery "B". (Brazos County, Texas)

21. Correction Assignment dated January 25, 1985, from Lear Petroleum Exploration, Inc., as assignor, to L&B Oil Company, Inc., as assignee, recorded in Volume ____, Page ___, Brazos County, Texas.

22. Gas Purchase Agreement dated August 12, 1983 between L&B Oil Company, Inc., as seller, and Producer's Gas Company, as buyer.

EXHIBIT "C"

IOLA, SOUTH FIELD

WORKING & NET INTERESTS
L&B OIL COMPANY GROUP

Unit Name	Unit Acreage	No of Wells In Unit	Working Interest	Net Interest
Birdwell 1	160.00	1	.6562500	.4804250
Cobb 1	160.00	1	.6562500	.4802747
Cobb 2	160.00	2	.6562500	.4788959
Cobb 3	160.00	1	.6562500	.4802276
Cobb 4	160.00	2	.6562500	.4804250
Cobb 5	160.00	1	.7677168	.5896624
Cobb 6	160.00	1	.6562500	.4804250
Cobb 7	320.00[1]	1	.7726728	.5997194
Cox 1	160.00	2	.6562500	.4804250
Fuqua 1	167.70	1	.6562500[2]	.4686700[2]
TOTAL	1,767.70			

1 Approximately 11 acres overlapping onto Cobb Unit 5 and Cobb Unit 6

2 After payout reduces to .4680037 WI & .3430136 NI

EXHIBIT "C"
Schedule of Designations of Oil and Gas Units

No. 1

L&B Oil Company, Inc. Cobb No. 1 Oil Unit comprised of 160 acres of land, more or less, situated out of the Joshua Hadley Survey, A-266, Grimes County, the Eli Wickson League, A-236, Brazos County and the Thomas Bowman Survey, A-72, Brazos County, Texas being more particularly described in that certain Designation of Oil Unit dated October 6, 1983, filed for record in Volume 658, Page 146, Deed Records of Brazos County, and Volume 499, Page 768, Deed Records of Grimes County, Texas, to which reference is made herein for all descriptive purposes.

No. 2

L&B Oil Company, Inc. Cobb No. 2 Oil Unit comprised of 160 acres of land, more or less, situated out of the Joshua Hadley Survey, A-266, Grimes County, Texas, the Eli Wickson League, A-236, Brazos County and the Thomas Bowman Survey, A-72, Brazos County and State of Texas Oil and Gas Lease No. 86481 covering 5.14 acres of the Navasota River, Brazos and Grimes Counties, Texas and being more particularly described in that certain Designation of Oil Unit dated October 6, 1983, filed for record in Volume 658, Page 309, Deed Records of Brazos County, and Volume 500, Page 89, Deed Records of Grimes County, Texas, to which reference is made herein for all descriptive purposes

No. 3

L&B Oil Company, Inc. Cobb No. 3 Oil Unit comprised of 160 acres of land, more or less, situated out of the Joshua Hadley Survey, A-266, Grimes County, Texas, the Eli Wickson League, A-236, Brazos County, Texas and State of Texas Oil and Gas Lease No. 86481 covering 2.41 acres situated out of the Navasota River, Brazos and Grimes Counties, Texas and being more particularly described in that certain Designation of Oil Unit dated October 6, 1983, filed for record in Volume 658, Page 472, Deed Records of Brazos County, and Volume 500, Page 268, Deed Records of Grimes County, Texas, to which reference is made herein for all descriptive purposes

No. 4

L&B Oil Company, Inc. Birdwell No. 1 Oil Unit comprised of 160 acres of land, more or less, situated out of the Eli Wickson League, A-236, Brazos County and the Thomas Bowman Survey, A-72, Brazos County, Texas and being more particularly described in that certain Designation of Oil Unit dated November 10, 1983, filed for record in Volume 652, Page 137, Deed Records of Brazos County, Texas, to which reference is made herein for all descriptive purposes

No. 5

L&B Oil Company, Inc. Fuqua No. 1 Oil Unit comprised of 167.7 acres of land, more or less, situated out of the Eli Wickson League, A-236, Brazos County, Texas and the Joshua Hadley Survey, A-266, Brazos County, Texas and being more particularly described in that certain Designation of Oil Unit dated November 10, 1983, filed for record in Volume 653, Page 721, Deed Records of Brazos County, and Volume 501, Page 704, Deed Records of Grimes County, Texas, to which reference is made herein for all descriptive purposes

No. 6

L&B Oil Company, Inc. Cox No. 1 Oil Unit comprised of 160 acres of land, more or less, situated out of the Thomas Bowman Survey, A-72, Brazos County, Texas and being more particularly described in that certain Designation of Oil Unit dated February 9, 1984, filed for record in Volume 656, Page 154, Deed Records of Brazos County, Texas, to which reference is made herein for all descriptive purposes

No. 7

L&B Oil Company, Inc. Cobb No. 4 Oil Unit comprised of 160 acres of land, more or less, situated out of the Thomas Bowman Survey, A-72, Brazos County, Texas and being more particularly described in that certain Designation of Oil Unit dated May 22, 1984, filed for record in Volume 707, Page 54, Deed Records of Brazos County, Texas, to which reference is made herein for all descriptive purposes

No. 8

L&B Oil Company, Inc. Cobb No. 5 Oil Unit comprised of 160 acres of land, more or less, situated out of the Thomas Bowman Survey, A-72, Brazos County, Texas and being more particularly described in that certain Designation of Oil Unit dated March 15, 1984, filed for record in Volume 684, Page 234, Deed Records of Brazos County, Texas, to which reference is made herein for all descriptive purposes

No. 9

L&B Oil Company, Inc. Cobb No. 6-1 Oil Unit comprised of 160 acres of land, more or less, situated out of the Thomas Bowman Survey, A-72 and the Thomas Henry Survey, A-127, Brazos County, Texas and being more particularly described in that certain Designation of Oil Unit dated May 22, 1984, filed for record in Volume 712, Page 154, Deed Records of Brazos County, Texas, to which reference is made herein for all descriptive purposes

No. 10

L&B Oil Company, Inc. Cobb No. 7 Gas Unit comprised of 320 acres of land, more or less, situated out of the Thomas Bowman Survey, A-72 and the William Vess Survey, A-233, Brazos County, Texas and being more particularly described in that certain Designation of Gas Unit dated October 8, 1984, filed for record in Volume 752, page 293, Deed Records of Brazos County, Texas, to which reference is made herein for all descriptive purposes

Exhibit "D"

PERCENTAGE INTERESTS

Name	Percentage
David M. Carmichael	14.285714286
M. M. Cone	14.285714286
Dennis R. Drake	12.571428571
W. T. I., Inc.	1.714285714
M. S. Cone	1.142857143
MC Resources, Inc.	1.142857143
Kerry G. Bonner	1.142857143
Kerr Geophysical Company	1.142857143
Robert C. McCurry	1.142857143
Larry Ames	0.380952381
A. P. Shukis	0.380952381
Jo Ann Folse	0.380952381
Tonto Drilling Services Company	7.142857143
L&B Oil Company, Inc.	43.142857142
Total	100.000000000

THE STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Frank Boriskie, County Clerk of Brazos County, Texas, do hereby certify that the foregoing is a true and correct copy of the original as the same appears of record in Vol. 778, Page 541 in Offical Records of said County on file in my office.

ATTEST: June 7, 1985

Frank Boriskie, County Clerk
Brazos County, Texas

By: Tracy Ilsing, Deputy

COUNTY COURT OF BRAZOS COUNTY, TEXAS

RECEIVED AS STATED
#25.00

DATE 6-12-85
Reg. No. 79117

GENERAL LAND OFFICE

M 81481

Assignment Contract
Bill of Sale 6-12-85

File Dated

Carry Mauro, Commissioner

35

American Exploration Company

June 12, 1985

Ms. Diana Dickson, Assistant
Oil and Gas Division
Legal Department
Stephen F. Austin Building
1700 North Congress Avenue
Austin, TX 78701

171
1410

RE: Certified Assignment, Conveyance and Bill of Sale from David M. Carmichael, et al, to American Producing Properties Company
Iola South Prospect
Brazos & Grimes Counties, Texas

Dear Ms. Dickson: X-25-as 79117

In reference to your letter dated May 21, 1985, as requested, we have enclosed certified copies from Brazos and Grimes counties of the referenced Assignment, Conveyance and Bill of Sale along with a check in the amount of $25.00 for filing fees.

If your require any further information, please advise.

Very truly yours,

AMERICAN EXPLORATION COMPANY

Tom

Thomas R. Jennings
Landman

TRJ/cl
Enclosures

W.C. Pattillo

4500 RepublicBank Center, 700 Louisiana, Houston, TX 77002 (713) 237-0800
535 Madison Ave., New York, NY 10022 (212) 644-6900

(36)

M. F. 84481

CORRESPONDENCE FILE

~~To~~ Am Expl. Co.

From

Dated 6-12-85

6-15-82

Garry Mauro
Commissioner
General Land Office

M-86481

July 2, 1985

Mr. Thomas R. Jennings
American Exploration Company
4500 RepublicBank Center
700 Louisiana
Houston, Texas 77002

Re: Assignment, Conveyance and Bill of Sale
David M. Carmichael, et al to American Producing Properties Co.
Brazos and Grimes Counties, Texas

Dear Mr. Jennings:

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

Your remittance of $25.00 has been applied as the required filing fee.

Sincerely,

Diana Dickson
Oil and Gas Section
Legal Services Division
512 475-4246

/dd

Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701
(512) 475-2071

(37)

M. F. 84481

CORRESPONDENCE FILE

To Am Expl. Co.

From

Dated 7-2-85

Garry Mauro
Commissioner
General Land Office

October 17, 1985

L & B Oil Company
2600 South Gessner
Suite 220
Houston, TX 77063

ATTENTION: ACCOUNTING MANAGER

RE: State Lease No. M-86481
Cobb Unit Lease
Iola South Field
Angelina County

Gentlemen:

This is to advise that Section 52.131, Texas Natural Resources Code requires that certain documents be filed in the General Land Office each month regarding production for the preceding month on a producing lease.

Our records indicate the following documents have not been received: Scurlock Oil Purchase Statements For 10/84 through 7/85.

These documents should be received in this office no later than 11/17/85.

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

Sincerely,

Peter Brady
Supervisor
Energy Resources/Royalty Audit Division

PB/rgg

Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701
(512) 475-2071

REF. # 86481

CORRESPONDENCE FILE

TO Accting Mgr.

FROM Robert Brady

DATED 10-17-85

INDEX # 38

(38)

Garry Mauro
Commissioner
General Land Office

December 5, 1985

L & B Oil Company
2600 South Gessner, Suite 220
Houston, TX 77063

ATTENTION: ACCOUNTING MANAGER

RE: State Lease M-86481
Cobb Unit Lease
Iola South Field
Angelina County, Texas

Gentlemen:

Enclosed is a copy of our letter to you dated October 17, 1985 requesting documents necessary for the proper audit of the subject lease for October 1984 thru July 1985. As of this date, we have not received a reply to this letter.

Please be advised that if these requested documents are not received in this office by December 20, 1985, this lease will be forwarded to the Legal Department of the General Land Office for further action as provided by Section 52.176 of the Texas Natural Resources Code.

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

Sincerely

Peter Brady,
Supervisor
Energy Resources/Royalty Audit

PB/rgg

Enclosure:

Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701
(512) 475-2071

(39)

M.F. # 86481

CORRESPONDENCE FILE

TO Acting Mgr

FROM Peter Brady

DATED 12-5-85

INDEX # 39

Garry Mauro
Commissioner
General Land Office

December 18, 1985

L & B Oil Company
9800 Centre Parkway, Suite 900
Houston, TX 77036

ATTENTION: ACCOUNTING MANAGER

RE: State Lease M-86481
Cobb Unit Lease
Iola South Field
Angelina County, Texas

Gentlemen:

Enclosed is a copy of our letter to you dated October 17, 1985 requesting documents necessary for the proper audit of the subject lease for October 1984 thru July 1985. As of this date, we have not received a reply to this letter.

Please be advised that if these requested documents are not received in this office by January 2, 1986, this lease will be forwarded to the Legal Department of the General Land Office for further action as provided by Section 52.176 of the Texas Natural Resources Code.

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

Sincerely,

Peter Brady

Peter Brady,
Supervisor
Energy Resources/Royalty Audit Division

PB/rgg

Enclosure

Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701
(512) 475-2071

M.F. # 86481

CORRESPONDENCE FILE

TO Austin, NRC

FROM Peter Bradley

DATED 12-18-85

INDEX # 40

L&B
Oil Company, Inc.

December 23, 1985

121

Mr. Peter Brady, Supervisor
Energy Resources/Royalty Audit Division
General Land Office
Stephen F. Austin Building
1700 North Congress Avenue
Austin, TX 78701

RE: State Lease M-86481
(Cobb Units 2 and 3)

Dear Mr. Brady:

Per our discussion Friday afternoon, I am enclosing Scurlock Oil Purchase Statements for 10/84 through 3/85 on the referenced properties.

Please be advised that effective March 31, 1985 the property in question was sold to:

American Exploration Company
4500 Republic Bank Center
Houston, TX 77002

Please call me if I can be of further assistance.

Yours very truly,

L & B OIL COMPANY, INC.

A. P. Shukis
Controller

DEC 30 RECD

APS/jmm

Enclosures

28·83·51

(41)

W.F. # 86481

CORRESPONDENCE FILE

TO Peter Bradley

FROM A.P. Shukes

DATED 12·23·85

INDEX # 41

L & B OIL COMPANY, INC.
HOUSTON, TEXAS 77063

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.

DATE	ACCT. NO.	DESCRIPTION	AMOUNT
		Filing Fees for assignments with State of Texas Joshua Prospect 171	40.00 42918

19.JN.93

Garry Mauro
Commissioner
General Land Office

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

January 13, 1986

American Exploration Company
4500 Republic Bank Company
700 Louisiana
Houston, TX 77002

ATTENTION: ACCOUNTING MANAGER

RE: State Lease M-86481
Cobb Unit Lease
Iola South Field
Angelina County, Texas

Gentlemen:

This is to advise that Section 52.131, Texas Natural Resources Code requires that certain documents be filed in the General Land Office each month regarding production for the preceding month on a producing lease.

Our records indicate the following documents have not been received: Scurlock Oil Purchase Statements for March, 1985 through the present.

These documents should be received in this office no later than February 13, 1986. If you have any questions, please feel free to contact me or Kent Myatt at (512) 463-5037.

Sincerely,

Billy Lancaster

Billy Lancaster,
Manager
Energy Resources/Royalty Audit Division

BL/KM/rgg

ATTACHMENT

Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701
(512) 475-2071

M.F. # 86481

CORRESPONDENCE FILE

(42)

TO Acctng Mgr.

FROM Billy Lansdale

DATED 1-13-86

INDEX # 42

#15 + #21 missing

PS Form 3811, July 1983 447-845

SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☑ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:
Accounting Manager
L & B Oil Company
9800 Centre Parkway
Suite 900
Houston, TX 77036

USPO DELIVERY OFFICE DEC 20 HOUSTON TX

4. Type of Service:
☐ Registered ☐ Insured
☑ Certified ☐ COD
☐ Express Mail

Article Number
000400

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature – Addressee
X

6. Signature – Agent
X

7. Date of Delivery
12-20-85

8. Addressee's Address *(ONLY if requested and fee paid)*
9800 Centre Pkwy #900

DOMESTIC RETURN RECEIPT

M-86481

UNITED STATES POSTAL SERVICE

OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- **Complete items 1, 2, 3, and 4 on the reverse.**
- **Attach to front of article if space permits, otherwise affix to back of article.**
- **Endorse article "Return Receipt Requested" adjacent to number.**

RECEIVED
DEC 24 1985
GENERAL LAND OFFICE

U.S.MAIL

PENALTY FOR PRIVATE USE, $300

RETURN TO

General Land Office
(Name of Sender)

1700 N. Congress
(No. and Street, Apt., Suite, P.O. Box or R.D. No.)

Austin TX 78701
(City, State, and ZIP Code)

Attn: Peter Bradley
Rm 643

354075

VOL 575 PAGE 275

FILED

STATE OF TEXAS §
§ # 92309 1986 JUN 11 PM 1:11
COUNTY/PARISH OF BRAZOS AND §
GRIMES

COUNTY CLERK
BRAZOS COUNTY COURTHOUSE
BRYAN, TEXAS
BY Karen McQueen DEPUTY

CONVEYANCE, ASSIGNMENT AND TRANSFER

This Conveyance, Assignment and Transfer is made and entered into effective as of the 31st day of December, 1984, (a) by and between LEAR PETROLEUM CORPORATION, a Delaware corporation ("Lear"), LEAR PETROLEUM EXPLORATION, INC., a Delaware corporation ("LPX"), a wholly-owned subsidiary of Lear, and LPC ENERGY INC., a Delaware corporation ("LPCE"), a wholly-owned subsidiary of Lear (herein collectively and singularly, as applicable, for convenience called the "Lear Companies), whose addresses are 950 One Energy Square, 4925 Greenville Avenue, Dallas, Texas 75206, and (b) LEAR PETROLEUM PARTNERS OPERATING COMPANY, L.P., a Delaware limited partnership (the "Operator"), whose address is 950 One Energy Square, 4925 Greenville Avenue, Dallas, Texas 75206.

W I T N E S S E T H:

The Lear Companies, for other good and valuable considerations, the full receipt and sufficiency of which are hereby acknowledged and confessed, and subject to the exceptions, reservations and limitations set forth herein, do hereby grant, bargain, sell, transfer, set over, convey, assign and deliver unto the Operator the full interest and estate of the Lear Companies in, to and under the following described property, to-wit:

A. All of the oil and gas leases, properties and oil, gas and mineral interests, and any and all rights appertaining thereto, which are described on Exhibit "A" (all of which are collectively referred to as "Lease Interests"), subject, however, to the provisions and conditions contained in the oil, gas and mineral leases referred to on Exhibit "A"; and

B. Rights existing in favor of the Lear Companies under all presently existing oil and gas sales, purchase, exchange and processing contracts, casinghead gas contracts, unit agreements, operating agreements, communitization agreements, pooling agreements, and other contracts, agreements and instruments relating to any of the Lease Interests, or to the production, sale, processing and transportation of oil and gas from or attributable to the Lease Interests, but only insofar as such contracts, agreements and instruments relate to the Lease Interests, and subject additionally to the provisions and conditions of said contracts, agreements and instruments; and

C. All personal property, improvements, lease and well equipment (including, but not limited to, all wells, casing, tubing, tanks, buildings, fixtures and machinery) (hereinafter collectively called "Personal Property") situated upon or used in connection with the exploration, development or operation or maintenance of the Lease Interests, or in connection with the production, treating, storing, transportation or marketing of oil and gas produced from the Lease Interests.

All of the rights, title and interest of the Lear Companies in the above-described properties, interests and rights specified in the foregoing subparagraphs A,

RECORDER'S MEMORANDUM
At the time of recordation this instrument was found to be inadequate for the best photographic reproduction because of illegibility.

B and C are herein collectively called the "Conveyed Interests".

This Conveyance is made subject to the reservation and exception by the Lear Companies, their respective successors and assigns, and there is hereby excluded from this Conveyance the following:

(i) All properties and interests of whatsoever kind or character, including surface estates, easements, rights-of-way, related facilities and equipment located thereon or used in connection therewith, insofar as same relate to the Conveyed Interests, now owned or hereafter acquired by PGC Pipeline, a division of LPC Energy Inc., Producer's Gas Company and Rael Gas Company ("Pipe Lines") and PGC Processing Company ("PGC"), including all processing and gathering facilities and all property appurtenant thereto, as well as any and all such interests held by the Lear Companies but used in connection with the operations of the Pipe Lines or PGC;

(ii) The entire right, title and interest of the Lear Companies now held or hereafter acquired under the Lear Companies Exploration Royalty Plan originally adopted as of October 1, 1978, as amended and restated, and Administrative Royalty Plan originally adopted, including all partnerships existing thereunder, as of October 1, 1978, as amended and restated; and

(iii) The entire right, title and interest of the Lear Companies now held or hereafter acquired in the Lear 1982-P Limited Partnership created by Agreement of Limited Partnership dated October 1, 1981, entered into by and between Lear Petroleum Corporation and The Prudential Insurance Company of America.

TO HAVE AND TO HOLD the Conveyed Interests unto the Operator, its successors and assigns, forever, subject as aforesaid and subject to the further terms and provisions of this Conveyance.

1. The term "oil, gas and other minerals" as used herein shall be deemed to mean and include with respect to any particular Conveyed Interest such substances as are included in the Conveyed Interest, as determined by reference to the law of the state in which such interest is located.

2. The Conveyed Interests are conveyed subject to any and all outstanding royalty and overriding royalty interests, payments out of production, net profit interests, other nonoperating interests, operating rights or agreements, valid and subsisting oil or gas purchase or sale contracts or processing agreements and to any valid and subsisting pooling, unitization or communitization agreements, joint venture, participation, agency and related agreements, declarations, orders, permits or other agreements relating to or affecting the Conveyed Interests.

3. This Conveyance is made without any covenant or representation of title or warranty of title of any kind, express or implied, and without recourse against the Lear Companies in the event of any failure of title to the Conveyed Interests, or any part thereof, but is made with full substitution and subrogation of the Operator in and to all covenants and warranties by others heretofore given or made with respect to the Conveyed Interests, respectively, or any part thereof.

4. The Lear Companies agree to execute and deliver to the Operator all such other and additional instruments, notices, division orders, transfer orders and other documents and to do all such other and further acts and things as may be reasonably necessary to more fully and effectively grant, convey and assign to the Operator the Conveyed Interests covered hereby.

5. It is the intention of the Lear Companies to hereby vest into the Operator all right, title and interest in and to each and every oil, gas and mineral lease interest, oil, gas and mineral interest, royalty and overriding royalty interest, and all attendant and appurtenant rights thereto owned by the Lear Companies on December 31, 1984, and subsequently acquired by Lear Companies in said county or parish, whether or not specifically described on Exhibit "A" hereto, and all of such interests are hereby granted, bargained, sold, transferred, set over, conveyed, assigned and delivered by the Lear Companies to the the Operator.

6. The Lear Companies agree to execute, acknowledge and deliver separate assignments, transfers or certificates of title or other instruments or conveyances on approved forms which may be required or deemed necessary to satisfactorily convey title to certain of the Conveyed Interests in order to comply with applicable statutory and regulatory requirements of any federal, state or other governmental authority. The properties so conveyed by such separate instruments are or will be the same as and not in addition to this Conveyance and said separate assignments, transfers or conveyances shall be in confirmation of the terms hereof and shall be effective as of the Effective Date.

All of the terms, covenants and conditions hereof shall inure to the benefit of and be binding upon the respective successors and assigns of the Lear Companies and the Operator, respectively, and all references herein to the Lear Companies and the Operator shall include their respective successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Conveyance, Assignment and Transfer to be duly executed in multiple counterparts on the date set forth in their respective acknowledgments, effective, however, as to runs of oil and deliveries of gas and for all other purposes, as of 11:59 p.m. local time (at the location of the Conveyed Interests, respectively) on December 31, 1984 (the "Effective Date").

LEAR PETROLEUM CORPORATION

ATTEST:

Asst Secretary

By: _____
William K. White
Vice President

LEAR PETROLEUM EXPLORATION, INC.

ATTEST:

Asst Secretary

By: _____
William K. White
Vice President

VOL 575 PAGE 278

ATTEST:

Asst Secretary

LPC ENERGY INC.

By: _____
William K. White
Vice President

LPC ENERGY, INC.
INCORPORATED
1979
DELAWARE

ATTEST:

Asst Secretary

LEAR PETROLEUM PARTNERS OPERATING COMPANY, L.P.
By: Lear Petroleum Exploration, Inc., Managing General Partner

By: _____
William K. White
Vice President

PETROLEUM EXPLORATION, INC.
INCORPORATED
1937
DELAWARE

Witnesses to all of the above signatures:

Witness

Witness

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

BE IT REMEMBERED THAT I, Tricia Bateman, a Notary Public duly qualified, commissioned, sworn and acting in and for the State of Texas hereby certify that on May 30, 1986, there personally appeared before me:

WILLIAM K. WHITE, Vice President of LEAR PETROLEUM CORPORATION, a Delaware Corporation, whose address is 950 One Energy Square, 4925 Greenville Avenue, Dallas, Texas 75206, such corporation being a party to the foregoing instrument;

WILLIAM K. WHITE, Vice President of LEAR PETROLEUM EXPLORATION, INC., a Delaware Corporation, whose address is 950 One Energy Square, 4925 Greenville Avenue, Dallas, Texas 75206, such corporation being a party to the foregoing instrument;

WILLIAM K. WHITE, Vice President of LPC ENERGY, INC., a Delaware Corporation, whose address is 950 One Energy Square, 4925 Greenville Avenue, Dallas, Texas 75206, such corporation being a party to the foregoing instrument;

and that:

ALASKA COLORADO KANSAS NEBRASKA NEW MEXICO NORTH DAKOTA OKLAHOMA TEXAS WYOMING	The foregoing instrument was acknowledged before me this date by such person, the above designated officer of the corporations specified above opposite his name, on behalf of such corporations.
ARKANSAS and MISSISSIPPI	Before me personally appeared such person, who acknowledged himself to be the aforementioned officer of the corporations specified above opposite his name, and that he, being authorized so to do, executed the foregoing instrument on behalf of such corporations for the purposes therein contained by signing the names of such corporations.
CALIFORNIA and MONTANA	Before me personally appeared such person, known to me to be the above designated officer of the corporations specified above opposite his name, which corporations executed the within instrument, and acknowledged that such corporations executed the same.

LOUISIANA — Before me appeared the above named person, to me personally known, who, being by me duly sworn, did say that he is the officer designated above of the above named corporations, and that said instrument was signed in behalf of said corporations by authority of their respective Boards of Directors and said person acknowledged said instrument to be the free act and deed of said corporations.

UTAH — Personally appeared before me such person, who being by me duly sworn, did say that he is the above designated officer of the above named corporations, that said instrument was signed in behalf of such corporations by authority of resolutions of their respective boards of directors, and did acknowledge to me that said corporations executed the same.

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

Tricia Bateman
Notary Public, State of Texas

Tricia Bateman
Two Energy Square, Suite 850
4849 Greenville Avenue
Dallas, Texas 75206

My commission expires:

2/11/88

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

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BE IT REMEMBERED THAT I, Tricia Bateman, a Notary Public duly qualified, commissioned, sworn and acting in and for the State of Texas hereby certify that on May 30, 1986, there personally appeared before me WILLIAM K. WHITE, Vice President of LEAR PETROLEUM EXPLORATION, INC., a Delaware Corporation, Managing General Partner of LEAR PETROLEUM PARTNERS OPERATING COMPANY, L.P., a Delaware limited partnership, whose address is 950 One Energy Square, 4925 Greenville Avenue, Dallas, Texas 75206, such limited partnership being a party to the foregoing instrument, and that:

ALASKA
COLORADO
KANSAS
NEBRASKA
NEW MEXICO
NORTH DAKOTA
OKLAHOMA
TEXAS
WYOMING

The foregoing instrument was acknowledged before me this date by such person, the above designated officer of the corporation specified above opposite his name, on behalf of such corporation acting as managing general partner of the above named limited partnership, and on behalf of such limited partnership.

ARKANSAS and MISSISSIPPI

Before me personally appeared such person, who acknowledged himself to be the aforementioned officer of the corporation specified above opposite his name, which corporation is acting as managing general partner of the above named limited partnership, and that he, being authorized so to do, executed the foregoing instrument on behalf of such corporation acting as such managing general partner of such limited partnership, and on behalf of such limited partnership, for the purposes therein contained by signing the name of such corporation as managing general partner of such limited partnership, and the name of such limited partnership, as such officer of such corporation as managing general partner of such limited partnership.

CALIFORNIA and MONTANA

Before me personally appeared such person, known to me to be the above designated officer of the corporation specified above opposite his name, which corporation is serving as the managing general partner of the above named limited partnership, which corporation, in such capacity, and which limited partnership, executed the within instrument, and acknowledged that such corporation acting as managing general partner of such limited partnership, executed the same and that such limited partnership executed the same.

LOUISIANA

Before me appeared the above named person, to me personally known, who being by me duly sworn, did say that he is the officer designated above of the above named corporation which corporation is the managing general partner of the above named limited partnership, and that said instrument was signed in behalf of said corporation acting as managing general partner of said limited partnership, by authority of the Board of Directors of such corporation, and said person acknowledged said instrument to be the free act and deed of said corporation acting as managing general partner of said limited partnership and the free act and deed of such limited partnership.

UTAH

Personally appeared before me such person, who being by me duly sworn, did say that he is the above designated officer of the corporation specified above and that such corporation is the managing general partner of the above named limited partnership, that said instrument was signed in behalf of such corporation acting as managing general partner of such limited partnership by authority of resolutions of its board of directors, and that said instrument was signed by such corporation on behalf of such limited partnership by their authority as managing general partner of such limited partnership, and did acknowledge to me that said limited partnership executed the same by execution of such corporation as managing general partner of such limited partnership.

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

Tricia Bateman
Notary Public, State of Texas

Tricia Bateman
Two Energy Square, Suite 850
4849 Greenville Avenue
Dallas, Texas 75206

My commission expires:

2/11/88

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
010745-00	CLARENCE W. COBB, ET UX	03/15/82		053	451	274.628

* PRODUCING UNITS :
- 250002-00 COBB #2
- 250012-00 COBB #4
- 250013-00 COBB #5
- 250021-00 COBB UNIT #6 WELL #1
- 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 03/15/99
PT OF THOMAS BOWMAN SVY A-72

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
010751-00	LLOYD W. ROONEY ET UX	03/15/82		053	443	74.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 03/15/99
PT OF WILLIAM VESS SVY A-233

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
010752-00	CECIL B. COX, ET AL	03/15/82		056	209	304.332

* PRODUCING UNITS :
- 250007-00 BIRDWELL #1
- 250002-00 COBB #2
- 250013-00 COBB #5
- 250015-00 COBB #7
- 250011-00 COX UNIT #1

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 03/15/99
PT OF THOMAS BOWMAN SVY A-72

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	ENTRY	RECORDED BOOK	PAGE	GROSS ACRES
010766-00	WICKSON LAKE CLUB	03/09/82	055	507		537.824

* PRODUCING UNITS : 250007-00 BIRDWELL #1
250005-00 FUQUA UNIT #1
250001-00 COBB #1
250002-00 COBB #2
250003-00 COBB #3
250017-00 COBB #2-2

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 03/09/99
PT OF ELI WICKSON LGE A-236

016513-00	CLARENCE W. COBB, ET UX	11/14/83	624	211		235.600

* PRODUCING UNITS : 250021-00 COBB UNIT #6 WELL #1

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 11/14/99
T. BOWMAN SVY, A-72, AND T. HENRY SVY, A-127

016514-00	STATE OF TEXAS, #86481	10/06/81	440	866		30.000

* PRODUCING UNITS : 250002-00 COBB #2
250003-00 COBB #3

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING OVERRIDE EXPIRES : 10/06/99

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220223-00	MARY RUTH MITCHEM, ET AL	11/30/83		628	352	216.900

* PRODUCING UNITS : 250013-00 COBB #5
250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 11/30/86
216.9 ACRS OUT OF THOMAS BOWMAN SUR. A-72

220224-01	CLARENCE W. COBB, ET UX	11/14/83		624	211	235.600

* PRODUCING UNITS : 250013-00 COBB #5
250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 11/14/99
235.60 ACRES MORE OR LESS OUT OF THOMAS BOWMEN SUR. A-127

220225-01	CHARLES HERZOG	12/05/83		653	829	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	ENTRY	BOOK	PAGE	GROSS ACRES
220225-02	ZENAS EIRVIN RISINGER, JR.	12/05/83		654	21	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-03	ALICE PEARL RISINGER WELLS	12/05/83		654	56	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-04	EUGENE H. HERZOG	12/05/83		653	824	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
FURTHER DESCRIBED IN LEASE, 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-06	NANCY RISINGER MAGER	12/05/83	653	849		68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-07	ARNOLD W. SEMBERA	12/05/83	654	36		68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-08	LORAINE WILSON	12/05/83	654	66		68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	---- RECORDED ---- ENTRY	BOOK	PAGE	GROSS ACRES
220225-09	ALBINKA DUESER	12/05/83	653	814		68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-10	MARTHA HAMMETT	12/05/83	653	819		68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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220225-11	JACOB CONRAD MERKA, JR.	12/05/83	653	844		68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	---- RECORDED ---- ENTRY	BOOK	PAGE	GROSS ACRES
220225-12	LOTTIE MERKA RILEY	12/05/83		654	1	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) O'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-13	THOMAS E. SEMBERA	12/05/83		654	31	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) O'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-14	EIDELWEISS SCHULTZ WEATHERLY	12/05/83		654	61	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) O'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	ENTRY	RECORDED BOOK	PAGE	GROSS ACRES
220225-15	MINNIE LEE TRLICA	12/05/83		654	46	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-16	JOHN R. RISINGER	12/05/83	O	654	16	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-17	DOROTHY MERKA REGER	12/05/83		654	11	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-18	VICTORIA MERKA RILEY	12/05/83	654	06		68.000
	* PRODUCING UNITS : 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 (FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES		PRODUCING LEASEHOLD			EXPIRES : 12/05/99
220225-19	HENRY SYPTAK	12/05/83	654	26		68.000
	* PRODUCING UNITS : 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES		PRODUCING LEASEHOLD			EXPIRES : 12/05/99
220225-20	THOMAS MERKA, JR.	12/05/83	653	839		68.000
	* PRODUCING UNITS : 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 (FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES		PRODUCING LEASEHOLD			EXPIRES : 12/05/99

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11.12.96

STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-21	DORIS MILLER	12/05/83	653	835		68.000
	* PRODUCING UNITS : 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 (FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES					PRODUCING LEASEHOLD EXPIRES : 12/05/99
220225-22	EDDIE JOE SYPTAK	12/05/83	656	759		68.000
	* PRODUCING UNITS : 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 (FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES					PRODUCING LEASEHOLD EXPIRES : 12/05/99
220225-23	CAROLYN TEETER	12/05/83	654	51		68.000
	* PRODUCING UNITS : 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 (FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES					PRODUCING LEASEHOLD EXPIRES : 12/05/99
						1976.884 TOTAL COUNTY

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99-21-11

filed by + return to:

RETURN TO:
LEAR PETROLEUM EXPLORATION, INC.
950 ONE ENERGY SQUARE
4925 GREENVILLE AVENUE
DALLAS, TX. 75206

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STATE OF TEXAS COUNTY OF BRAZOS

I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the volume and page of the named records of Brazos County, Texas as stamped hereon by me.

JUN 12 1986

COUNTY CLERK, Brazos County, Texas

092309

FILED FOR RECORD AT
'86 OCT 8 AM 9 49

TRINSTON HARRIS CO. CLK.
GRIMES CO., TEX.

Rec. Fee $3.00

Thompson & Knight
850 Lone Energy Square
4849 Greenville Ave.
Dallas, Tx.
75206

THE STATE OF TEXAS, COUNTY OF GRIMES

THIS CERTIFIES that the foregoing instrument, with its certificates of authentication was filed for record in my office on the 8th day of October, A.D. 19 86 and duly recorded by me on the 8th day of October, A.D. 19 86 in Vol. 575 Page 275, of the Real Property records of Grimes County, Texas.

Trinston Harris, County Clerk, Grimes County, Texas

By Dana Sicinski, Deputy

THE STATE OF TEXAS }
COUNTY OF GRIMES }

I, TRINSTON HARRIS, Clerk of the County Court of Grimes County, Texas,

do hereby certify that the above and foregoing is a true and correct copy of Conbeyance, Assignment and Transfer between Lear Petroleum Corp., Lear Petroleum Exploration, Inc. and LPC Energy as the same appears on record in volume 575, page 275 of the Real Property Records of Grimes County, Texas.

GIVEN UNDER MY HAND AND THE SEAL OF SAID COURT at office in Anderson, Texas, this the 10 day of October A.D. 19 86

TRINSTON HARRIS, CLERK COUNTY COURT
Grimes County, Texas

BY Katrina Sechelski
Deputy

354079

FILED

1985 JUN 11 PM 1:11

COUNTY CLERK

STATE OF TEXAS §
§
COUNTY/PARISH OF BRAZOS §

CONVEYANCE, ASSIGNMENT AND TRANSFER

This Conveyance, Assignment and Transfer is made and entered into effective as of the 31st day of December, 1984, (a) by and between LEAR PETROLEUM CORPORATION, a Delaware corporation ("Lear"), LEAR PETROLEUM EXPLORATION, INC., a Delaware corporation ("LPX"), a wholly-owned subsidiary of Lear, and LPC ENERGY INC., a Delaware corporation ("LPCE"), a wholly-owned subsidiary of Lear (herein collectively and singularly, as applicable, for convenience called the "Lear Companies), whose addresses are 950 One Energy Square, 4925 Greenville Avenue, Dallas, Texas 75206, and (b) LEAR PETROLEUM PARTNERS OPERATING COMPANY, L.P., a Delaware limited partnership (the "Operator"), whose address is 950 One Energy Square, 4925 Greenville Avenue, Dallas, Texas 75206.

W I T N E S S E T H:

The Lear Companies, for other good and valuable considerations, the full receipt and sufficiency of which are hereby acknowledged and confessed, and subject to the exceptions, reservations and limitations set forth herein, do hereby grant, bargain, sell, transfer, set over, convey, assign and deliver unto the Operator the full interest and estate of the Lear Companies in, to and under the following described property, to-wit:

A. All of the oil and gas leases, properties and oil, gas and mineral interests, and any and all rights appertaining thereto, which are described on Exhibit "A" (all of which are collectively referred to as "Lease Interests"), subject, however, to the provisions and conditions contained in the oil, gas and mineral leases referred to on Exhibit "A"; and

B. Rights existing in favor of the Lear Companies under all presently existing oil and gas sales, purchase, exchange and processing contracts, casinghead gas contracts, unit agreements, operating agreements, communitization agreements, pooling agreements, and other contracts, agreements and instruments relating to any of the Lease Interests, or to the production, sale, processing and transportation of oil and gas from or attributable to the Lease Interests, but only insofar as such contracts, agreements and instruments relate to the Lease Interests, and subject additionally to the provisions and conditions of said contracts, agreements and instruments; and

C. All personal property, improvements, lease and well equipment (including, but not limited to, all wells, casing, tubing, tanks, buildings, fixtures and machinery) (hereinafter collectively called "Personal Property") situated upon or used in connection with the exploration, development or operation or maintenance of the Lease Interests, or in connection with the production, treating, storing, transportation or marketing of oil and gas produced from the Lease Interests.

All of the rights, title and interest of the Lear Companies in the above-described properties, interests and rights specified in the foregoing subparagraphs A,

B and C are herein collectively called the "Conveyed Interests".

This Conveyance is made subject to the reservation and exception by the Lear Companies, their respective successors and assigns, and there is hereby excluded from this Conveyance the following:

(i) All properties and interests of whatsoever kind or character, including surface estates, easements, rights-of-way, related facilities and equipment located thereon or used in connection therewith, insofar as same relate to the Conveyed Interests, now owned or hereafter acquired by PGC Pipeline, a division of LPC Energy Inc., Producer's Gas Company and Rael Gas Company ("Pipe Lines") and PGC Processing Company ("PGC"), including all processing and gathering facilities and all property appurtenant thereto, as well as any and all such interests held by the Lear Companies but used in connection with the operations of the Pipe Lines or PGC;

(ii) The entire right, title and interest of the Lear Companies now held or hereafter acquired under the Lear Companies Exploration Royalty Plan originally adopted as of October 1, 1978, as amended and restated, and Administrative Royalty Plan originally adopted, including all partnerships existing thereunder, as of October 1, 1978, as amended and restated; and

(iii) The entire right, title and interest of the Lear Companies now held or hereafter acquired in the Lear 1982-P Limited Partnership created by Agreement of Limited Partnership dated October 1, 1981, entered into by and between Lear Petroleum Corporation and The Prudential Insurance Company of America.

TO HAVE AND TO HOLD the Conveyed Interests unto the Operator, its successors and assigns, forever, subject as aforesaid and subject to the further terms and provisions of this Conveyance.

1. The term "oil, gas and other minerals" as used herein shall be deemed to mean and include with respect to any particular Conveyed Interest such substances as are included in the Conveyed Interest, as determined by reference to the law of the state in which such interest is located.

2. The Conveyed Interests are conveyed subject to any and all outstanding royalty and overriding royalty interests, payments out of production, net profit interests, other nonoperating interests, operating rights or agreements, valid and subsisting oil or gas purchase or sale contracts or processing agreements and to any valid and subsisting pooling, unitization or communitization agreements, joint venture, participation, agency and related agreements, declarations, orders, permits or other agreements relating to or affecting the Conveyed Interests.

3. This Conveyance is made without any covenant or representation of title or warranty of title of any kind, express or implied, and without recourse against the Lear Companies in the event of any failure of title to the Conveyed Interests, or any part thereof, but is made with full substitution and subrogation of the Operator in and to all covenants and warranties by others heretofore given or made with respect to the Conveyed Interests, respectively, or any part thereof.

4. The Lear Companies agree to execute and deliver to the Operator all such other and additional instruments, notices, division orders, transfer orders and other documents and to do all such other and further acts and things as may be reasonably necessary to more fully and effectively grant, convey and assign to the Operator the Conveyed Interests covered hereby.

5. It is the intention of the Lear Companies to hereby vest into the Operator all right, title and interest in and to each and every oil, gas and mineral lease interest, oil, gas and mineral interest, royalty and overriding royalty interest, and all attendant and appurtenant rights thereto owned by the Lear Companies on December 31, 1984, and subsequently acquired by Lear Companies in said county or parish, whether or not specifically described on Exhibit "A" hereto, and all of such interests are hereby granted, bargained, sold, transferred, set over, conveyed, assigned and delivered by the Lear Companies to the the Operator.

6. The Lear Companies agree to execute, acknowledge and deliver separate assignments, transfers or certificates of title or other instruments or conveyances on approved forms which may be required or deemed necessary to satisfactorily convey title to certain of the Conveyed Interests in order to comply with applicable statutory and regulatory requirements of any federal, state or other governmental authority. The properties so conveyed by such separate instruments are or will be the same as and not in addition to this Conveyance and said separate assignments, transfers or conveyances shall be in confirmation of the terms hereof and shall be effective as of the Effective Date.

All of the terms, covenants and conditions hereof shall inure to the benefit of and be binding upon the respective successors and assigns of the Lear Companies and the Operator, respectively, and all references herein to the Lear Companies and the Operator shall include their respective successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Conveyance, Assignment and Transfer to be duly executed in multiple counterparts on the date set forth in their respective acknowledgments, effective, however, as to runs of oil and deliveries of gas and for all other purposes, as of 11:59 p.m. local time (at the location of the Conveyed Interests, respectively) on December 31, 1984 (the "Effective Date").

LEAR PETROLEUM CORPORATION

ATTEST:

Asst Secretary

By: _____
William K. White
Vice President

LEAR PETROLEUM EXPLORATION, INC.

ATTEST:

Asst Secretary

By: _____
William K. White
Vice President

1937
DELAWARE

ATTEST:

Asst Secretary

LPC ENERGY INC.

By: _____
William K. White
Vice President

LEAR PETROLEUM PARTNERS OPERATING COMPANY, L.P.
By: Lear Petroleum Exploration, Inc., Managing General Partner

ATTEST:

Asst Secretary

By: _____
William K. White
Vice President

Witnesses to all of the above signatures:

Witness

Witness

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

BE IT REMEMBERED THAT I, Tricia Bateman, a Notary Public duly qualified, commissioned, sworn and acting in and for the State of Texas hereby certify that on May 30, 1986, there personally appeared before me:

WILLIAM K. WHITE, Vice President of LEAR PETROLEUM CORPORATION, a Delaware Corporation, whose address is 950 One Energy Square, 4925 Greenville Avenue, Dallas, Texas 75206, such corporation being a party to the foregoing instrument;

WILLIAM K. WHITE, Vice President of LEAR PETROLEUM EXPLORATION, INC., a Delaware Corporation, whose address is 950 One Energy Square, 4925 Greenville Avenue, Dallas, Texas 75206, such corporation being a party to the foregoing instrument;

WILLIAM K. WHITE, Vice President of LPC ENERGY, INC., a Delaware Corporation, whose address is 950 One Energy Square, 4925 Greenville Avenue, Dallas, Texas 75206, such corporation being a party to the foregoing instrument;

and that:

ALASKA COLORADO KANSAS NEBRASKA NEW MEXICO NORTH DAKOTA OKLAHOMA TEXAS WYOMING	The foregoing instrument was acknowledged before me this date by such person, the above designated officer of the corporations specified above opposite his name, on behalf of such corporations.
ARKANSAS and MISSISSIPPI	Before me personally appeared such person, who acknowledged himself to be the aforementioned officer of the corporations specified above opposite his name, and that he, being authorized so to do, executed the foregoing instrument on behalf of such corporations for the purposes therein contained by signing the names of such corporations.
CALIFORNIA and MONTANA	Before me personally appeared such person, known to me to be the above designated officer of the corporations specified above opposite his name, which corporations executed the within instrument, and acknowledged that such corporations executed the same.

LOUISIANA — Before me appeared the above named person, to me personally known, who, being by me duly sworn, did say that he is the officer designated above of the above named corporations, and that said instrument was signed in behalf of said corporations by authority of their respective Boards of Directors and said person acknowledged said instrument to be the free act and deed of said corporations.

UTAH — Personally appeared before me such person, who being by me duly sworn, did say that he is the above designated officer of the above named corporations, that said instrument was signed in behalf of such corporations by authority of resolutions of their respective boards of directors, and did acknowledge to me that said corporations executed the same.

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

Tricia Bateman
Notary Public, State of Texas

Tricia Bateman
Two Energy Square, Suite 850
4849 Greenville Avenue
Dallas, Texas 75206

My commission expires:

2/11/88

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

BE IT REMEMBERED THAT I, Tricia Bateman, a Notary Public duly qualified, commissioned, sworn and acting in and for the State of Texas hereby certify that on May 30, 1986, there personally appeared before me WILLIAM K. WHITE, Vice President of LEAR PETROLEUM EXPLORATION, INC., a Delaware Corporation, Managing General Partner of LEAR PETROLEUM PARTNERS OPERATING COMPANY, L.P., a Delaware limited partnership, whose address is 950 One Energy Square, 4925 Greenville Avenue, Dallas, Texas 75206, such limited partnership being a party to the foregoing instrument, and that:

ALASKA
COLORADO
KANSAS
NEBRASKA
NEW MEXICO
NORTH DAKOTA
OKLAHOMA
TEXAS
WYOMING

The foregoing instrument was acknowledged before me this date by such person, the above designated officer of the corporation specified above opposite his name, on behalf of such corporation acting as managing general partner of the above named limited partnership, and on behalf of such limited partnership.

ARKANSAS and MISSISSIPPI

Before me personally appeared such person, who acknowledged himself to be the aforementioned officer of the corporation specified above opposite his name, which corporation is acting as managing general partner of the above named limited partnership, and that he, being authorized so to do, executed the foregoing instrument on behalf of such corporation acting as such managing general partner of such limited partnership, and on behalf of such limited partnership, for the purposes therein contained by signing the name of such corporation as managing general partner of such limited partnership, and the name of such limited partnership, as such officer of such corporation as managing general partner of such limited partnership.

CALIFORNIA and MONTANA

Before me personally appeared such person, known to me to be the above designated officer of the corporation specified above opposite his name, which corporation is serving as the managing general partner of the above named limited partnership, which corporation, in such capacity, and which limited partnership, executed the within instrument, and acknowledged that such corporation acting as managing general partner of such limited partnership, executed the same and that such limited partnership executed the same.

LOUISIANA

Before me appeared the above named person, to me personally known, who being by me duly sworn, did say that he is the officer designated above of the above named corporation which corporation is the managing general partner of the above named limited partnership, and that said instrument was signed in behalf of said corporation acting as managing general partner of said limited partnership, by authority of the Board of Directors of such corporation, and said person acknowledged said instrument to be the free act and deed of said corporation acting as managing general partner of said limited partnership and the free act and deed of such limited partnership.

UTAH

Personally appeared before me such person, who being by me duly sworn, did say that he is the above designated officer of the corporation specified above and that such corporation is the managing general partner of the above named limited partnership, that said instrument was signed in behalf of such corporation acting as managing general partner of such limited partnership by authority of resolutions of its board of directors, and that said instrument was signed by such corporation on behalf of such limited partnership by their authority as managing general partner of such limited partnership, and did acknowledge to me that said limited partnership executed the same by execution of such corporation as managing general partner of such limited partnership.

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

Tricia Bateman
Notary Public, State of Texas

Tricia Bateman
Two Energy Square, Suite 850
4849 Greenville Avenue
Dallas, Texas 75206

My commission expires:

2/11/88

EXHIBIT A PAGE 1

STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	ENTRY	BOOK	PAGE	GROSS ACRES
010745-00	CLARENCE W. COBB, ET UX	03/15/82		053	451	274.628

* PRODUCING UNITS :
250002-00 COBB #2
250012-00 COBB #4
250013-00 COBB #5
250021-00 COBB UNIT #6 WELL #1
250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 03/15/99
PT OF THOMAS BOWMAN SVY A-72

010751-00	LLOYD W. ROONEY ET UX	03/15/82		053	443	74.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 03/15/99
PT OF WILLIAM VESS SVY A-233

010752-00	CECIL B. COX, ET AL	03/15/82		056	209	304.332

* PRODUCING UNITS :
250007-00 BIRDWELL #1
250002-00 COBB #2
250013-00 COBB #5
250015-00 COBB #7
250011-00 COX UNIT #1

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 03/15/99
PT OF THOMAS BOWMAN SVY A-72

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00075

STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
010766-00	WICKSON LAKE CLUB	03/09/82	055	507		537.824

* PRODUCING UNITS :
- 250007-00 BIRDWELL #1
- 250005-00 FUQUA UNIT #1
- 250001-00 COBB #1
- 250002-00 COBB #2
- 250003-00 COBB #3
- 250017-00 COBB #2-2

TOWNSHIP RANGE SEC DESCRIPTION: PT OF ELI WICKSON LGE A-236 PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 03/09/99

016513-00	CLARENCE W. COBB, ET UX	11/14/83	624	211		235.600

* PRODUCING UNITS : 250021-00 COBB UNIT #6 WELL #1

TOWNSHIP RANGE SEC DESCRIPTION: T. BOWMAN SVY, A-72, AND T. HENRY SVY, A-127 PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 11/14/99

016514-00	STATE OF TEXAS, #86481	10/06/81	440	866		30.000

* PRODUCING UNITS :
- 250002-00 COBB #2
- 250003-00 COBB #3

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING OVERRIDE EXPIRES : 10/06/99

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	ENTRY	BOOK	PAGE	GROSS ACRES
220223-00	MARY RUTH MITCHEM, ET AL	11/30/83		628	352	216.900

* PRODUCING UNITS : 250013-00 COBB #5
250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 11/30/86
216.9 ACRS OUT OF THOMAS BOWMAN SUR. A-72

220224-01	CLARENCE W. COBB, ET UX	11/14/83		624	211	235.600

* PRODUCING UNITS : 250013-00 COBB #5
250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 11/14/99
235.60 ACRES MORE OR LESS OUT OF THOMAS BOWMEN SUR. A-127

220225-01	CHARLES HERZOG	12/05/83		653	829	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-02	ZENAS EIRVIN RISINGER, JR.	12/05/83		654	21	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-03	ALICE PEARL RISINGER WELLS	12/05/83		654	56	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-04	EUGENE H. HERZOG	12/05/83		653	824	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
FURTHER DESCRIBED IN LEASE, 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

98126

STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	ENTRY	RECORDED BOOK	PAGE	GROSS ACRES
220225-06	NANCY RISINGER MAGER	12/05/83		653	849	68.000

• PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

PRODUCING LEASEHOLD EXPIRES : 12/05/99

220225-07	ARNOLD W. SEMBERA	12/05/83		654	36	68.000

• PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

PRODUCING LEASEHOLD EXPIRES : 12/05/99

220225-08	LORAINE WILSON	12/05/83		654	66	68.000

• PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

PRODUCING LEASEHOLD EXPIRES : 12/05/99

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-09	ALBINKA DUESER	12/05/83		653	814	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-10	MARTHA HAMMETT	12/05/83		653	819	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-11	JACOB CONRAD MERKA, JR.	12/05/83		653	844	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	ENTRY	BOOK	PAGE	GROSS ACRES
220225-12	LOTTIE MERKA RILEY	12/05/83		654	1	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-13	THOMAS E. SEMBERA	12/05/83		654	31	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-14	EIDELWEISS SCHULTZ WEATHERLY	12/05/83		654	61	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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99.07.6

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-15	MINNIE LEE TRLICA	12/05/83		654	46	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-16	JOHN R. RISINGER	12/05/83	O	654	16	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-17	DOROTHY MERKA REGER	12/05/83		654	11	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

98026

STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	ENTRY	BOOK	PAGE	GROSS ACRES
220225-18	VICTORIA MERKA RILEY	12/05/83		654	06	68.000

• PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) O'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-19	HENRY SYPTAK	12/05/83		654	26	68.000

• PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
FURTHER DESCRIBED IN LEASE) O'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-20	THOMAS MERKA, JR.	12/05/83		653	839	68.000

• PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) O'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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99-025

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-21	DORIS MILLER	12/05/83		653	835	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-22	EDDIE JOE SYPTAK	12/05/83		656	759	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-23	CAROLYN TEETER	12/05/83		654	51	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

1976.884 TOTAL COUNTY

THE STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Frank Boriskie, County Clerk of Brazos County, Texas, do hereby certify that the foregoing is a true and correct copy of the original as the same appears of record in Vol. 890, Page 222 in Official Records of said County on file in my office.

ATTEST: 9-9-86

Frank Boriskie, County Clerk
Brazos County, Texas

By Karen McQueen, Deputy

20-

(43)

M 86481

Conveyance, Assn & Misc

File dated

Garry Mauro, Commissioner 9-20-84

RECEIVED AS STATED

50.00

DATE 9-20-84

Reg. No. 04083

GENERAL LAND OFFICE

LEAR PETROLEUM EXPLORATION, INC.
950 ONE ENERGY SQUARE / PHONE 214/363-6085
4925 GREENVILLE AVENUE / DALLAS, TEXAS 75206

September 18, 1986

Commissioner of the General Land Office
State of Texas
Austin, TX 78701

RE: Conveyance, Assignment and Transfer
and Deed of Trust, Mortgage,
Assignment, Security Agreement
and Financing Statement
State of Texas, Lease #86481
Lear Lease #16514-00
Joshua Prospect (#3693)
Brazos County, Texas

Gentlemen: X-100.00 04083

In accordance with the terms and provisions of the above referenced Oil and Gas Lease as stated in Article 15 - Assignments, enclosed are certified copies of the Conveyance, Assignment and Transfer instrument dated effective December 31, 1984 from Lear Petroleum Corporation, et al to Lear Petroleum Partners Operating Company, L.P. and Deed of Trust, Mortgage, Assignment, Security Agreement and Financing Statement instrument dated effective May 1, 1986 from Lear Petroleum Partners Operating Company, L.P. to Matthew E. Gormly, III, Trustee.

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Enclosed is our Check #1453 in the amount of $100.00 to cover the $25.00 filing fee and the $25.00 late filing fee for each enclosed instrument.

Please acknowledge receipt of these instruments in writing at your earliest convenience.

If you should have any questions, please do not hesitate to contact me.

Sincerely yours, Lear Exploration

Diana Chapman

Diana Chapman
Lease Records Supervisor

Enclosures

cc: Thompson & Knight
Attn: Ms. Kelly Thomas
3300 First City Center
1700 Pacific Avenue
Dallas, TX 75201

RECEIVED
SEP 22 1986
LEGAL SERVICES DIVISION

(44) (43)

R. R. 804841

CORRESPONDENCE FILE

To

From

Dated 9-18-84

Garry Mauro
Commissioner
General Land Office

November 13, 1986

Ms. Diana Chapman
Lear Petroleum Exploration, Inc.
950 One Energy Square
4925 Greenville Avenue
Dallas, Texas 75206

Re: Conveyance, Assignment and Transfer of
State Fee Lease M-86481
Lear Petroleum Corporation to Lear Petroleum Exploration, Inc.
Grimes and Brazoria Counties, Texas

Dear Ms. Chapman:

The certified copy of conveyance, assignment and transfer covering the caption oil and gas lease has been filed in our records.

We have applied $50.00 of your $100.00 as the required filing fees. We will hold the remaining $50.00 in suspense pending receipt of the certified copy or recorded original of the Deed of Trust from Grimes county. If you have any questions, please call.

Sincerely,

Diana Dickson
Oil and Gas Section
Legal Services Division
512 463-5160

/dd

Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701
(512) 463-5256

(45)

M. E. 86481

CORRESPONDENCE FILE

To Rea

From

Dated 11-13-84

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Texas / Brazos

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FILED

DEED OF TRUST, MORTGAGE, ASSIGNMENT,
SECURITY AGREEMENT AND FINANCING STATEMENT

1988 JUN 11 PM 1:11

COUNTY CLERK
Karen McDaniel
DEPUTY

LEAR PETROLEUM PARTNERS OPERATING COMPANY, L. P. (herein called "Grantor"), a limited partnership organized under the laws of Delaware, for a valuable consideration, and in order to secure the payment of the indebtedness hereinafter referred to and the performance of the obligations, covenants, agreements and undertakings of Grantor hereinafter described, does hereby GRANT, BARGAIN, SELL, CONVEY, TRANSFER, ASSIGN, WARRANT and SET OVER (and, as to properties located in the states of Oklahoma, Montana, Kansas and Colorado specifically MORTGAGE) to MATTHEW E. GORMLY, III, TRUSTEE (herein called "Trustee"), for the benefit of Agent, Lender and Noteholder (as defined in Article I below) the following:

A. All of Grantor's interest in and to the oil, gas and/or other mineral leases, and other properties (if any), which are described in Exhibit A attached hereto and made a part hereof;

B. Without limitation of the foregoing, all other right, title and interest of Grantor of whatever kind or character (whether now owned or hereafter acquired by operation of law or otherwise) in and to lands which are described in Exhibit A hereto (including, without limitation, lands described as a part of the descriptions contained in such Exhibit A of oil, gas and/or other mineral leases or other properties), or which are otherwise described in any of the leases or other instruments described in Exhibit A hereto, even though the interest of Grantor in such lands may be incorrectly described in, or omitted from, Exhibit A hereto;

C. All of Grantor's interest (whether now owned or hereafter acquired by operation of law or otherwise) in and to all presently existing and hereafter created oil, gas and/or mineral unitization, pooling and/or communitization agreements, declarations and/or orders, and in and to the properties covered and the units created thereby (including, without limitation, units formed under orders, rules, regulations or other official acts of any federal, state or other authority having jurisdiction and so called "working interest units" created under operating agreements or otherwise), which cover, affect or otherwise relate to the properties described in clauses A and B above;

D. All of Grantor's interest in and rights under (whether now owned or hereafter acquired by operation of

law or otherwise) all presently existing and hereafter created operating agreements, equipment leases, production sales, purchase, exchange and/or processing agreements, transportation agreements, farmout and/or farm-in agreements, area of mutual interest agreements, and other contracts and/or agreements which cover, affect, or otherwise relate to the properties described in clauses A, B and C above or to the operation of such properties or to the treating, handling, storing, transporting or marketing of oil, gas or other minerals produced from (or allocated to) such properties;

E. All of Grantor's interest (whether now owned or hereafter acquired by operation of law or otherwise) in and to all equipment, improvements, inventory, materials, supplies, fixtures and other property (including, without limitation, all wells, pumping units, wellhead equipment, tanks, pipelines, flow lines, gathering lines, compressors, dehydration units, separators, meters, buildings, injection facilities, salt water disposal facilities, and power, telephone and telegraph lines) and all easements, servitudes, rights-of-way, surface leases and other surface rights, which are now or hereafter used, or held for use, in connection with the properties described in clauses A, B and C above, or in connection with the operation of such properties, or in connection with the treating, handling, storing, transporting or marketing of oil, gas or other minerals produced from (or allocated to) such properties.

TO HAVE AND TO HOLD the foregoing rights, interests and properties and all rights, estates, powers and privileges appurtenant thereto, subject to all valid and subsisting royalty interests and overriding royalty interests (and to the interests of certain other parties under the plans and agreements, as more particularly described in Section 2.1(a) hereof) which do not reduce the decimal share of oil and gas produced from the wells, and units described on Exhibit B hereto to which Grantor is entitled to a share less than that shown for such wells, and units, respectively on Exhibit B hereto, (all of such rights, interests, properties and appurtenances, subject as aforesaid, being herein called the "Mortgaged Properties") unto the Trustee, and his successors or substitutes in this trust, and to his or their successors and assigns, in trust, however, upon the terms, provisions and conditions herein set forth.

In order to further secure the payment of the indebtedness hereinafter referred to, and the performance of the obligations covenants, agreements and undertakings of Grantor hereinafter described, Grantor hereby grants to the Agent (hereinafter defined), for the benefit of the Lender and Noteholder (hereinafter defined), a security interest in and to (a) all

oil, gas, and other hydrocarbons and other minerals produced from or allocated to the Mortgaged Properties and all products processed or obtained therefrom, the proceeds thereof, and all accounts, contract rights and general intangibles under which such proceeds may arise, (b) the entire interest of Grantor (whether now owned or hereafter acquired by operation of law or otherwise) in and to all equipment, inventory, improvements, materials, supplies, fixtures, goods and personal property of whatever nature now or hereafter located on or used or held for use in connection with the Mortgaged Properties (or in connection with the operation thereof or the treating, handling, storing, transporting or marketing of oil, gas or other minerals produced therefrom or allocated thereto), and all accessions and appurtenances thereto and all renewals or replacements thereof or substitutions therefor, (c) the entire interest of Grantor (whether now owned or hereafter acquired by operation of law or otherwise) in and to all contract rights, contractual rights and other general intangibles related to the Mortgaged Properties or to the operation thereof or the treating, handling, storing, transporting or marketing of oil, gas or other minerals produced therefrom or allocated thereto, (d) the entire interest of Grantor (whether now owned or hereafter acquired by operation of law or otherwise) in and to all funds, accounts, instruments, documents, notes or chattel paper arising from or by virtue of any transactions related to the Mortgaged Properties (all of the properties, rights and interests described in parts (a), (b), (c) and (d) above being herein sometimes collectively called the "Collateral"), and (e) all proceeds of the Collateral (the Mortgaged Properties, the Collateral, and the proceeds of the Collateral are herein sometimes collectively called the "Property").

ARTICLE I.

Secured Indebtedness

1.1. This Deed of Trust, Mortgage, Assignment, Security Agreement and Financing Statement (herein called the "Mortgage") is made to secure and enforce the payment and performance of the following promissory notes, obligations, indebtedness and liabilities:

(a) All indebtedness and other obligations now or hereafter incurred or arising pursuant to the provisions of that certain Credit Agreement dated as of March 29, 1985 (as amended by instruments dated May 22, 1985, December 31, 1985 and April 14, 1986) among Grantor, Manufacturers Hanover Trust Company individually and as agent, Texas Commerce Bank National Association, Mellon Bank, Chemical

Bank and MBank Dallas, N.A. [Manufacturers Hanover Trust Company, in its capacity as Agent, and its successors in such capacity, is herein sometimes called "Agent" (if the agency arrangement contemplated by the Credit Agreement is terminated, Agent, as used herein, shall, unless the context otherwise requires, mean Noteholder), and Manufacturers Hanover Trust Company, Texas Commerce Bank National Association, Mellon Bank, Chemical Bank and MBank Dallas, N.A., and their respective successors and assigns, and such other parties, if any, for which Agent is now or hereafter so acting as agent, and their respective successors and assigns, are herein sometimes collectively referred to as "Lender"], and all supplements thereto and amendments or modifications thereof, and all agreements given in substitution therefor or in renewal or extension thereof, in whole or in part (such Credit Agreement as the same has been, and may hereafter be, from time to time supplemented, amended or restated, and all other agreements given in substitution therefor or in renewal or extension thereof, in whole or in part, being herein called the "Credit Agreement");

(b) One certain promissory note dated March 29, 1985 in the principal amount of Thirty Five Million Dollars ($35,000,000) made by Grantor and payable to the order of Manufacturers Hanover Trust Company, on or before March 29, 1988, in the manner specified in the Credit Agreement, bearing interest as provided in the Credit Agreement, and containing a provision for the payment of a reasonable additional amount as attorneys' fees, and all other notes given in substitution therefor or in modification, renewal or extension thereof, in whole or in part;

(c) One certain promissory note dated March 29, 1985 in the principal amount of Fifteen Million Dollars ($15,000,000) made by Grantor and payable to the order of Texas Commerce Bank National Association, on or before March 29, 1988, in the manner specified in the Credit Agreement, bearing interest as provided in the Credit Agreement, and containing a provision for the payment of a reasonable additional amount as attorneys' fees, and all other notes given in substitution therefor or in modification, renewal or extension thereof, in whole or in part;

(d) One certain promissory note dated March 29, 1985 in the principal amount of Fifteen Million Dollars ($15,000,000) made by Grantor and payable to the order of Mellon Bank, N.A., on or before March 29, 1988, in the manner specified in the Credit Agreement, bearing interest

as provided in the Credit Agreement, and containing a provision for the payment of a reasonable additional amount as attorneys' fees, and all other notes given in substitution therefor or in modification, renewal or extension thereof, in whole or in part;

(e) One certain promissory note dated March 29, 1985 in the principal amount of Fifteen Million Dollars ($15,000,000) made by Grantor and payable to the order of Chemical Bank, on or before March 29, 1988, in the manner specified in the Credit Agreement, bearing interest as provided in the Credit Agreement, and containing a provision for the payment of a reasonable additional amount as attorneys' fees, and all other notes given in substitution therefor or in modification, renewal or extension thereof, in whole or in part;

(f) One certain promissory note dated March 29, 1985 in the principal amount of Fifteen Million Dollars ($15,000,000) made by Grantor and payable to the order of MBank Dallas, N.A., on or before March 29, 1988, in the manner specified in the Credit Agreement, bearing interest as provided in the Credit Agreement, and containing a provision for the payment of a reasonable additional amount as attorneys' fees, and all other notes given in substitution therefor or in modification, renewal or extension thereof, in whole or in part;

(g) All loans, future advances, indebtedness and other obligations of Grantor to the Noteholder which are now or hereafter incurred or arising pursuant to or permitted by the provisions of the Note (as hereinafter defined), this Mortgage, the Credit Agreement (including, specifically, the Term Notes provided for in the Credit Agreement to be executed in certain circumstances in renewal and extension of the notes described in subsections (b) through (f) mentioned above and which are provided to be due and payable on March 29, 1992) or any other instrument now or hereafter evidencing, governing or securing the "secured indebtedness" (as hereinafter defined) or any part thereof or otherwise executed in connection with the loans evidenced by the Note and the Credit Agreement (the Note, the Credit Agreement, this Mortgage and such other instruments being herein sometimes collectively called the "Loan Documents"), whether direct or indirect, primary or secondary, joint or several, fixed or contingent, it being contemplated that Grantor may hereafter become indebted to the Noteholder for such further debts, obligations and liabilities.

1.2 The notes described in subsections (b) through (f), inclusive, of Section 1.1, and all other notes given in substitution therefor, or in modification, renewal or extension thereof, in whole or in part, (including, specifically, the Term Notes referred to in the Credit Agreement) are herein sometimes collectively called the "Note", even though there be more than one such note, and the Agent, the Lender and all subsequent holders of the Note or any part thereof or interest therein or any of the "secured indebtedness", as hereinafter defined, are herein sometimes called the "Noteholder", even though there be more than one such party. References to the "Noteholder" and the "Note" refer to all such persons and instruments both jointly and severally. The indebtedness referred to in Section 1.1, and all renewals, extensions and modifications thereof, and all substitutions therefor, in whole or in part, are hereinafter sometimes referred to as the "secured indebtedness" or the "indebtedness secured hereby". The aggregate unpaid principal amount of the secured indebtedness outstanding at any particular time (after having given effect to all advances and all repayments made prior to such time) which is secured by Property located in Mississippi, New Mexico, North Dakota or Kansas shall not aggregate an unpaid principal amount in excess of $140,000,000. For the purposes only of Mortgaged Properties located in Montana, the maximum amount of future advances (without regard to repayments) secured under this Mortgage by real property located in Montana is $1,400,000,000.

ARTICLE II.

Representations, Warranties and Covenants

2.1. Grantor represents and warrants as follows:

(a) As the owner of the Mortgaged Property, Grantor has good and defensible title to an interest in the leases and lands described on Exhibit A hereto sufficient to: (i) with respect to each well identified on Exhibit B hereto (and the "Spacing Unit", as hereinafter defined, for such well), (A) entitle Grantor to receive (subject to the terms and provisions of this Mortgage) a decimal share of the oil and gas produced from, or allocated to, such well (and the Spacing Unit attributable thereto) equal to not less than the decimal share set forth on Exhibit B opposite the name of such well in the column headed "Net Revenue Interest", (B) cause Grantor to be obligated to bear a decimal share of the cost of exploration, development and operation of such well (and the Spacing Unit attributable thereto) not greater than the decimal share set forth on Exhibit B

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opposite the name of such well in the column headed "Gross Working Interest"; and (ii) with respect to each unit identified on Exhibit B hereto, (A) entitle Grantor to receive (subject to the terms and provisions of this Mortgage) a decimal share of all substances covered by such unit which are produced from, or allocated to, such unit equal to not less than the decimal share set forth on Exhibit B opposite the name of such Unit in the column headed "Net Revenue Interest", and (B) obligate Grantor to bear a decimal share of the cost of exploration, development and operation of such unit not greater than the decimal share set forth on Exhibit B opposite the name of such Unit in the column headed "Working Interest"; such shares of production which Grantor is entitled to receive as reflected on Exhibit B, and shares of expenses which Grantor is obligated to bear as reflected on Exhibit B, are not subject to change (other than changes which arise pursuant to statutory non-consent provisions or contractual non-consent provisions of customary industry agreements in connection with operations hereafter proposed) except, and only to the extent that, such changes are reflected on Exhibit B (and where such changes are reflected, the contingencies, or other factors, upon the happening of which such changes will occur have been properly accounted for in preparing the Reserve Reports, hereafter defined). It is recognized that pursuant to the agreements and plans described on Exhibit C hereto certain employees of Grantor and its affiliates, and certain third parties, are entitled to assignments of interests in certain of the Mortgaged Properties, but that such assignments, individually and in the aggregate, will not result in a diminution of the Net Revenue Interest below that set forth on Exhibit B, nor otherwise cause the representations and warranties of Grantor in this Section 2.1(a) to be untrue or incorrect. The Property is free and clear of all liens, security interests, and encumbrances except for the liens and security interests evidenced by this Mortage or permitted by Section 5.9 of the Credit Agreement (being herein called the "Permitted Encumbrances"), and the liens and security interests created under this Mortgage constitute first liens and security interests upon the Property subject only to the Permitted Encumbrances; Grantor will defend title to the Property, subject as aforesaid, against the claims and demands of all persons claiming or to claim the same or any part thereof. Each oil, gas and/or mineral lease covered hereby is in full force and effect, at least insofar as it covers lands included in the units identified on Exhibit B or in the Spacing Units for the wells identified on Exhibit B. The term "Spacing Unit" means, (i) with respect to each well for which such a unit is designated by applicable regulatory body, such unit as so designated, (ii) with respect to each well for which such a unit is not so

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designated, (A) if a unit has been voluntarily created for such well (i.e., by exercise of pooling authority in leases), such Unit, or (B) if no such unit has been voluntarily created for such well, the lands covered by the lease or leases described on Exhibit A on which such well is located. The term "Reserve Reports" means, (i) the report of Degolyer and MacNaughton, dated as of January 1, 1986, entitled "Appraisal Report as of January 1, 1986 on Certain Properties owned by Lear Petroleum Partners, L.P." and (ii) the report of Lear Petroleum Partners, L.P. dated as of January 1, 1986, entitled "Evaluation on Certain Properties owned by Lear Petroleum Partners, L.P.".

(b) No Mortgaged Property is subject to any contractual, or other, arrangement for the sale of oil or gas which contains terms which are not customary in the industry. No Mortgaged Property is subject at the present time to any regulatory refund obligation which is not being applied to the industry generally and, to the best of Grantor's knowledge, no facts exist which might cause the same to be be imposed. Except to the extent that the same has been properly accounted for in the Reserve Reports, no Mortgaged Property is subject to a gas balancing arrangement under which an imbalance exists with respect to which imbalance Grantor is in a materially overproduced status, and is required to (i) permit one or more third parties to take a portion of the production attributable to such Mortgaged Property without payment (or without full payment therefor) and/or (ii) make payment in cash, in order to correct such imbalance.

(c) Grantor's principal place of business and chief executive office, and the place where Grantor keeps its books and records concerning the Property (including, particularly, the records with respect to "proceeds of runs", as defined in Section 3.1 hereof, from the Mortgaged Properties) is the address set forth opposite the signature of Grantor to this Mortgage.

(d) The representations and warranties contained in the Credit Agreement are true and correct as of the date hereof.

2.2. So long as the secured indebtedness or any part thereof remains unpaid, Grantor covenants and agrees with the Noteholder as follows:

(a) Grantor will not change its name or identity or its corporate structure, or change the location of its chief executive office or its principal place of business or the place where it keeps its books and records concerning the Property (including, particularly, the

records with respect to "proceeds of runs" from the Mortgaged Properties as defined in Section 3.1 hereof) without notifying the Noteholder of such change in writing at least thirty (30) days prior to the effective date of such change.

(b) Grantor will cause the Mortgaged Properties to be maintained and operated in a good and workmanlike manner and (unless the failure to so conform, or all failures to so conform taken together, will not have a material adverse effect on the ownership or operation, or value, of any material portion of the Property) in conformity, in all material respects, with all applicable laws and all rules, regulations and orders promulgated by all duly constituted authorities having jurisdiction and with the provisions of the oil, gas and/or mineral leases and other contracts and agreements forming a part of or relating to the Property.

(c) Grantor will keep all oil and gas leases described on Exhibit A in full force and effect insofar as they cover the units described on Exhibit B and the spacing units for wells described on Exhibit B, and will not, without the prior written consent of Noteholder, surrender, abandon or release (or otherwise reduce its rights under) any lease insofar as it covers the units described on Exhibit B and the spacing units for wells described on Exhibit B, so long as either any well situated on such lease, or located on any unit containing all or any part of such lease, is capable (or is subject to being made capable through drilling, reworking, plugging back, deepening, re-drilling to the same or different formation, or other operations which it would be commercially feasible to conduct) of producing oil, gas, or other hydrocarbons or other minerals in commercial quantities (as determined without considering the effect of this Mortgage).

(d) Grantor will carry insurance as provided in the Credit Agreement. In the event of any loss under any of such policies, the Noteholder shall have the right (but not the obligation) to make proof of loss and collect the same, and all amounts so received shall be applied toward costs, charges and expenses (including reasonable attorneys' fees), if any, incurred in the collection thereof, then to the payment, in the order determined by Noteholder in its own discretion, of the secured indebtedness, and any balance remaining shall be subject to the order of Grantor; provided, however, that in the event any of the Property covered by such insurance is destroyed or damaged, and the Noteholder shall have collected insurance proceeds with respect thereto the Noteholder shall (after application of a sufficient portion thereof to costs and expenses of collection, as contemplated above) apply the remaining

insurance proceeds as follows (i) first, if eit Property is so destroyed or damaged that, in t judgment of the Noteholder, it cannot be restored with available funds to a profitable condition within a reasonable period of time, or (b) a default shall have occurred hereunder, then in either such event, such remaining proceeds shall be applied to the payment of the secured indebtedness, either in whole or in part, in the order determined by the Noteholder in its sole discretion; and (ii) second, if neither of the facts described in (a) or (b) of clause (i) above exists, such remaining proceeds shall be applied to the repair, restoration or replacement of the Property so destroyed or damaged and any amounts not so applied shall be applied to the payment of the secured indebtedness in the order determined by the Noteholder in its sole discretion, provided that, any insurance proceeds held by the Noteholder to be applied to the repair, restoration or replacement of the Property as provided above shall be so held without payment or allowance of interest thereon and shall be paid out from time upon compliance by Grantor with such terms, conditions and requirements as may be imposed by the Noteholder. The Noteholder is hereby authorized but not obligated to enforce in its name or in the name of Grantor payment of any or all of said policies or settle or compromise any claim in respect thereof, and to collect and make receipts for the proceeds thereof; and Noteholder is hereby appointed Grantor's agent and attorney-in-fact to endorse any check or draft payable to Grantor in order to collect the proceeds of insurance. In the event of foreclosure of this Mortgage, or other transfer of title to the Property in extinguishment in whole or in part of the secured indebtedness, all right, title and interest of the Grantor in and to such policies then in force concerning the Property and all proceeds payable thereunder shall thereupon vest in the purchaser at such foreclosure or the Noteholder or other transferee in the event of such other transfer of title.

(e) Grantor will not exchange, lease, transfer, or otherwise dispose, without the prior written consent of Noteholder, of any part of, or interest in, the Property other than (i) sales, transfers and other dispositions of machinery, equipment and other personal property and fixtures and other Property made in connection with a release, surrender or abandonment (which was permissible under Section 2.2(c) above) of a well or lease, (ii) sales, transfers and other dispositions of machinery, equipment and other personal property and fixtures which are replaced by articles of at least equal suitability and value owned by Grantor free and clear of all liens except this Mortgage and the Permitted Encumbrances, and (iii) sales of oil,

gas, other hydrocarbons and other minerals, products obtained or processed therefrom after production, which are made in the ordinary course of business in bonafide arms length transactions in accordance with customary industry practice, and nothing in clause (iii) shall be construed as limiting the rights granted under Article III of this Mortgage.

(f) If the validity or priority of this Mortgage or of any rights, titles, liens or security interests created or evidenced hereby with respect to the Property or any part thereof shall be endangered or questioned or shall be attacked directly or indirectly or if any legal proceedings are instituted against Grantor with respect thereto, Grantor will give prompt written notice thereof to the Noteholder and at Grantor's own cost and expense will diligently endeavor to cure any defect that may be developed or claimed, and will take all necessary and proper steps for the defense of such legal proceedings, including, but not limited to, the employment of counsel, the prosecution or defense of litigation, and the Trustee and the Noteholder, or either of them (whether or not named as parties to legal proceedings with respect thereto), are hereby authorized and empowered to take such additional steps as in their reasonable judgment and discretion may be necessary or proper for the defense of any such legal proceedings or the protection of the validity or priority of this Mortgage and the rights, titles, liens and security interests created or evidenced hereby, including but not limited to the employment of independent counsel, the prosecution or defense of litigation, the purchase of any tax title and the removal of prior liens or security interests, and all expenses so incurred of every kind and character shall be a demand obligation (which obligation Grantor hereby expressly promises to pay) owing by Grantor to the Noteholder or the Trustee (as the case may be) and shall bear interest, from the date incurred until paid, in the manner provided for in Section 2.4 hereof, and the party incurring such expenses shall be subrogated to all rights of the person receiving such payment.

(g) Grantor will not, without the prior written consent of the Noteholder, create or place or permit to be created or placed, or through any act or failure to act, acquiesce in the placing of, or allow to remain, on the Property or any part thereof, any deed of trust, mortgage, voluntary or involuntary lien (whether statutory, constitutional or contractual), security interest, encumbrance or charge, or conditional sale or other title retention document, other than the Permitted Encumbrances, regardless of whether the same are expressly subordinate to the lien and/or security interest created in this Mortgage,

and should any of the foregoing become attached hereafter in any manner to the Property, or any part thereof, without the prior written consent of the Noteholder, Grantor will cause the same to be promptly discharged and released.

(h) Grantor will, on request of the Noteholder, (i) promptly correct any defect, error or omission which may be discovered in the contents of this Mortgage, or in the execution or acknowledgment of this Mortgage; (ii) execute, acknowledge, deliver and record and/or file such further instruments (including, without limitation, further deeds of trust, security agreements, financing statements, continuation statements, and assignments of production, accounts, funds, contract rights, general intangibles, and proceeds) and do such further acts as may be necessary, desirable or proper to carry out more effectively the purposes of this Mortgage and to more fully identify and subject to the liens and security interests hereof any property intended by the terms hereof to be covered hereby, including specifically, but without limitation, any renewals, additions, substitutions, replacements, or appurtenances to the Property; and (iii) execute, acknowledge, deliver, and file and/or record any document or instrument (including specifically any financing statement) deemed advisable by the Noteholder to protect the lien or the security interest hereunder against the rights or interests of third persons. Grantor shall pay all costs connected with any of the foregoing.

(i) Grantor will indemnify and hold harmless the Trustee and the Noteholder from and against all claims, demands, liabilities, losses, damages, judgments, penalties, causes of action, costs and expenses (including, without limitation, reasonable attorney's fees and expenses) which may be imposed upon, asserted against or incurred or paid by either of them on account of or in connection with any bodily injury or death or property damage occurring in or upon or in the vicinity of the Property through any cause whatsoever or asserted against them on account of any act performed or omitted to be performed hereunder or on account of any transaction arising out of or in any way connected with the Property save and except for the gross negligence, bad faith or willful misconduct of Trustee or Noteholder. Any amount to be paid hereunder by Grantor to the Noteholder or the Trustee (as the case may be) shall be a demand obligation owing by Grantor (which obligation Grantor hereby expressly promises to pay) to the Noteholder or the Trustee (as the case may be) and shall bear interest, from the date such obligation to pay arises until paid, in the manner provided for in Secion 2.4 hereof.

(j) Grantor shall account fully and faithfully for and, if Noteholder so elects, shall promptly pay or turn over to the Noteholder, the proceeds in whatever form received in disposition in any manner of any of the Collateral. Grantor shall keep accurate and complete records of the Collateral and its proceeds. The Collateral will be used in the business of Grantor and shall remain in Grantor's possession or control at all times at Grantor's risk of loss. Equipment, machinery and other personal property and fixtures forming a part of the Property shall be kept on the Mortgaged Properties except to the extent they are temporarily removed or necessarily located elsewhere in the course of normal operation of the Property, or unless Grantor notifies the Noteholder in writing and the Noteholder consents in writing in advance of such removal to another location. Upon request of the Noteholder, Grantor will deliver to the Noteholder an inventory and/or financing statements describing and showing the make, model, serial number and location of all equipment, machinery, personal property and fixtures forming a part of the Property.

2.3. As to any part of the Mortgaged Properties which is not a working interest, Grantor agrees to take all such action and to exercise all rights and remedies as are available to Grantor to cause the owner or owners of the working interest in such properties to comply with the covenants and agreements contained herein; and as to any part of the Mortgaged Properties which is a working interest but which is operated by a party other than Grantor, Grantor agrees to take all such action and to exercise all rights and remedies as are available to Grantor (including, but not limited to, all rights under any Operating Agreement) to cause the party who is the operator of such property to comply with the covenants and agreements contained herein.

2.4. Grantor agrees that, if Grantor fails to perform any act or to take any action which hereunder Grantor is required to perform or take, or to pay any money which hereunder Grantor is required to pay, the Noteholder, in Grantor's name or its own name, may, but shall not be obligated to, perform or cause to be performed such act or take such action or pay such money, and any expenses so incurred by the Noteholder and any money so paid by the Noteholder, shall be a demand obligation owing by Grantor to the Noteholder (which obligation Grantor hereby expressly promises to pay) and the Noteholder, upon making such payment, shall be subrogated to all of the rights of the person, corporation or body politic receiving such payment. Each amount due and owing by Grantor to Noteholder pursuant to this Mortgage shall bear interest each day, from the date of

such expenditure or payment, or other occurrence which gives rise to such amount being owed to Noteholder, until paid, at a rate per annum equal to 2% plus the MHT Rate (as defined in the Credit Agreement) in effect on such day; all such amounts, together with such interest thereon, shall be a part of the secured indebtedness and shall be secured by this Mortgage and the other Loan Documents.

ARTICLE III.

Assignment of Production, Accounts, and Proceeds

3.1. Grantor does hereby absolutely and unconditionally assign, transfer and set over to the Agent (for the benefit of the Lender and Noteholder), all oil, gas, other hydrocarbons and other minerals produced from or allocated to the Mortgaged Properties which accrue after the Effective Date (as hereinafter defined) to Grantor's interest in said properties, and all products obtained and processed therefrom after production, and all proceeds of such oil, gas, other hydrocarbons and other minerals and such products (such proceeds being herein referred to as the "proceeds of runs"), together with the immediate and continuing right to collect and receive such proceeds of runs. Grantor directs and instructs any and all purchasers of such oil, gas, other hydrocarbons and other minerals and such products to pay to the Agent all of the proceeds of runs accruing to Grantor's interest until such time as such purchasers have been furnished with evidence that all secured indebtedness has been paid and that the liens evidenced hereby have been released. Grantor agrees that no purchasers of the production attributed to the Mortgaged Properties shall have any responsibility for the application of any funds paid to the Agent.

3.2. Independent of the foregoing provisions and authorities herein granted, Grantor agrees to execute and deliver any and all transfer orders, division orders and other instruments that may be requested by the Agent or that may be required by any purchaser of the production from any of the Mortgaged Properties for the purpose of effectuating payment of the proceeds of runs to the Agent. If under any existing sales agreements, other than division orders or transfer orders, any proceeds of runs are required to be paid by the purchaser to Grantor so that under such existing agreements payment cannot be made of such proceeds of runs to the Agent, Grantor's interest in all proceeds of runs under such sales agreements and in all other proceeds of runs which for any reason may be paid to Grantor shall, when received by Grantor, constitute trust funds in Grantor's hands and shall be immediately paid over to the Agent.

3.3. Should any person now or hereafter purchasing or taking oil, gas, other hydrocarbons or other minerals attributable to the Mortgaged Properties fail to make payment promptly to the Agent of the hereby assigned proceeds of runs, the Agent shall (to the extent Grantor is permitted by applicable law to do so) have the right to make, or to require Grantor to make, a change of connection and the right to designate or approve the purchaser with whose facilities a new connection shall be made, and the Agent shall have no liability or responsibility in connection therewith so long as ordinary care is used in making such designation.

3.4. So long as no default has occurred hereunder, the proceeds of runs received by the Agent during each calendar month shall on the first day of the next succeeding calendar month (or, at the option of the Agent, on any earlier date) be applied by the Agent as follows:

FIRST, to the payment of all unpaid interest on the Note required to be paid on or prior to such application date;

SECOND, to the payment of all unpaid principal of the Note required to be paid on or prior to such application date;

THIRD, to the payment of principal and interest on all secured indebtedness other than the Note, in such manner as the Agent deems advisable;

FOURTH, to the prepayment (without penalty) of the principal of the Note and of any other indebtedness secured hereby in such manner as the Agent deems advisable; and

FIFTH, the remainder, if any, of the proceeds of runs shall be paid over to Grantor or to Grantor's order or to such other parties as may be entitled thereto by law.

After a default has occurred, all proceeds of runs from time to time in the hands of the Agent shall be applied by it toward the payment of all secured indebtedness, principal, interest and attorneys' fees, at such times and in such manner as the Agent deems advisable.

3.5. The Agent and its successors and assigns are hereby absolved from all liability for failure to enforce collection of the proceeds of runs and from all other responsibility in connection therewith, except the responsibility to account to Grantor for funds actually received. Grantor agrees to indemnify and hold harmless the Agent against any and all

liabilities, actions, claims, judgments, costs, charges and attorneys' fees by reason of the assertion that the Agent received, either before or after payment in full of the secured indebtedness, funds from the production of oil, gas, other hydrocarbons or other minerals claimed by third persons (and/or funds attributable to sales of production which (i) were made at prices in excess of the maximum price permitted by or (ii) were otherwise made in violation of laws, rules, regulations and/or orders governing such sales), and the Agent shall have the right to defend against any such claims or actions, employing attorneys of its own selection, and if not furnished with indemnity satisfactory to it, the Agent shall have the right to compromise and adjust any such claims, actions and judgments, and in addition to the rights to be indemnified as herein provided, all amounts paid by the Agent in compromise, satisfaction or discharge of any such claim, action or judgment, and all court costs, attorneys' fees and other expenses of every character incurred by Agent pursuant to the provisions of this section shall be a demand obligation (which obligation Grantor hereby expressly promises to pay) owing by Grantor to the Agent and shall bear interest, from the date incurred until paid, in the manner provided for in Section 2.4 hereof.

3.6. Nothing herein contained shall detract from or limit the obligations of Grantor to make prompt payment of the Note, and any and all other secured indebtedness, at the time and in the manner provided herein and in the Loan Documents, regardless of whether the proceeds of runs herein assigned are sufficient to pay same, and the rights under this Article III shall be cumulative of all other rights under the Loan Documents.

ARTICLE IV.

Remedies Upon Default

4.1. The term "default" as used in this Mortgage shall mean the occurrence of any of the following events:

(a) the occurrence of an Event of Default under the Credit Agreement; or

(b) The occurrence of a default under any instrument evidencing or creating a lien or security interest on the Property in favor of a third party (without hereby implying consent to the existence or creation of any such lien or security interest), which default is not cured within the applicable grace period, if any, provided for in such

instrument, or the holder of a lien or security interest, whether created under such an instrument or otherwise (and without hereby implying consent to the existence or creation of any such lien or security interest) institutes foreclosure or other proceedings for the enforcement of its remedies thereunder.

(c) The Credit Agreement is terminated, or otherwise ceases to exist, prior to the payment in full of the secured indebtedness.

4.2. Upon the occurrence of a default the Noteholder shall have the option, without notice to Grantor or any other party, of declaring all or any part of the secured indebtedness to be immediately due and payable, and the liens evidenced hereby shall be subject to foreclosure in any manner provided for herein or provided for by law as the Noteholder may elect.

4.3. To the extent permitted by applicable law, upon the occurrence of a default, the Noteholder is authorized, prior or subsequent to the institution of any foreclosure proceedings, to enter upon the Property, or any part thereof, and to take possession of the Property and all books and records relating thereto, and to exercise without interference from Grantor any and all rights which Grantor has with respect to the management, possession, operation, protection or preservation of the Property. All costs, expenses and liabilities of every character incurred by the Noteholder in managing, operating, maintaining, protecting or preserving the Property shall constitute a demand obligation (which obligation Grantor hereby expressly promises to pay) owing by Grantor to the Noteholder and shall bear interest from date of expenditure until paid in the manner provided for in Section 2.4 hereof, all of which shall constitute a portion of the secured indebtedness and shall be secured by this Mortgage and by any other instrument securing the secured indebtedness. If necessary to obtain the possession provided for above, the Noteholder may invoke any and all remedies to dispossess Grantor. In connection with any action taken by the Noteholder pursuant to this Section 4.3, the Noteholder shall not be liable for any loss sustained by Grantor resulting from any act or omission of the Noteholder in managing the Property unless such loss is caused by the willful misconduct and bad faith of the Noteholder. Grantor shall and does hereby agree to indemnify the Noteholder for, and to hold the Noteholder harmless from, any and all liability, loss or damage which may or might be incurred by Noteholder by reason of this Mortgage or the exercise of rights or remedies hereunder; should the Noteholder incur any such liability, loss or damage the amount thereof, including costs, expenses and reasonable attorneys' fees, shall be a demand obligation (which

obligation Grantor hereby expressly promises to pay) owing by Grantor to the Noteholder and shall bear interest from the date incurred until paid in the manner provided for in Section 2.4 hereof and shall be a part of the secured indebtedness and shall be secured by this Mortgage and any other instrument securing the secured indebtedness.

4.4. To the extent permitted by applicable law, upon the occurrence of a default the Trustee, or his successor or substitute, is authorized and empowered and it shall be his special duty at the request of the Noteholder to sell the Mortgaged Properties or any part thereof, as an entirety or in parcels as Noteholder may elect, at such place or places and otherwise in the manner and upon such notice as may be required by law or, in the absence of any such requirement, as Trustee may deem appropriate. To the extent permitted by applicable law, any sale may be adjourned by announcement at the time and place appointed for such sale without further notice except as may be required by law. The sale by the Trustee of less than the whole of the Mortgaged Properties shall not exhaust the power of sale herein granted, and the Trustee is specifically empowered to make successive sale or sales under such power until the whole of the Mortgaged Properties shall be sold, and, if the proceeds of such sale of less than the whole of the Mortgaged Properties shall be less than the aggregate of the indebtedness secured hereby and the expense of executing this trust as provided herein, this Mortgage and the lien hereof shall remain in full force and effect as to the unsold portion of the Mortgaged Properties just as though no sale had been made; provided, however, that Grantor shall never have any right to require the sale of less than the whole of the Mortgaged Properties but the Noteholder shall have the right, at its sole election, to request the Trustee to sell less than the whole of the Mortgaged Properties. The power of sale granted herein shall not be exhausted by any sale held hereunder by the Trustee or his substitute or successor, and such power of sale may be exercised from time to time and as many times as the Noteholder may deem necessary until all of the Mortgaged Properties have been duly sold and all secured indebtedness has been fully paid. In the event any sale hereunder is not completed or is defective in the opinion of the Noteholder, such sale shall not exhaust the power of sale hereunder and the Noteholder shall have the right to cause a subsequent sale or sales to be made hereunder. Any and all statements of fact or other recitals made in any deed or deeds given by the Trustee or any successor or substitute appointed hereunder as to nonpayment of the secured indebtedness or as to the occurrence of any event of default, or as to the Noteholder having declared all of said indebtedness to be due and payable, or as to the request to sell, or as to notice of time, place

and terms of sale and the properties to be sold having been duly given, or as to the refusal, failure or inability to act of the Trustee or any substitute or successor trustee, or as to the appointment of any substitute or successor trustee, or as to any other act or thing having been duly done by the Noteholder or by such Trustee, substitute or successor, shall be taken as prima facie evidence of the truth of the facts so stated and recited. The Trustee or his successor or substitute may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by the Trustee, including the posting of notices and the conduct of sale, but in the name and on behalf of the Trustee, his successor or substitute. If the Trustee or his successor or substitute shall have given notice of sale hereunder, any successor or substitute Trustee thereafter appointed may complete the sale and the conveyance of the property pursuant thereto as if such notice had been given by the successor or substitute Trustee conducting the sale. Cumulative of the foregoing provisions:

(a) As to Mortgaged Properties located in the State of Texas, the sale of such Mortgaged Properties shall be conducted at the courthouse door of any county in the State of Texas in which any part of the Mortgaged Properties is situated, at public vendue to the highest bidder for cash between the hours of ten o'clock a.m. and four o'clock p.m. on the first Tuesday in any month after having given notice of such sale in accordance with the statutes of the State of Texas then in force governing sales of real estate under powers conferred by deed of trust.

(b) As to Mortgaged Properties located in the State of Mississippi: The Trustee may sell, as he may elect, all or any portion of such Mortgaged Properties at one or more sales, as an entirety or in parcels at public outcry to the highest bidder for cash and make conveyance to the purchaser or purchasers. The Trustee or any successor shall have full power to fix the date, time, terms and place of sale as to any of the Mortgaged Properties situated in the State of Mississippi. Sale shall be made after having advertised for three consecutive weeks preceding the sale in a newspaper published in the county in which such Mortgaged Properties are situated or, if none is so published, then in some newspaper having a general circulation therein, and by posting a notice for the same time at the courthouse of the same county. The Trustee may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by the Trustee including the posting of notices in the conduct of the sale but in the name of and on behalf of the

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Trustee, his substitute or successor. Grantor waives the provisions of Section 89-1-55 of the Mississippi Code of 1972, as amended, insofar as this section restricts the right of the Trustee to offer at sale more than 160 acres at a time and the Trustee may, in his discretion, offer such Mortgaged Properties as a whole or in such part or parts as he may deem desirable regardless of the manner in which the sale may be described. Any sale made by the Trustee hereunder may be adjourned by announcement at the time and place appointed for such sale without further notice except as may be required by law. If such Mortgaged Properties are situated in two or more counties, or in two judicial districts of the same county, the Trustee shall have full power to select in which county, or judicial district, the sale of the property is to be made, newspaper advertisement published and notice of sale posted, and the Trustee's selection shall be binding upon Grantor, Lender and Noteholder. Any corporate officer of the Noteholder may declare Grantor to be in default and may request the Trustee to sell the property. In the event any sale hereunder is not completed or is defective in the opinion of the Lender or Noteholder, such sale shall not exhaust the power of sale hereunder, and the Lender or Noteholder shall have the right to cause a subsequent sale or sales to be made by the Trustee. The right of sale hereunder shall not be exhausted by one or more such sales, and the Trustee may make other and successive sales until all of such Mortgaged Properties be legally sold or the secured indebtedness shall have been paid. The Lender and/or Noteholder shall have the right to become the purchaser at any sale held by the Trustee or by any receiver or public officer and shall have the right to have the amount for which the property is sold credited against the amount of the secured indebtedness then owing to the party so purchasing.

4.5. This instrument shall be effective as a mortgage as well as a deed of trust and upon the occurrence of a default may be foreclosed as to any of the Property in any manner permitted by applicable law, and any foreclosure suit may be brought by the Trustee or by the Noteholder; to the extent, if any, required to cause this instrument to be so effective as a Mortgage as well as Deed of Trust, Grantor hereby mortgages the Mortgaged Properties to Lender. In the event a foreclosure hereunder shall be commenced by the Trustee, or his substitute or successor, the Noteholder may at any time before the sale of the Property direct the Trustee to abandon the sale, and may then institute suit for the collection of the Note and/or any other secured indebtedness, and for the foreclosure of this Mortgage. It is agreed that if the Noteholder should institute

a suit for the collection of the Note and/or any other secured indebtedness and for the foreclosure of this Mortgage, the Noteholder may at any time before the entry of a final judgment in said suit dismiss the same, and require the Trustee, his substitute or successor to sell the Property in accordance with the provisions of this Mortgage.

4.6. In addition to all other remedies herein provided for, Grantor agrees that, upon the occurrence of a default the Noteholder shall, to the extent permitted by applicable law, as a matter of right be entitled to the appointment of a receiver or receivers for all or any part of the Property, whether such receivership be incident to a proposed sale (or sales) of such property or otherwise, and without regard to the value of the Property or the solvency of any person or persons liable for the payment of the indebtedness secured hereby, and Grantor does hereby consent to the appointment of such receiver or receivers, waives any and all defenses to such appointment, and agrees not to oppose any application therefor by the Noteholder, and agrees that such appointment shall in no manner impair, prejudice or otherwise affect the rights of the Noteholder under Article III hereof. Nothing herein is to be construed to deprive the Noteholder of any other right, remedy or privilege it may now have under the law to have a receiver appointed. Any money advanced by the Noteholder in connection with any such receivership shall be a demand obligation (which obligation Grantor hereby expressly promises to pay) owing by Grantor to the Noteholder and shall bear interest from the date of making such advancement by the Noteholder until paid in the manner provided for in Section 2.4 hereof and shall be a part of the secured indebtedness and shall be secured by this Mortgage and by any other instrument securing the secured indebtedness.

4.7. The proceeds of any sale held by the Trustee or any receiver or public officer in foreclosure of the liens and security interests evidenced hereby shall be applied:

FIRST, to the payment of all necessary costs and expenses incident to such foreclosure sale, including but not limited to all court costs and charges of every character in the event foreclosed by suit, and a reasonable fee to the Trustee acting under the provisions of Section 4.4 if foreclosed by power of sale as provided in said section;

SECOND, to the payment of the secured indebtedness (including specifically without limitation the principal, interest and attorneys' fees due and unpaid on the Note and the amounts due and unpaid and owed to the Noteholder under this Mortgage) in such order as the Noteholder may elect; and

THIRD, the remainder, if any there shall be, shall be paid to Grantor, or to Grantor's heirs, devisees, representatives, successors or assigns, or such other persons as may be entitled thereto by law.

4.8. The Noteholder shall have the right to become the purchaser at any sale held by any Trustee or substitute or successor or by any receiver or public officer and any Noteholder purchasing at any such sale shall have the right to credit upon the amount of the bid made therefor, to the extent necessary to satisfy such bid, the secured indebtedness owing to such Noteholder, or if such Noteholder holds less than all of such indebtedness the pro rata part thereof owing to such Noteholder, accounting to all other Noteholders not joining in such bid in cash for the portion of such bid or bids apportionable to such nonbidding Noteholder or Noteholders.

4.9. Upon the occurrence of any of the previously enumerated events of default, the Agent, on behalf of the Noteholder, shall be entitled to all of the rights, powers and remedies afforded a secured party by the Uniform Commercial Code with reference to the personal property and fixtures or Mortgagee may proceed as to both the real and personal property covered hereby. Upon the occurrence of a default the Agent, on behalf of the Noteholder, may exercise its rights of enforcement with respect to the Collateral under the Texas Business and Commerce Code as amended or under the Uniform Commercial Code in force in any other state to the extent the same is applicable law (without limitation of the foregoing, the parties, hereto specifically agree that upon the occurrence of any of the previously enumerated events of default, the Agent, on behalf of the Lender and Noteholder, shall be entitled to all of the rights, powers and remedies afforded a secured party by the Uniform Commercial Code with reference to the personal property and fixtures, or Agent, on behalf of the Lender and Noteholder, may proceed as to both the real and personal property covered hereby) and in conjunction with, in addition to or in substitution for those rights and remedies:

(a) the Agent may enter upon Grantor's premises to take possession of, assemble and collect the Collateral or to render it unusable; and

(b) the Agent may require Grantor to assemble the Collateral and make it available at a place the Agent designates which is mutually convenient to allow the Agent to take possession or dispose of the Collateral; and

(c) written notice mailed to Grantor as provided herein at least five (5) business days prior to the date of

public sale of the Collateral or prior to the date after which private sale of the Collateral will be made shall constitute reasonable notice; and

(d) any sale made pursuant to the provisions of this section shall be deemed to have been a public sale conducted in a commercially reasonable manner if held contemporaneously with and upon the same notice as required for the sale of the Mortgaged Properties under power of sale as provided in Section 4.4 of this Mortgage; and

(e) in the event of a foreclosure sale, whether made by the Trustee under the terms hereof, or under judgment of a court, the Collateral and the Mortgaged Properties may, at the option of the Agent, be sold as a whole or in parcels; and

(f) it shall not be necessary that the Agent take possession of the Collateral or any part thereof prior to the time that any sale pursuant to the provisions of this section is conducted and it shall not be necessary that the Collateral or any part thereof be present at the location of such sale; and

(g) prior to application of proceeds of disposition of the Collateral to the secured indebtedness, such proceeds shall be applied to the reasonable expenses of retaking, holding, preparing for sale or lease, selling, leasing and the like and the reasonable attorneys' fees and legal expenses incurred by the Agent; and

(h) any and all statements of fact or other recitals made in any bill of sale or assignment or other instrument evidencing any foreclosure sale hereunder as to nonpayment of the secured indebtedness or as to the occurrence of any default, or as to the Agent having declared all of such indebtedness to be due and payable, or as to notice of time, place and terms of sale and of the properties to be sold having been duly given, or as to any other act or thing having been duly done by the Agent, shall be taken as prima facie evidence of the truth of the facts so stated and recited; and

(i) the Agent may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by the Agent, including the sending of notices and the conduct of the sale, but in the name and on behalf of the Agent.

4.10. For the consideration above described, Grantor hereby grants to Agent for the benefit of Lender and Noteholder

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any and all rights of Grantor to liens and security interests in the Mortgaged Properties securing payment of proceeds from the sale of production from the Mortgaged Properties, including but not limited to those liens and security interests provided for in Tex. Bus. & Com. Code Ann. §9.319 (Tex. UCC) (Vernon 1968).

4.11. In the event of a default in the payment of any part of the secured indebtedness, the Noteholder and the Trustee shall have the right to proceed with foreclosure of the liens and security interests evidenced hereby without declaring the entire secured indebtedness due, and in such event any such foreclosure sale may be made subject to the unmatured part of the secured indebtedness; and any such sale shall not in any manner affect the unmatured part of the secured indebtedness, but as to such unmatured part this Mortgage shall remain in full force and effect just as though no sale had been made. The proceeds of such sale shall be applied as provided in Section 4.7 except that the amount paid under clause SECOND thereof shall be only the matured portion of the secured indebtedness and any proceeds of such sale in excess of those provided for in clauses FIRST and SECOND (modified as provided above) shall be applied as provided in clause FOURTH of Section 3.4 hereof. Several sales may be made hereunder without exhausting the right of sale for any unmatured part of the secured indebtedness.

4.12. To the extent allowed by applicable law, upon any sale, whether under the power of sale given in this Mortgage or by virtue of judicial proceedings, it shall not be necessary for the Trustee or any public officer acting under execution or order of the court to have physically present or constructively in his possession any of the Property. Upon the completion of any sale, whether under the power of sale given by this Mortgage or by virtue of judicial proceedings, the Trustee shall be entitled to execute and deliver, in the name of Grantor, to the purchaser or purchasers, a good and sufficient deed or deeds of conveyance, sale and transfer of the Property or any part thereof; and the Trustee and his successors are hereby irrevocably appointed the true and lawful attorneys for Grantor, in its name and stead, to make and execute all necessary deeds and conveyances of the Property sold, and it is agreed that this power of attorney is coupled with an interest and is irrevocable. Notwithstanding the foregoing, Grantor will, if so requested by the Trustee or by any purchaser, confirm any such sale or transfer by executing and delivering to the Trustee or to such purchaser all proper instruments of conveyance and transfer, and other instruments, as may be specified in any such request.

4.13. All remedies herein expressly provided for are cumulative of any and all other remedies existing at law or in equity and are cumulative of any and all other remedies provided for in any other Loan Document, and the Trustee and the Noteholder shall, in addition to the remedies herein provided, be entitled to avail themselves of all such other remedies as may now or hereafter exist at law or in equity for the collection of the secured indebtedness and the enforcement of the covenants herein and the foreclosure of the liens and security interests evidenced hereby, and the resort to any remedy provided for hereunder or under any such other Loan Document or provided for by law shall not prevent the concurrent or subsequent employment of any other appropriate remedy or remedies.

4.14. The Noteholder may resort to any security given by this Mortgage or to any other security now existing or hereafter given to secure the payment of the secured indebtedness, in whole or in part, and in such portions and in such order as may seem best to the Noteholder in its sole and uncontrolled discretion, and any such action shall not in anywise be considered as a waiver of any of the rights, benefits, liens or security interests evidenced by this Mortgage.

4.15. To the full extent Grantor may legally do so, Grantor agrees that Grantor will not at any time insist upon, plead, claim or take the benefit or advantage of any law now or hereafter in force providing for any appraisement, valuation, stay, extension or redemption, and Grantor, for Grantor, Grantor's successors and assigns, and for any and all persons ever claiming any interest in the Property, to the extent permitted by applicable law, hereby waives and releases all rights of redemption, valuation, appraisement, stay of execution, notice of intention to mature or declare due the whole of the secured indebtedness, notice of election to mature or declare due the whole of the secured indebtedness and all rights to a marshaling of assets of Grantor, including the Property, or to a sale in inverse order of alienation in the event of foreclosure of the liens and/or security interests hereby created. To the full extent Grantor may legally do so, Grantor agrees that it shall not have or assert any right under any statute or rule of law pertaining to the marshaling of assets, sale in inverse order of alienation, the exemption of homestead, the administration of estates of decedents, or other matters whatever to defeat, reduce or affect the right of the Noteholder under the terms of this Mortgage to a sale of the Property for the collection of the secured indebtedness without any prior or different resort for collection, or the right of the Noteholder under the terms of this Mortgage to the payment

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of the secured indebtedness out of the proceeds of sale of the Property in preference to every other claimant whatever. If any law referred to in this section and now in force, of which Grantor or Grantor's successors or assigns or any other persons claiming any interest in the Mortgaged Properties or the Collateral might take advantage despite this section, shall hereafter be repealed or cease to be in force, such law shall not thereafter be deemed to preclude the application of this section.

4.16. In the event there is a foreclosure sale hereunder and at the time of such sale Grantor or Grantor's successors or assigns or any other persons claiming any interest in the Property by, through or under Grantor, are occupying or using the Property, or any part thereof, each and all shall immediately become the tenant of the purchaser at such sale, which tenancy shall be a tenancy from day to day, terminable at the will of either landlord or tenant, at a reasonable rental per day based upon the value of the property occupied, such rental to be due daily to the purchaser; to the extent permitted by applicable law, the purchaser at such sale shall, notwithstanding any language herein apparently to the contrary, have the sole option to demand immediate possession following the sale or to permit the occupants to remain as tenants at will. In the event the tenant fails to surrender possession of said property upon demand, the purchaser shall be entitled to institute and maintain a summary action for possession of the property (such as an action for forcible entry and detainer) in any court having jurisdiction. The purchaser or purchasers at foreclosure shall have the right to affirm or disaffirm any lease of the Property or any part thereof.

4.17 Pursuant to Article 39-5-19 of the New Mexico Statutes (1978) the redemption period hereunder for the Property situated in, or otherwise subject to the jurisdiction of, the State of New Mexico shall be limited to one month. As to Property situated in, or otherwise subject to the jurisdiction of the State of Oklahoma, appraisement of the Property is hereby waived or not at the option of the Trustee or the Noteholder, such option to be exercised at the time the judgment is rendered in any foreclosure hereof or at any time prior hereto.

4.18 The Grantor releases all right of appraisement hereunder and also releases unto the Lender and Noteholder all right of redemption under the laws of Arkansas, including particularly all right of redemption under the Act of May 8, 1899.

4.19 THE PARTIES AGREE THAT, FOR THE PURPOSES OF NORTH DAKOTA LAW, THIS MORTGAGE CONSTITUTES A COLLATERAL REAL ESTATE MORTGAGE PURSUANT TO NORTH DAKOTA CENTURY CODE CHAPTER 35.03

ARTICLE V.

Miscellaneous

5.1. This Mortgage is a deed of trust and mortgage of both real and personal property, a security agreement, a financing statement and an assignment, and also covers proceeds and fixtures.

5.2. This Mortgage shall be effective as a financing statement filed as a fixture filing with respect to all fixtures included within the Property and is to be filed for record in the real estate records of each county where any part of the Mortgaged Properties (including said fixtures) are situated. This Mortgage shall also be effective as a financing statement covering minerals or the like (including oil and gas) and accounts financed at the wellhead or minehead of wells or mines located on the Mortgaged Properties subject to Subsection (e) of Section 9.103 of the Texas Business and Commerce Code, as amended, and similar provisions (if any) of the Uniform Commercial Code as enacted in any other state where the Mortgaged Properties are situated and is to be filed for record in the real estate records of each county where any part of the Mortgaged Properties are situated. The mailing address of Grantor (Debtor) is the address of Grantor set forth at the end of this Mortgage and the address of the Agent (Secured Party) from which information concerning the security interest may be obtained is the address of the Agent set forth at the end of this Mortgage.

5.3. To the extent permitted by appliable law, a carbon, photographic or other reproduction of this Mortgage or of any financing statement relating to this Mortgage shall be sufficient as a financing statement.

5.4. In addition to the rights granted in Article III hereof, the Noteholder may at any time notify the account debtors or obligors of any accounts, chattel paper, negotiable instruments or other evidences of indebtedness included in the Collateral to pay the Noteholder directly.

5.5. The Noteholder may at any time and from time to time in writing waive compliance by Grantor with any covenant herein made by Grantor to the extent and in the manner specified in such writing, or consent to Grantor's doing any act which hereunder Grantor is prohibited from doing, or to Grantor's failing to do any act which hereunder Grantor is required to do, to the extent and in the manner specified in such writing, or release any part of the Property or any interest therein or any proceeds of runs from the lien and security interest of

this Mortgage, without the joinder of the Trustee, or release any party liable, either directly or indirectly, for the secured indebtedness or for any covenant herein or in any other Loan Document, without impairing or releasing the liability of any other party. No such act shall in any way impair the rights of the Noteholder hereunder except to the extent specifically agreed to by the Noteholder in such writing.

5.6. The lien, security interest and other security rights of the Noteholder hereunder shall not be impaired by any indulgence, moratorium or release granted by the Noteholder including, but not limited to, any renewal, extension or modification which the Noteholder may grant with respect to any secured indebtedness, or any surrender, compromise, release, renewal, extension, exchange or substitution which the Noteholder may grant in respect of the Property (including without limitation proceeds of runs), or any part thereof or any interest therein, or any release or indulgence granted to any endorser, guarantor or surety of any secured indebtedness.

5.7. The Noteholder may waive any default without waiving any other prior or subsequent default. The Noteholder may remedy any default without waiving the default remedied. Neither failure by the Noteholder to exercise, nor delay by Noteholder in exercising, any right, power or remedy upon any default shall be construed as a waiver of such default or as a waiver of the right to exercise any such right, power or remedy at a later date. No single or partial exercise by the Noteholder of any right, power or remedy hereunder shall exhaust the same or shall preclude any other or further exercise thereof, and every such right, power or remedy hereunder may be exercised at any time and from time to time. No modification or waiver of any provision hereof nor consent to any departure by Grantor therefrom shall in any event be effective unless the same shall be in writing and signed by the Noteholder and then such waiver or consent shall be effective only in the specific instances, for the purpose for which given and to the extent therein specified. No notice to nor demand on Grantor in any case shall of itself entitle Grantor to any other or further notice of demand in similar or other circumstances. Acceptance by the Noteholder of any payment in an amount less than the amount then due on any secured indebtedness shall be deemed an acceptance on account only and shall not in any way excuse the existence of a default hereunder.

5.8. In the event the ownership of the Property or any part thereof becomes vested in a person other than Grantor, the Noteholder may, without notice to Grantor, deal with such successor or successors in interest with reference to this

Mortgage and to the indebtedness secured hereby in the same manner as with Grantor, without in any way vitiating any rights under this Mortgage or vitiating or discharging Grantor's liability hereunder or for the payment of the indebtedness or performance of the obligations secured hereby. No transfer of the Property, no forbearance on the part of the Noteholder, and no extension of the time for the payment of the indebtedness secured hereby given by the Noteholder, shall operate to release, discharge, modify, change or affect, in whole or in part, the liability of Grantor hereunder or for the payment of the indebtedness or performance of the obligations secured hereby or the liability of any other person hereunder or for the payment of the indebtedness secured hereby.

5.9. All secured indebtedness which may be owing hereunder at any time by Grantor shall be payable at the place designated in the Note (of if no such designation is made, at the address of the Agent indicated at the end of this Mortgage), or at such other place as the Noteholder may designate in writing.

5.10. To the extent that proceeds of the Note are used to pay indebtedness secured by any outstanding lien, security interest, charge or prior encumbrance against the Property, such proceeds have been advanced by the Noteholder at Grantor's request, and the Noteholder shall be subrogated to any and all rights, security interests and liens owned by any owner or holder of such outstanding liens, security interests, charges or encumbrances, irrespective of whether said liens, security interests, charges or encumbrances are released, and it is expressly understood that, in consideration of the payment of such indebtedness by the Noteholder, Grantor hereby waives and releases all demands and causes of action for offsets and payments to, upon and in connection with the said indebtedness.

5.11. If any part of the secured indebtedness cannot be lawfully secured by this Mortgage or if any part of the Property cannot be lawfully subject to the lien and security interest hereof to the full extent of such indebtedness, then all payments made shall be applied on said indebtedness first in discharge of that portion thereof which is not secured by this Mortgage.

5.12. It is the intent of the Grantor and the Noteholder and all other parties to the Loan Documents to contract in strict compliance with applicable usury law. In furtherance thereof, and as further provided in the Credit Agreement, it is stipulated and agreed that none of the terms and provisions contained in the Loan Documents shall ever be construed to create a contract to pay, for the use, forbearance or detention of money, interest in excess of the maximum interest permitted

to be charged by applicable law. Neither the Grantor nor any guarantors, endorsers or other parties now or hereafter becoming liable for payment of the secured indebtedness shall ever be liable for unearned interest thereon or be required to pay interest thereon in excess of the maximum interest that may be lawfully charged under applicable law, and reference is made to the Credit Agreement for a more complete statement of the limitations on how interest may accrue hereunder and under the other Loan Documents.

5.13. The Trustee may resign by an instrument in writing addressed to the Noteholder, or the Trustee may be removed at any time with or without cause by an instrument in writing executed by the Noteholder. In case of the death, resignation, removal, or disqualification of the Trustee, or if for any reason the Noteholder shall deem it desirable to appoint a substitute or successor trustee to act instead of the herein named trustee or any substitute or successor trustee, then the Noteholder shall have the right and is hereby authorized and empowered to appoint a successor trustee, or a substitute trustee, without other formality than appointment and designation in writing executed by the Noteholder and the authority hereby conferred shall extend to the appointment of other successor and substitute trustees successively until the indebtedness secured hereby has been paid in full, or until the Property is sold hereunder. Such appointment and designation by the Noteholder, or by the holder or holders of not less than a majority of the indebtedness secured hereby, shall be full evidence of the right and authority to make the same and of all facts therein recited. If the Noteholder is a corporation and such appointment is executed in its behalf by an officer of such corporation, such appointment shall be conclusively presumed to be executed with authority and shall be valid and sufficient without proof of any action by the board of directors or any superior officer of the corporation. Upon the making of any such appointment and designation, all of the estate and title of the Trustee in the Property shall vest in the named successor or substitute Trustee and he shall thereupon succeed to, and shall hold, possess and execute, all the rights, powers, privileges, immunities and duties herein conferred upon the Trustee. All references herein to the Trustee shall be deemed to refer to the Trustee (including any successor or substitute appointed and designated as herein provided) from time to time acting hereunder.

5.14. The Trustee shall not be liable for any error of judgment or act done by the Trustee in good faith, or be otherwise responsible or accountable under any circumstances whatsoever, except for Trustee's gross negligence or willful misconduct. The Trustee shall have the right to rely on any

instrument, document or signature authorizing or supporting any action taken or proposed to be taken by him hereunder, believed by him in good faith to be genuine. All moneys received by the Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated in any manner from any other moneys (except to the extent required by law), and the Trustee shall be under no liability for interest on any moneys received by him hereunder; provided, however, that Trustee shall promptly turn such funds over to Agent. Grantor will reimburse Trustee for, and save him harmless against, any and all liability and expenses which may be incurred by him in the performance of his duties, other than as a result of his gross negligence, willful misconduct or bad faith.

5.15. The parties who constitute Noteholder may, by agreement among them, provide for and regulate the exercise of their rights, powers, privileges, and remedies hereunder, but, unless and until modified to the contrary in writing executed by all parties constituting Noteholder and recorded in the same counties as this Mortgage is recorded, (i) the Agent may exercise all such rights, powers, privileges and remedies on behalf of Noteholder, without the joinder of any other party constituting Noteholder, (ii) the Trustee, Grantor and all others shall be entitled to rely on the releases, waivers, consents, approvals, notifications and other acts (including, without limitation, appointment of substitute or successor trustee, or trustees, hereunder and the biding in of all or any part of the secured indebtedness held by parties who constitute Noteholder at any foreclosure sale, whether the same be conducted under the provisions hereof or otherwise) of Agent, without inquiry into any such agreements or the existence of required consent or approval of any party constituting Noteholder therefor and without the joinder of any party other than Agent in such releases, waivers, consents, approvals, notifications or other acts and (iii) all notices, requests, consents, demands and other communications required or permitted to be given hereunder to Noteholder (including, without limitation, payment of proceeds of runs under Article III hereof) may be given to Agent.

5.16. If all of the secured indebtedness be paid in full, all rights under this Mortgage shall terminate and the Property shall become wholly clear of the liens, security interests, conveyances and assignments evidenced hereby, and such liens and security interests shall be released by the Noteholder in due form at Grantor's cost.

5.17. All notices, requests, consents, demands and other communications required or permitted hereunder shall be in writing or by telegraph, telecopy or telex and shall be deemed to have been duly given or made upon receipt by the proper party, when delivered by hand, or after 3 days when deposited

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in the mail, air postage prepaid, or, in the case of telegraphic notice, when delivered to the telegraph company, or, in the case of telex notice, when sent, answer back received, addressed as specified at the end of this Mortgage (unless changed by similar notice in writing given by the particular party whose address is to be changed).

5.18. The validity, effect and construction hereof as a deed of trust, mortgage, assignment, security agreement and financing statement affecting any Property, and the remedies herein provided for or provided for by law with respect to any property, shall be governed by the laws of the respective jurisdictions in which such Property is located (or, in the case of Collateral which may be subject to the law of jurisdictions other than the jurisdiction in which it is physically located, the law of such other jurisdiction). With respect to all other matters (including, without limitation, matters of construction, validity and performance other than as set out in the preceding sentence) this Mortgage shall be governed by and construed in accordance with the laws of the State of New York.

5.19. A determination that any provision of this Mortgage is unenforceable or invalid in any jurisdiction shall not affect the enforceability or validity of such provision in any other jurisdiction or the enforceability or validity of any other provision hereof in any jurisdiction and the determination that the application of any provision of this Mortgage to any person or circumstance is illegal or unenforceable in any jurisdiction should not affect the enforceability or validity of such provision in any other jurisdiction or the enforceability or validity of such provision as it may apply to other persons or circumstances.

5.20. Within this Mortgage, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, and vice-versa, unless the context otherwise requires.

5.21. Grantor will cause this Mortgage and all amendments and supplements thereto and substitutions therefor and all financing statements and continuation statements relating thereto to be recorded, filed, re-recorded and refiled in such manner and in such places as the Trustee or the Agent shall reasonably request and will pay all such recording, filing, re-recording and refiling taxes, fees and other charges.

5.22. Notwithstanding anything to the contrary contained herein, any claim which may arise for the performance or observance (or lack therof) of the covenants, representations, warranties or other agreements of Grantor contained in this Mortgage shall be made only against and limited to the Grantor,

and Noteholder agrees not to seek any damages or personal money judgment against any partner or affiliate of Grantor (or any property of such partner or affiliate) for any failure to comply with any provision of this Mortgage or instrument evidencing the Secured Indebtedness but in such event will look solely to the security for the secured indebtedness. Nothing herein contained shall be construed to prevent Noteholder from exercising and enforcing against Grantor any remedy allowed at law or equity or by any statute or by the terms of this Mortgage.

5.23. This Mortgage is being executed in several counterparts, all of which are identical, except that, to facilitate recordation, in certain counterparts hereof only that portion of Exhibit A which contains specific descriptions of the Mortgaged Properties located in the recording jurisdiction in which the particular counterpart is to be recorded are included, and other portions of Exhibit A are included by reference only. All of such counterparts together shall constitute one and the same instrument. Complete copies of this Mortgage containing the entire Exhibit A have been retained by Grantor and Agent.

5.24. The terms, provisions, covenants and conditions hereof shall be binding upon Grantor, and the successors and assigns of Grantor, and shall inure to the benefit of the Trustee, Agent, and the Noteholder and their respective successors and assigns and shall constitute covenants running with the land described in Exhibit A. All references in this Mortgage to Grantor, Trustee, Agent or Noteholder shall be deemed to include all such successors, substitutes and assigns.

5.25. The "Effective Date" of this instrument is May 1, 1986, at the location of the Mortgaged Properties, respectively.

IN WITNESS WHEREOF, this instrument is executed by Grantor this 30 day of May, 1986.

LEAR PETROLEUM PARTNERS OPERATING COMPANY, L.P., a Delaware limited partnership

By: LEAR PETROLEUM EXPLORATION, INC., a Delaware corporation, Managing General Partner

By _____
Name: William K. White
Title: Vice President

ATTEST:

_____
Melvin W. Cockrell,
Assistant Secretary

[SEAL]

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ATTEST:

Melvin W. Cockrell,
Assistant Secretary

[SEAL]

By: LPC Energy, Inc., a Delaware corporation, Special General Partner

By _____
Name: William K. White
Title: Vice President

The address of the Agent (and, for the purposes of this Mortgage, the Lender) is:

270 Park Avenue
New York, New York
10017

Attn: Robert C. Kennedy
Vice President,
Energy Division

The address of the Grantor is:

950 One Energy Square
4925 Greenville Avenue
Dallas, Texas, 75206

Attn: Vice President and
Treasurer

This instrument prepared by:

Samuel D. Haas
Thompson & Knight
Two Energy Square, Suite 850
Dallas, Texas 75206

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

BE IT REMEMBERED THAT I, Tricia Bateman, a Notary Public duly qualified, commissioned, sworn and acting in and for the State of Texas hereby certify that on May 30, 1986, there personally appeared before me WILLIAM K. WHITE, Vice President of LEAR PETROLEUM EXPLORATION, INC., a Delaware Corporation, Managing General Partner, and Vice President of LPC ENERGY, INC., a Delaware corporation, Special General Partner of LEAR PETROLEUM PARTNERS OPERATING COMPANY, L.P., a Delaware limited partnership, whose address is 950 One Energy Square, 4925 Greenville Avenue, Dallas, Texas 75206, such limited partnership being a party to the foregoing instrument, and that:

ALASKA COLORADO KANSAS NEBRASKA NEW MEXICO NORTH DAKOTA OKLAHOMA TEXAS WYOMING	The foregoing instrument was acknowledged before me this date by such person, the above designated officer of the corporations specified above opposite his name, on behalf of such corporations acting as managing general partner and special general partner, respectively, of the above named limited partnership, and on behalf of such limited partnership.
ARKANSAS and MISSISSIPPI	Before me personally appeared such person, who acknowledged himself to be the aforementioned officer of the corporations specified above opposite his name, which corporations are acting as managing general partner and special general partner, respectively, of the above named limited partnership, and that he, being authorized so to do, executed the foregoing instrument on behalf of such corporations acting as such managing general partner and special general partner, respectively, of such limited partnership, and on behalf on such limited partnership, for the purposes therein contained by signing the names of such corporations as managing general partner and special general partner, respectively, of such limited partnership, and the name of such limited partnership, as such officer of such corporations as managing general partner and special general partner, respectively, of such limited partnership.
CALIFORNIA and MONTANA	Before me personally appeared such person, known to me to be the above designated officer of the corporations specified above opposite his name,

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which corporations are serving as the managing general partner and the special general partner, respectively, of the above named limited partnership, which corporations, in such capacities, and which limited partnership, executed the within instrument, and acknowledged that such corporations acting as managing general partner and special general partner, respectively, of such limited partnership, executed the same and that such limited partnership executed the same.

UTAH

Personally appeared before me such person, who being by me duly sworn, did say that he is the above designated officer of the corporations specified above and that such corporations are the managing general partner and special general partner, respectively, of the above named limited partnership, that said instrument was signed in behalf of such corporations acting as managing general partner and special general parter, respectively, of such limited partnership by authority of resolutions of their respective boards of directors, and that said instrument was signed by such corporations on behalf of such limited partnership by their authority as managing general partner and special general partner, respectively, of such limited partnership, and did acknowledge to me that said limited partnership executed the same by execution of such corporations as managing general partner and special general partner, respectively, of such limited partnership.

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

Tricia Bateman
Notary Public, State of Texas

Tricia Bateman
Two Energy Square, Suite 850
4849 Greenville Avenue
Dallas, Texas 75206

My commission expires:

2/11/88

INTRODUCTION TO EXHIBIT A

The descriptions in this Exhibit A are arranged in alphabetical order of the states in which the properties described herein are located and the descriptions of properties in a particular state are arranged in alphabetical order of the counties in which the properties are located.

This Exhibit A contains descriptions of oil and gas leases and oil, gas and mineral leases. Each lease is described by reference to the lessor in such lease, the date of such lease (which information is set forth in the columns entitled "Lessor" and "Lease Date" respectively), and is further described by reference to the recordation of such lease in a particular book or volume and page, and/or by reference to the entry or register number or other customarily used term for such number prior to recordation in the appropriate records (which information is set forth in the columns entitled "Book", "Page" and "Entry" respectively); in the case of certain leases from the United States of America, or a State, or an Indian tribe or allottee, as Lessor, the serial number for such lease will appear in such columns, rather than recording data.

This Exhibit A also contains descriptions of interests of Grantor in forced pooled acreage. Such interests are described by reference to the applicant's name (appearing in the column entitled "Lessor") in the forced pool hearing pursuant to applicable statutory and regulatory procedures before the Oklahoma Corporation Commission, the date of the forced pooled order (appearing in the column entitled "date"), the cause number of the hearing before the Oklahoma Corporation Commission, and the Oklahoma Corporation Commission force pool order number.

This Exhibit A also contains descriptions of interests of Grantor in Overriding Royalty Interests. Such interests may be described by reference to the lease or leases affected by such interest of Grantor, or to the instrument in which such interest of Grantor was assigned or reserved. Such instrument is described by reference to the grantor or assignor in such instrument (appearing in the column entitled "Lessor") the date of such instrument (appearing in the column entitled "date") and is further described by reference to the recordation of such instrument in a particular book or volume and page, and/or by reference to the entry or register number or other customarily used term for such number prior to recordation in the appropriate records (which information is set forth in the columns entitled "Book", "Page" and "Entry" respectively).

With respect to the description of the leases, assignments and force pooling orders, there may be additional information such as Grantor's internal lease number assigned to such lease, number of gross acres covered by the particular lease, name of producing wells or units located upon or from which production is attributable to the lands covered by such lease, expiration dates, and categorization of the Grantor's interest in such lease or lands covered thereby as "producing leasehold" or "producing override". Such additional information which is included is, for purposes of this Mortgage, superfluous, and the inclusion of this information is not an admission by the parties hereto of the truth of such information, including, without limitation, the expiration date of the particular leases described herein, the number of gross or mineral acres covered by such leases or the extent of Grantor's interest in such leases. Such information is not intended to and shall not be construed to diminish the properties described herein.

References in this Exhibit to recording data of leases, force pooling orders or instruments creating or reserving overriding royalty interests are references to the volume or book and the page, and/or the entry or registry number of the appropriate records of the particular county or recording jurisdiction where oil, gas and/or mineral leases, force pooling orders or instruments creating or reserving overriding royalty interests are actually or customarily recorded. Where "BLM" is shown as the Lessor, it is understood that the Lessor is the United States of America. If more than one well is located upon lands covered by a lease, the lease may be repeated for description purposes.

References in this Exhibit to oil and gas leases, oil, gas and other mineral leases and other title instruments (whether accurately described herein or not) shall be deemed to include all instruments of ratification, amendment or reformation relative thereto, whether or not expressly mentioned herein.

The parties expressly recognize that, certain of the descriptions of the oil and gas leases, or oil, gas and other mineral leases include as a part of such description certain lands. Certain property descriptions contained in this Exhibit A are in abbreviated form as to Sections, Townships and Ranges. For purposes of land indentification and by way of example, the description "0032N-0011W Sec. 14 E/2 NW/4" refers to the East Half of the Northwest Quarter of Section 14, Township 32 North, Range 11 West. Certain descriptions refer to the subdivision or survey in which the property is located for identification purposes. The parties hereto recognize that the leases, force pooling orders and instruments creating or reserving overriding royalty interests described in this

Exhibit A may, in fact, cover lands which are not described in this Exhibit A in connection with the description of such leases, force pooling orders and instruments creating or reserving overriding royalty interests. The land descriptions have been included solely for the convenience of county clerks in certain recording jurisdictions in certain states for indexing purposes. In view of the foregoing, the parties agree that the descriptions contained in this Exhibit shall be deemed to include a description of each lease, force pooling order and instrument creating or reserving overriding royalty interests insofar as the same cover not only any lands described herein but also all other lands which are described in such lease, force pooling order and instrument creating or reserving overriding royalty interests or are described in other instruments referred to in such lease, force pooling order and instrument creating or reserving overriding royalty interests.

STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
010745-00	CLARENCE W. COBB, ET UX	03/15/82		053	451	274.628

• PRODUCING UNITS :
250002-00 COBB #2
250012-00 COBB #4
250013-00 COBB #5
250021-00 COBB UNIT #6 WELL #1
250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 03/15/99
PT OF THOMAS BOWMAN SVY A-72

010751-00	LLOYD W. ROONEY ET UX	03/15/82		053	443	74.000

• PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 03/15/99
PT OF WILLIAM VESS SVY A-233

010752-00	CECIL B. COX, ET AL	03/15/82		056	209	304.332

• PRODUCING UNITS :
250007-00 BIRDWELL #1
250002-00 COBB #2
250013-00 COBB #5
250015-00 COBB #7
250011-00 COX UNIT #1

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 03/15/99
PT OF THOMAS BOWMAN SVY A-72

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	ENTRY	RECORDED BOOK	PAGE	GROSS ACRES
010766-00	WICKSON LAKE CLUB	03/09/82	055	507		537.824

* PRODUCING UNITS : 250007-00 BIRDWELL #1
250005-00 FUQUA UNIT #1
250001-00 COBB #1
250002-00 COBB #2
250003-00 COBB #3
250017-00 COBB #2-2

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 03/09/99
PT OF ELI WICKSON LGE A-236

LEASE NUMBER	LESSOR	LEASE DATE	ENTRY	RECORDED BOOK	PAGE	GROSS ACRES
016513-00	CLARENCE W. COBB, ET UX	11/14/83	624	211		235.600

* PRODUCING UNITS : 250021-00 COBB UNIT #6 WELL #1

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 11/14/99
T. BOWMAN SVY, A-72, AND T. HENRY SVY, A-127

LEASE NUMBER	LESSOR	LEASE DATE	ENTRY	RECORDED BOOK	PAGE	GROSS ACRES
016514-00	STATE OF TEXAS, #86481	10/06/81	440	866		30.000

M-86481

* PRODUCING UNITS : 250002-00 COBB #2
250003-00 COBB #3

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING OVERRIDE EXPIRES : 10/06/99

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LEASE NUMBER	LESSOR	LEASE DATE	ENTRY	RECORDED BOOK	PAGE	GROSS ACRES
220223-00	MARY RUTH MITCHEM, ET AL	11/30/83		628	352	216.900

* PRODUCING UNITS : 250013-00 COBB #5
250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 11/30/86
216.9 ACRS OUT OF THOMAS BOWMAN SUR. A-72

220224-01	CLARENCE W. COBB, ET UX	11/14/83		624	211	235.600

* PRODUCING UNITS : 250013-00 COBB #5
250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 11/14/99
235.60 ACRES MORE OR LESS OUT OF THOMAS BOWMEN SUR. A-127

220225-01	CHARLES HERZOG	12/05/83		653	829	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	---- RECORDED ---- ENTRY	BOOK	PAGE	GROSS ACRES
220225-02	ZENAS EIRVIN RISINGER, JR.	12/05/83		654	21	68.000

• PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-03	ALICE PEARL RISINGER WELLS	12/05/83		654	56	68.000

• PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-04	EUGENE H. HERZOG	12/05/83		653	824	68.000

• PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
FURTHER DESCRIBED IN LEASE, 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-06	NANCY RISINGER MAGER	12/05/83		653	849	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-07	ARNOLD W. SEMBERA	12/05/83		654	36	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-08	LORAINE WILSON	12/05/83		654	66	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-09	ALBINKA DUESER	12/05/83		653	814	68.000

• PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-10	MARTHA HAMMETT	12/05/83		653	819	68.000

• PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-11	JACOB CONRAD MERKA, JR.	12/05/83		653	844	68.000

• PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	ENTRY	BOOK	PAGE	GROSS ACRES
220225-12	LOTTIE MERKA RILEY	12/05/83	654	1		68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-13	THOMAS E. SEMBERA	12/05/83	654	31		68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-14	EIDELWEISS SCHULTZ WEATHERLY	12/05/83	654	61		68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	ENTRY	RECORDED BOOK	PAGE	GROSS ACRES
220225-15	MINNIE LEE TRLICA	12/05/83		654	46	68.000

• PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-16	JOHN R. RISINGER	12/05/83	O	654	16	68.000

• PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-17	DOROTHY MERKA REGER	12/05/83		654	11	68.000

• PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-18	VICTORIA MERKA RILEY	12/05/83	654	06		68.000
	* PRODUCING UNITS : 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 (FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES					PRODUCING LEASEHOLD EXPIRES : 12/05/99
220225-19	HENRY SYPTAK	12/05/83	654	26		68.000
	* PRODUCING UNITS : 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES					PRODUCING LEASEHOLD EXPIRES : 12/05/99
220225-20	THOMAS MERKA, JR.	12/05/83	653	839		68.000
	* PRODUCING UNITS : 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 (FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES					PRODUCING LEASEHOLD EXPIRES : 12/05/99

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98-036

STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	ENTRY	RECORDED BOOK	PAGE	GROSS ACRES
220225-21	DORIS MILLER	12/05/83		653	835	68.000

• PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-22	EDDIE JOE SYPTAK	12/05/83		656	759	68.000

• PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-23	CAROLYN TEETER	12/05/83		654	51	68.000

• PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

1976.884 TOTAL COUNTY

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INTRODUCTION TO EXHIBIT B

Definitions. For all purposes of this Introduction and Exhibit B, unless the context otherwise requires:

a. All terms employed herein that are defined in the Mortgage shall have the meanings stated in the Mortgage.

b. "APO" specifies the Gross Working Interest and Net Revenue Interest of Grantor after the occurrence of a particular event, such as payout of certain costs with respect to a well.

c. "BPO" specifies the Gross Working Interest and Net Revenue Interest of Grantor before the occurrence of a particular event, such as payout of certain costs with respect to a well.

The Gross Working Interest and Net Revenue Interest representations are arranged in alphabetical order of the states in which the wells or units listed herein are located and the representations in a particular state are arranged in alphabetical order within the counties or parishes in which the properties are located.

This Exhibit B contains Gross Working Interest and Net Revenue Interests for wells or units listed by well or unit name in this Exhibit B. A well completed in more than one formation may be reflected as a separate well with respect to each completion. Each well or unit is identified by reference to a name for such well or unit (which name is set forth under the column entitled "Lease") and by reference to a producing property number assigned to such well or unit by Grantor (which is set forth under the column entitled "Lease Code").

With respect to the listing of the Gross Working Interest and Net Revenue Interest representations, there may be additional information such as number of wells, whether Grantor's interest is a working interest, overriding royalty interest or royalty interest in the production from such well or unit, and indication as to whether production costs of drilling and equipping such well or unit have been recovered from proceeds of production from such well or unit. Such additional information which is included in this Exhibit B is, for purposes of this Mortgage, superfluous, and the inclusion of this information is not an admission by the parties hereto of the truth of such information. Such information is not intended to and shall not be construed to diminish the representations contained herein.

The parties hereto expressly recognize that where no before payout Gross Working Interest and/or Net Revenue Interest representation is given for a particular well or unit, that well or unit is in an after payout status.

EXHIBIT B

LEAR PETROLEUM PARTNERS OPERATING COMPANY, L.P.
SCHEDULE OF GROSS WORKING AND NET REVENUE INTEREST
IN CERTAIN PROVED DEVELOPED PRODUCING PROPERTIES
GULF COAST DIVISION

LEASE	LEASE CODE	WELLS	W/R	BPO/ APO	GROSS WORKING INTEREST BPO	GROSS WORKING INTEREST APO	NET REVENUE INTEREST BPO	NET REVENUE INTEREST APO
** COUNTY BRAZOS								
* STATE TX								
COBB UNIT 4-1 & 4-2	250012	2	W	A	0.0000	0.2292	0.0000	0.1723
COBB UNIT 5-1	250013	1	W	A	0.0000	0.1549	0.0000	0.1185
COBB UNIT 6-1	250021	1	W	A	0.0000	0.2291	0.0000	0.1692
COBB UNIT 7-1	250015	1	W	A	0.0000	0.2273	0.0000	0.1161
COX UNIT 1-1 &1-2	250011	2	W	A	0.0000	0.2292	0.0000	0.1723

EXHIBIT C

ROYALTY PLANS

Various Incentive and Royalty Plans as amended promulgated by Lear Petroleum Corporation and its affiliates (including all Partnership Agreements associated therewith and including):

* Lear Petroleum Corporation Administrative Royalty Plan (October 1, 1980)
* Lear Petroleum Corporation Royalty Plan (October 1, 1982)
* Lear Petroleum Corporation Short (Annual) and Long-Term Incentive Plan (Effective January 1, 1986)
* Lear Petroleum Corporation Royalty Plan, adopted October 1, 1978
* Lear Petroleum Corporation Royalty Plan as Restated to Reflect Amendment No. 1, dated October 1, 1980
* Lear Petroleum Exploration, Inc. Royalty Plan effective as of October 1, 1982
* Lear Petroleum Exploration, Inc. General Exploration Royalty Plan effective January 1, 1984
* Lear Petroleum Exploration, Inc. Incentive Royalty Plan effective January 1, 1985

Participation/Joint Venture Agreements:

* Agreement of Sale and Purchase and Joint Venture Agreement, both dated September 30, 1981 between Sequoia Petroleum Inc. (now known as Sequoia Ventures Inc.), Lear Petroleum Corporation and Lear Petroleum Exploration, Inc. as amended by letters of January 31, 1985 and October 23, 1985
* Lear 1982-P Limited Partnership Agreement and Joint Venture Agreement of the Lear 1982-P Limited Partnership, both dated October 1, 1981 between The Prudential Insurance Company of America and Lear Petroleum Corporation

(46)

M 8648 Deed of Trust & Mortgage

File dated 9/20/86

Garry Mauro, Commissioner

RECEIVED AS STATED

DATE 9/20/86

Reg. No. 04083

GENERAL LAND OFFICE

THE STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Frank Boriskie, County Clerk of Brazos County, Texas, do hereby certify that the foregoing is a true and correct copy of the original as the same appears of record in Vol. 890, Page 240 in Official Records of said County on file in my office.

ATTEST: 9-9-86

Frank Boriskie, County Clerk
Brazos County, Texas

By Karen McQueen, Deputy

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STATE OF TEXAS §
§
COUNTY/PARISH OF BRAZOS AND § # 92309
GRIMES

FILED
1986 JUN 11 PM 1:11
COUNTY CLERK
BRAZOS COUNTY COURTHOUSE
BRYAN, TEXAS
BY Karen McQueen DEPUTY

CONVEYANCE, ASSIGNMENT AND TRANSFER

This Conveyance, Assignment and Transfer is made and entered into effective as of the 31st day of December, 1984, (a) by and between LEAR PETROLEUM CORPORATION, a Delaware corporation ("Lear"), LEAR PETROLEUM EXPLORATION, INC., a Delaware corporation ("LPX"), a wholly-owned subsidiary of Lear, and LPC ENERGY INC., a Delaware corporation ("LPCE"), a wholly-owned subsidiary of Lear (herein collectively and singularly, as applicable, for convenience called the "Lear Companies), whose addresses are 950 One Energy Square, 4925 Greenville Avenue, Dallas, Texas 75206, and (b) LEAR PETROLEUM PARTNERS OPERATING COMPANY, L.P., a Delaware limited partnership (the "Operator"), whose address is 950 One Energy Square, 4925 Greenville Avenue, Dallas, Texas 75206.

W I T N E S S E T H:

The Lear Companies, for other good and valuable considerations, the full receipt and sufficiency of which are hereby acknowledged and confessed, and subject to the exceptions, reservations and limitations set forth herein, do hereby grant, bargain, sell, transfer, set over, convey, assign and deliver unto the Operator the full interest and estate of the Lear Companies in, to and under the following described property, to-wit:

A. All of the oil and gas leases, properties and oil, gas and mineral interests, and any and all rights appertaining thereto, which are described on Exhibit "A" (all of which are collectively referred to as "Lease Interests"), subject, however, to the provisions and conditions contained in the oil, gas and mineral leases referred to on Exhibit "A"; and

B. Rights existing in favor of the Lear Companies under all presently existing oil and gas sales, purchase, exchange and processing contracts, casinghead gas contracts, unit agreements, operating agreements, communitization agreements, pooling agreements, and other contracts, agreements and instruments relating to any of the Lease Interests, or to the production, sale, processing and transportation of oil and gas from or attributable to the Lease Interests, but only insofar as such contracts, agreements and instruments relate to the Lease Interests, and subject additionally to the provisions and conditions of said contracts, agreements and instruments; and

C. All personal property, improvements, lease and well equipment (including, but not limited to, all wells, casing, tubing, tanks, buildings, fixtures and machinery) (hereinafter collectively called "Personal Property") situated upon or used in connection with the exploration, development or operation or maintenance of the Lease Interests, or in connection with the production, treating, storing, transportation or marketing of oil and gas produced from the Lease Interests.

All of the rights, title and interest of the Lear Companies in the above-described properties, interests and rights specified in the foregoing subparagraphs A,

RECORDER'S MEMORANDUM
At the time of recordation this instrument was found to be inadequate for the best photographic reproduction because of illegibility.

B and C are herein collectively called the "Conveyed Interests".

This Conveyance is made subject to the reservation and exception by the Lear Companies, their respective successors and assigns, and there is hereby excluded from this Conveyance the following:

(i) All properties and interests of whatsoever kind or character, including surface estates, easements, rights-of-way, related facilities and equipment located thereon or used in connection therewith, insofar as same relate to the Conveyed Interests, now owned or hereafter acquired by PGC Pipeline, a division of LPC Energy Inc., Producer's Gas Company and Rael Gas Company ("Pipe Lines") and PGC Processing Company ("PGC"), including all processing and gathering facilities and all property appurtenant thereto, as well as any and all such interests held by the Lear Companies but used in connection with the operations of the Pipe Lines or PGC;

(ii) The entire right, title and interest of the Lear Companies now held or hereafter acquired under the Lear Companies Exploration Royalty Plan originally adopted as of October 1, 1978, as amended and restated, and Administrative Royalty Plan originally adopted, including all partnerships existing thereunder, as of October 1, 1978, as amended and restated; and

(iii) The entire right, title and interest of the Lear Companies now held or hereafter acquired in the Lear 1982-P Limited Partnership created by Agreement of Limited Partnership dated October 1, 1981, entered into by and between Lear Petroleum Corporation and The Prudential Insurance Company of America.

TO HAVE AND TO HOLD the Conveyed Interests unto the Operator, its successors and assigns, forever, subject as aforesaid and subject to the further terms and provisions of this Conveyance.

1. The term "oil, gas and other minerals" as used herein shall be deemed to mean and include with respect to any particular Conveyed Interest such substances as are included in the Conveyed Interest, as determined by reference to the law of the state in which such interest is located.

2. The Conveyed Interests are conveyed subject to any and all outstanding royalty and overriding royalty interests, payments out of production, net profit interests, other nonoperating interests, operating rights or agreements, valid and subsisting oil or gas purchase or sale contracts or processing agreements and to any valid and subsisting pooling, unitization or communitization agreements, joint venture, participation, agency and related agreements, declarations, orders, permits or other agreements relating to or affecting the Conveyed Interests.

3. This Conveyance is made without any covenant or representation of title or warranty of title of any kind, express or implied, and without recourse against the Lear Companies in the event of any failure of title to the Conveyed Interests, or any part thereof, but is made with full substitution and subrogation of the Operator in and to all covenants and warranties by others heretofore given or made with respect to the Conveyed Interests, respectively, or any part thereof.

4. The Lear Companies agree to execute and deliver to the Operator all such other and additional instruments, notices, division orders, transfer orders and other documents and to do all such other and further acts and things as may be reasonably necessary to more fully and effectively grant, convey and assign to the Operator the Conveyed Interests covered hereby.

5. It is the intention of the Lear Companies to hereby vest into the Operator all right, title and interest in and to each and every oil, gas and mineral lease interest, oil, gas and mineral interest, royalty and overriding royalty interest, and all attendant and appurtenant rights thereto owned by the Lear Companies on December 31, 1984, and subsequently acquired by Lear Companies in said county or parish, whether or not specifically described on Exhibit "A" hereto, and all of such interests are hereby granted, bargained, sold, transferred, set over, conveyed, assigned and delivered by the Lear Companies to the the Operator.

6. The Lear Companies agree to execute, acknowledge and deliver separate assignments, transfers or certificates of title or other instruments or conveyances on approved forms which may be required or deemed necessary to satisfactorily convey title to certain of the Conveyed Interests in order to comply with applicable statutory and regulatory requirements of any federal, state or other governmental authority. The properties so conveyed by such separate instruments are or will be the same as and not in addition to this Conveyance and said separate assignments, transfers or conveyances shall be in confirmation of the terms hereof and shall be effective as of the Effective Date.

All of the terms, covenants and conditions hereof shall inure to the benefit of and be binding upon the respective successors and assigns of the Lear Companies and the Operator, respectively, and all references herein to the Lear Companies and the Operator shall include their respective successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Conveyance, Assignment and Transfer to be duly executed in multiple counterparts on the date set forth in their respective acknowledgments, effective, however, as to runs of oil and deliveries of gas and for all other purposes, as of 11:59 p.m. local time (at the location of the Conveyed Interests, respectively) on December 31, 1984 (the "Effective Date").

LEAR PETROLEUM CORPORATION

ATTEST:

Asst Secretary

By: _____
William K. White
Vice President

LEAR PETROLEUM EXPLORATION, INC.

ATTEST:

Asst Secretary

By: _____
William K. White
Vice President

ATTEST:

Asst Secretary

LPC ENERGY INC.

By: _____
William K. White
Vice President

LEAR PETROLEUM PARTNERS OPERATING COMPANY, L.P.
By: Lear Petroleum Exploration, Inc., Managing General Partner

ATTEST:

Asst Secretary

By: _____
William K. White
Vice President

Witnesses to all of the above signatures:

Witness

Witness

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

BE IT REMEMBERED THAT I, Tricia Bateman, a Notary Public duly qualified, commissioned, sworn and acting in and for the State of Texas hereby certify that on May 30, 1986, there personally appeared before me:

WILLIAM K. WHITE, Vice President of LEAR PETROLEUM CORPORATION, a Delaware Corporation, whose address is 950 One Energy Square, 4925 Greenville Avenue, Dallas, Texas 75206, such corporation being a party to the foregoing instrument;

WILLIAM K. WHITE, Vice President of LEAR PETROLEUM EXPLORATION, INC., a Delaware Corporation, whose address is 950 One Energy Square, 4925 Greenville Avenue, Dallas, Texas 75206, such corporation being a party to the foregoing instrument;

WILLIAM K. WHITE, Vice President of LPC ENERGY, INC., a Delaware Corporation, whose address is 950 One Energy Square, 4925 Greenville Avenue, Dallas, Texas 75206, such corporation being a party to the foregoing instrument;

and that:

ALASKA COLORADO KANSAS NEBRASKA NEW MEXICO NORTH DAKOTA OKLAHOMA TEXAS WYOMING	The foregoing instrument was acknowledged before me this date by such person, the above designated officer of the corporations specified above opposite his name, on behalf of such corporations.
ARKANSAS and MISSISSIPPI	Before me personally appeared such person, who acknowledged himself to be the aforementioned officer of the corporations specified above opposite his name, and that he, being authorized so to do, executed the foregoing instrument on behalf of such corporations for the purposes therein contained by signing the names of such corporations.
CALIFORNIA and MONTANA	Before me personally appeared such person, known to me to be the above designated officer of the corporations specified above opposite his name, which corporations executed the within instrument, and acknowledged that such corporations executed the same.

LOUISIANA — Before me appeared the above named person, to me personally known, who, being by me duly sworn, did say that he is the officer designated above of the above named corporations, and that said instrument was signed in behalf of said corporations by authority of their respective Boards of Directors and said person acknowledged said instrument to be the free act and deed of said corporations.

UTAH — Personally appeared before me such person, who being by me duly sworn, did say that he is the above designated officer of the above named corporations, that said instrument was signed in behalf of such corporations by authority of resolutions of their respective boards of directors, and did acknowledge to me that said corporations executed the same.

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

Tricia Bateman
Notary Public, State of Texas

Tricia Bateman
Two Energy Square, Suite 850
4849 Greenville Avenue
Dallas, Texas 75206

My commission expires:

2/11/88

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

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BE IT REMEMBERED THAT I, Tricia Bateman, a Notary Public duly qualified, commissioned, sworn and acting in and for the State of Texas hereby certify that on May 30, 1986, there personally appeared before me WILLIAM K. WHITE, Vice President of LEAR PETROLEUM EXPLORATION, INC., a Delaware Corporation, Managing General Partner of LEAR PETROLEUM PARTNERS OPERATING COMPANY, L.P., a Delaware limited partnership, whose address is 950 One Energy Square, 4925 Greenville Avenue, Dallas, Texas 75206, such limited partnership being a party to the foregoing instrument, and that:

ALASKA
COLORADO
KANSAS
NEBRASKA
NEW MEXICO
NORTH DAKOTA
OKLAHOMA
TEXAS
WYOMING

The foregoing instrument was acknowledged before me this date by such person, the above designated officer of the corporation specified above opposite his name, on behalf of such corporation acting as managing general partner of the above named limited partnership, and on behalf of such limited partnership.

ARKANSAS and MISSISSIPPI

Before me personally appeared such person, who acknowledged himself to be the aforementioned officer of the corporation specified above opposite his name, which corporation is acting as managing general partner of the above named limited partnership, and that he, being authorized so to do, executed the foregoing instrument on behalf of such corporation acting as such managing general partner of such limited partnership, and on behalf of such limited partnership, for the purposes therein contained by signing the name of such corporation as managing general partner of such limited partnership, and the name of such limited partnership, as such officer of such corporation as managing general partner of such limited partnership.

CALIFORNIA and MONTANA

Before me personally appeared such person, known to me to be the above designated officer of the corporation specified above opposite his name, which corporation is serving as the managing general partner of the above named limited partnership, which corporation, in such capacity, and which limited partnership, executed the within instrument, and acknowledged that such corporation acting as managing general partner of such limited partnership, executed the same and that such limited partnership executed the same.

LOUISIANA

Before me appeared the above named person, to me personally known, who being by me duly sworn, did say that he is the officer designated above of the above named corporation which corporation is the managing general partner of the above named limited partnership, and that said instrument was signed in behalf of said corporation acting as managing general partner of said limited partnership, by authority of the Board of Directors of such corporation, and said person acknowledged said instrument to be the free act and deed of said corporation acting as managing general partner of said limited partnership and the free act and deed of such limited partnership.

UTAH

Personally appeared before me such person, who being by me duly sworn, did say that he is the above designated officer of the corporation specified above and that such corporation is the managing general partner of the above named limited partnership, that said instrument was signed in behalf of such corporation acting as managing general partner of such limited partnership by authority of resolutions of its board of directors, and that said instrument was signed by such corporation on behalf of such limited partnership by their authority as managing general partner of such limited partnership, and did acknowledge to me that said limited partnership executed the same by execution of such corporation as managing general partner of such limited partnership.

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

Tricia Bateman
Notary Public, State of Texas

Tricia Bateman
Two Energy Square, Suite 850
4849 Greenville Avenue
Dallas, Texas 75206

My commission expires:

2/11/88

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	---- RECORDED ---- ENTRY	BOOK	PAGE	GROSS ACRES
010745-00	CLARENCE W. COBB, ET UX	03/15/82		053	451	274.628

* PRODUCING UNITS : 250002-00 COBB #2
250012-00 COBB #4
250013-00 COBB #5
250021-00 COBB UNIT #6 WELL #1
250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 03/15/99
PT OF THOMAS BOWMAN SVY A-72

LEASE NUMBER	LESSOR	LEASE DATE	---- RECORDED ---- ENTRY	BOOK	PAGE	GROSS ACRES
010751-00	LLOYD W. ROONEY ET UX	03/15/82		053	443	74.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 03/15/99
PT OF WILLIAM VESS SVY A-233

LEASE NUMBER	LESSOR	LEASE DATE	---- RECORDED ---- ENTRY	BOOK	PAGE	GROSS ACRES
010752-00	CECIL B. COX, ET AL	03/15/82		056	209	304.332

* PRODUCING UNITS : 250007-00 BIRDWELL #1
250002-00 COBB #2
250013-00 COBB #5
250015-00 COBB #7
250011-00 COX UNIT #1

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 03/15/99
PT OF THOMAS BOWMAN SVY A-72

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49.42.2

STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
010766-00	WICKSON LAKE CLUB	03/09/82		055	507	537.824

* PRODUCING UNITS : 250007-00 BIRDWELL #1
250005-00 FUQUA UNIT #1
250001-00 COBB #1
250002-00 COBB #2
250003-00 COBB #3
250017-00 COBB #2-2

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 03/09/99
PT OF ELI WICKSON LGE A-236

016513-00 CLARENCE W. COBB, ET UX 11/14/83 624 211 235.600

* PRODUCING UNITS : 250021-00 COBB UNIT #6 WELL #1

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 11/14/99
T. BOWMAN SVY, A-72, AND T. HENRY SVY, A-127

016514-00 STATE OF TEXAS, #86481 10/06/81 440 866 30.000

* PRODUCING UNITS : 250002-00 COBB #2
250003-00 COBB #3

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING OVERRIDE EXPIRES : 10/06/99

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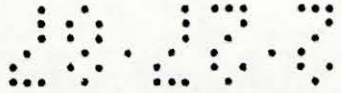

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220223-00	MARY RUTH MITCHEM, ET AL	11/30/83		628	352	216.900

* PRODUCING UNITS : 250013-00 COBB #5
250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 11/30/86
216.9 ACRS OUT OF THOMAS BOWMAN SUR. A-72

220224-01	CLARENCE W. COBB, ET UX	11/14/83		624	211	235.600

* PRODUCING UNITS : 250013-00 COBB #5
250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 11/14/99
235.60 ACRES MORE OR LESS OUT OF THOMAS BOWMEN SUR. A-127

220225-01	CHARLES HERZOG	12/05/83		653	829	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-02	ZENAS EIRVIN RISINGER, JR.	12/05/83		654	21	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-03	ALICE PEARL RISINGER WELLS	12/05/83		654	56	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-04	EUGENE H. HERZOG	12/05/83		653	824	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
FURTHER DESCRIBED IN LEASE, 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	ENTRY	BOOK	PAGE	GROSS ACRES
220225-06	NANCY RISINGER MAGER	12/05/83		653	849	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-07	ARNOLD W. SEMBERA	12/05/83		654	36	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-08	LORAINE WILSON	12/05/83		654	66	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-09	ALBINKA DUESER	12/05/83		653	814	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-10	MARTHA HAMMETT	12/05/83		653	819	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-11	JACOB CONRAD MERKA, JR.	12/05/83		653	844	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-12	LOTTIE MERKA RILEY	12/05/83		654	1	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-13	THOMAS E. SEMBERA	12/05/83		654	31	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-14	EIDELWEISS SCHULTZ WEATHERLY	12/05/83		654	61	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-15	MINNIE LEE TRLICA	12/05/83		654	46	68.000
	* PRODUCING UNITS : 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 (FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES					PRODUCING LEASEHOLD EXPIRES : 12/05/99
220225-16	JOHN R. RISINGER	12/05/83	O	654	16	68.000
	* PRODUCING UNITS : 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 (FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES					PRODUCING LEASEHOLD EXPIRES : 12/05/99
220225-17	DOROTHY MERKA REGER	12/05/83		654	11	68.000
	* PRODUCING UNITS : 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 (FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES					PRODUCING LEASEHOLD EXPIRES : 12/05/99

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	---- RECORDED ---- ENTRY	BOOK	PAGE	GROSS ACRES
220225-18	VICTORIA MERKA RILEY	12/05/83		654	06	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-19	HENRY SYPTAK	12/05/83		654	26	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-20	THOMAS MERKA, JR.	12/05/83		653	839	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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19-22-2

STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-21	DORIS MILLER	12/05/83		653	835	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-22	EDDIE JOE SYPTAK	12/05/83		656	759	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

220225-23	CAROLYN TEETER	12/05/83		654	51	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

1976.884 TOTAL COUNTY

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COUNTY OF BRAZOS

STATE OF TEXAS

I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the volume and page of the named records of Brazos County, Texas as stamped hereon by me.

JUN 12 1986

Frank Benefield

COUNTY CLERK, Brazos County, Texas

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THE STATE OF TEXAS, COUNTY OF GRIMES

THIS CERTIFIES that the foregoing instrument, with its certificates of authentication was filed for record in my office on the 8th day of October, A.D. 1986 and duly recorded by me on the 8th day of October, A.D. 1986 in Vol. 575, Page 275, of the Real Property records of Grimes County, Texas.

Trinston Harris, County Clerk, Grimes County, Texas

By Lynn Sicinski, Deputy

FILED FOR RECORD AT
'86 OCT 8 AM 9 49
TRINSTON HARRIS CO. CLK.
GRIMES CO., TEX.

092309

Filed by + return to:

RETURN TO:
LEAR PETROLEUM EXPLORATION, INC.
950 ONE ENERGY SQUARE
4925 GREENVILLE AVENUE
DALLAS, TX. 75206

Thompson & Knight
850 Two Energy Square
4849 Greenville Ave.
Dallas, Tx.
75206

File Page
Date 1986
Billed $8.00

(47)

M 86481
Assignment
File dated 2/27/87
Garry Mauro, Commissioner

RECEIVED AS STATED
100.00

DATE 2/27/87
Reg. No. 04083

GENERAL LAND OFFICE

171

MINATOME CORPORATION
Petroleum Division
A TOTAL Group Company

SUITE 400, ONE ALLEN CENTER HOUSTON, TEXAS 77002

TELEPHONE (713) 739-1333
TELECOPIER (713) 739-1372
TELEX 535374

February 26, 1987

Commissioner of the General Land Office
State of Texas
1700 North Congress Avenue
Austin, Texas 78701

Attention: Ms. Jenny Bud

Re: Conveyance, Assignment and Transfer
State of Texas, Lease #86481
(Lear Lease #16514-00)
Joshua Prospect - 3693
Brazos and Grimes Counties, Texas

Dear Ms. Bud:

Enclosed please find a certified copy of the captioned Conveyance, Assignment and Transfer, which has been recorded in Grimes County, Texas. Said instrument is sent pursuant to a letter, dated 11-13-86, from your Diana Dickson, a copy of which is also enclosed for your reference.

Please acknowledge receipt of the above instrument in writing at your earliest convenience.

Thank you for your consideration in this matter.

Yours very truly,

Deborah J. Gilchrist

Deborah Gilchrist
Land Administration Supervisor

DG:fm
Enclosures
1.TXT

RECEIVED
FEB 27 1987
LEGAL

(48)

M. F. 86481

CORRESPONDENCE FILE

~~To~~ Minitome Co.

From

Dated 2/27/87

3-31-95

Garry Mauro
Commissioner
General Land Office

March 2, 1987

Ms. Deborah Gilchrist
Minatome Corporation
Suite 400, One Allen Center
Houston, Texas 77002

Re: Assignment, Conveyance and Transfer and
Deed of Trust
State Lease M-86481
Brazos and Grimes Counties, Texas

Dear Ms. Gilchrist:

The certified copies of assignments covering the captioned oil and gas lease have been filed in our records.

Your remittance of $100.00 has been applied as the required filing fee.

Sincerely,

Jeannie R. Budd

Jeannie R. Budd
Oil & Gas Section
Legal Services
512/463-5160

Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701
(512) 463-5256

(49)

M. P. 86481

CORRESPONDENCE FILE

To Miratone Co.

From

Dated 3/2/87

86481
87935 121

Total Minatome Corporation

November 10, 1987

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

Gentlemen:

Minatome Corporation as of December 31, 1986 has acquired all the oil and gas assets of Lear Petroleum Corporation, Lear Petroleum Exploration, Lear Petroleum Partners Operating Company L. P. If there are any properties presently under these names, please change the records accordingly. We have attached a list of the leases and a copy of the conveyance in each county.

Effective April 9, 1987, Minatome Corporation, a Delaware Corporation, changed its name to TOTAL MINATOME CORPORATION (attached please find the Certificate of Amendment of Certificate of Incorporation). TOTAL MINATOME CORPORATION, J. Kirby Barry, General Counsel, Vice-President - Land to be signatory officer in this regard.

We are updating our Federal & State files, we request copies of the current leasing and assignment forms that are to be used in this office.

Thank you for your assistance and please contact the undersigned at (713) 655-2185 if I may be of any assistance in this regard.

Sincerely,

Laura G Takacs

Laura G. Takacs
Land Analyst

LGT:mj

1027\LT-2

Suite 400, One Allen Center, Houston, Texas 77002
Telephone (713) 739-1333/Telecopier (713) 739-1372/Telex 535374

EXHIBIT A PAGE 1

STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
016514-00	STATE OF TEXAS, #86481	10/06/81		440	866	30.000

* PRODUCING UNITS : 250002-00 COBB #2
250003-00 COBB #3

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING OVERRIDE EXPIRES : 10/06/99

30.000 TOTAL COUNTY

11.16.87

STATE OF TEXAS COUNTY OF ORANGE

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
016593-CO	STATE OF TEXAS #87935	04/06/82		127	278	975.000

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: SYDNEY ISLAND NON-PRODUCING LEASEHOLD EXPIRES : 04/06/85
TRACT 1 SABINE LAKE

975.000 TOTAL COUNTY

11.15.87

86481
87935

State of Delaware

Office of Secretary of State

I, MICHAEL HARKINS, SECRETARY OF STATE OF THE STATE OF DELAWARE DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF MINATOME CORPORATION FILED IN THIS OFFICE ON THE NINTH DAY OF APRIL, A.D. 1987, AT 9 O'CLOCK A.M.

DEPARTMENT OF STATE
OFFICE OF THE SECRETARY OF STATE
1793
DELAWARE

Michael Harkins, Secretary of State

AUTHENTICATION: 1222413

DATE: 05/05/1987

8709901

9 1987

CERTIFICATE OF AMENDMENT

OF

CERTIFICATE OF INCORPORATION

* * * * *

MINATOME CORPORATION, a Corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, does hereby certify:

FIRST: That the Board of Directors of said Corporation at a meeting held on March 23, 1987, adopted a resolution proposing and declaring advisable the following amendment to the Certificate of Incorporation of said Corporation, to wit:

> RESOLVED, that the Certificate of Incorporation of Minatome Corporation be amended by changing the article thereof numbered "1" so that as amended, said article thereof number "1" shall be and read as follows:
>
> "1. The name of the Corporation is TOTAL MINATOME CORPORATION."

SECOND: That in lieu of a meeting and vote of stockholders, the stockholders have given unanimous written consent to this amendment in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Sections 242 and 228 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said MINATOME CORPORATION has caused this certificate to be signed by Jean-Pierre Donnet, its President and attested by Byron O. Sims, III, its Assistant Secretary, this 6th day of April, A.D., 1987.

ATTEST:

By: _____
Byron O. Sims, III
Its: Assistant Secretary

MINATOME CORPORATION

By: _____
Jean-Pierre Donnet
Its: President

86481
87935

878758

FILED

1987 JAN 12 PM 2:24

COUNTY CLERK
BRAZOS COUNTY COURTHOUSE
BRYAN, TEXAS

Candy Cochran

CONVEYANCE, ASSIGNMENT AND TRANSFER

STATE OF TEXAS §
§
COUNTY OF BRAZOS §

This Conveyance, Assignment and Transfer is entered into effective as of the 31st day of December, 1986 by and between LEAR PETROLEUM PARTNERS OPERATING COMPANY, L.P., a Delaware limited partnership, LEAR PETROLEUM PARTNERS, L.P., a Delaware limited partnership, LEAR PETROLEUM CORPORATION, a Delaware corporation, LEAR PETROLEUM EXPLORATION, INC., a Delaware corporation, and LPC ENERGY, INC., a Delaware corporation, whose addresses are all Suite 1600, 6688 North Central Expressway, Dallas, Texas 75206-3912, herein for convenience collectively called "Lear", and MINATOME CORPORATION, a Delaware corporation, whose address is One Allen Center, Suite 400, Houston, Texas 77002, herein for convenience called "Buyer".

W I T N E S S E T H:

Lear, for other good and valuable considerations, the full receipt and sufficiency of which are hereby acknowledged and confessed, and subject to the terms hereof, does hereby grant, bargain, sell, transfer, set over, convey, assign and deliver unto Buyer the full interest and estate of Lear in, to and under the following described property, to-wit:

A. All of the oil and gas leases, and oil, gas and mineral interests, and any and all rights appertaining thereto, which are described on Exhibit "A" (all of which are collectively referred to as "Lease and Mineral Interests"), subject, however, to the provisions and conditions contained in the oil, gas and mineral leases and deeds referred to on Exhibit "A" hereto, to which Lease and Mineral Interests and the record thereof reference is made for all purposes; and

B. Rights existing in favor of Lear under all presently existing oil and gas sales, purchase, exchange and processing contracts, casinghead gas contracts, unit agreements, operating agreements, including any and all operator's liens, communitization agreements, pooling agreements, and other contracts, agreements and instruments relating to any of the Lease and Mineral Interests, or to the production, sale, processing and transportation of oil and gas from or attributable to the Lease and Mineral Interests; and

C. All personal property, improvements, lease and well equipment of Lear, including, but not limited to, all wells, casing, tubing, tanks, buildings, fixtures and machinery (hereinafter collectively called "Personal Property") situated upon or used in connection with the exploration, development, operation or maintenance of the Lease and Mineral Interests, or in connection with the production, treating, storing, transportation or marketing of oil and gas produced from the Lease and Mineral Interests.

All of the rights, title and interest of Lear in the above-described properties, interests and rights specified in the foregoing subparagraphs A, B and C are herein collectively called the "Conveyed Interests".

TO HAVE AND TO HOLD the Conveyed Interests unto Buyer, its successors and assigns, forever, subject to the terms and provisions of this Conveyance.

1. The term "oil, gas and other minerals" as used herein shall be deemed to mean and include with respect to any particular Conveyed Interests such substances as are included in the Conveyed Interests, as determined by reference to the law of the state in which such interest is located.

2. Lear warrants and agrees to defend Defensible Title, as defined in the Purchase Agreement dated as of September 29, 1986 by and among Lear and Buyer ("Purchase Agreement"), to those Conveyed Interests set out as warranted properties on Exhibit "A" unto Buyer from and against all claims arising by, under and through Lear, but not otherwise. The remedies of Buyer with respect to the warranty of title provided in this Conveyance are limited under the terms of Section 3.5 of the Purchase Agreement. Nothing herein shall enlarge or alter Lear's liability for the breach of any representation and warranty contained in the Purchase Agreement. This Conveyance is made with full substitution and subrogation of Buyer in and to all covenants and warranties by others heretofore given or made with respect to the Conveyed Interests or any part thereof.

3. Lear agrees to execute and deliver to Buyer all such other and additional instruments, notices, division orders, transfer orders and other documents and to do all such other and further acts and things as may be reasonably necessary to more fully and effectively grant, convey and assign to the Buyer the Conveyed Interests covered hereby.

4. It is the intention of Lear to hereby vest into Buyer all right, title and interest in and to each and every oil, gas and mineral lease interest, oil, gas and mineral interest, royalty and overriding royalty interest, and all attendant and appurtenant rights thereto owned by Lear in said county or parish, whether or not specifically described on Exhibit "A" hereto, and all of such interests are hereby granted, bargained, sold, transferred, set over, conveyed, assigned and delivered by Lear to Buyer.

5. Lear agrees to execute, acknowledge and deliver separate assignments, transfers or certificates of title or other instruments or conveyances on approved forms which may be required or deemed necessary to satisfactorily convey title to certain of the Conveyed Interests in order to comply with applicable statutory and regulatory requirements of any federal, state or other governmental authority. The properties so conveyed by such separate instruments are or will be the same as and not in addition to this Conveyance and said separate assignments, transfers or conveyances shall be in confirmation of the terms hereof and shall be effective as of the Effective Date.

All of the terms, covenants and conditions hereof shall inure to the benefit of and be binding upon the respective successors and assigns of Lear and Buyer, respectively, and

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all references herein to Lear and Buyer shall include their respective successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Conveyance, Assignment and Transfer to be duly executed in duplicate originals on the date set forth in their respective acknowledgements, effective, however, as to runs of oil and deliveries of gas and for all other purposes, as of 11:59 p.m. local time (at the location of the Conveyed Interests, respectively) on December 31, 1986 (the "Effective Date").

LEAR PETROLEUM PARTNERS OPERATING COMPANY, L.P.
By: LEAR PETROLEUM EXPLORATION, INC.
Managing General Partner

and

By: LPC ENERGY, INC.
Special General Partner

LEAR PETROLEUM PARTNERS, L.P.
By: LEAR PETROLEUM EXPLORATION, INC.
Managing General Partner

and

By: LEAR PETROLEUM CORPORATION,
Special General Partner

ATTEST:

LEAR PETROLEUM CORPORATION

LEAR PETROLEUM EXPLORATION, INC.

LPC ENERGY, INC.

Randall B. Wilson
Secretary of each of the above-named corporations

By: Gordon D. Mowl
Gordon D. Mowl
Senior Vice President of each of the above-named corporations

ATTEST:

MINATOME CORPORATION

Phillips Sirven
Assistant Secretary

By: J.P. Donnet
J.P. Donnet
President

Witnesses to all signatures (Louisiana only):

_____

_____

STATE OF TEXAS §
§
COUNTY OF DALLAS §

BE IT REMEMBERED THAT I, Laura G. Takacs, a Notary Public duly qualified, commissioned, sworn and acting in and for the State of Texas, hereby certify that on 16th December, 1986, there personally appeared before me Gordon D. Mowl, Senior Vice President, and Randall B. Wilson, Secretary of Lear Petroleum Exploration, Inc., Lear Petroleum Corporation and LPC Energy, Inc., Delaware corporations, such corporations being a party to the foregoing instrument both in its own capacity or as a general partner of a partnership known to me to be the persons and officers whose names are subscribed to the foregoing instruments and that:

ALASKA COLORADO KANSAS NEBRASKA NEW MEXICO NORTH DAKOTA OKLAHOMA TEXAS and WYOMING	They acknowledged to me that they freely executed the same as the voluntary act of the corporations for the purposes and consideration therein expressed and in the capacity therein stated.
ARKANSAS MISSISSIPPI and SOUTH DAKOTA	Before me personally appeared such persons, who acknowledged themselves to be the aforementioned officers of the corporations specified above opposite their names, and that they, being authorized so to do, executed the foregoing instrument on behalf of such corporations for the purposes therein contained by signing the name of such corporations.
CALIFORNIA and MONTANA	Before me personally appeared such persons, known to me to be the above designated officers of the corporations specified above opposite their names, which corporations executed the within instrument, and acknowledged to me that such corporations executed the same.
UTAH	Personally appeared before me such person, who being by me duly sworn, did say that he is the above designated officer of the above named corporations, that said instrument was signed in behalf of such corporations by authority of resolution of their Boards of Directors, and did acknowledge to me that said corporations executed the same.
WASHINGTON	Before me personally appeared such person known to me to be the above designated officers of the corporations above specified opposite their names that executed the within and foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said corporations, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument and that the seals affixed are the seals of said corporations.

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NEVADA — Personally appeared before me, a Notary Public, such persons as the above designated officers of the corporations above specified opposite their names, who acknowledged that they voluntarily executed the above instrument for the uses and purposes therein mentioned.

ILLINOIS — I do hereby certify that Gordon D. Mowl and Randall B. Wilson, personally known to me to be the same persons whose names are, respectively, as Senior Vice President and Secretary of the corporations specified above, corporations of the State of Delaware, subscribed to the foregoing instrument, appeared before me this day in person, and subscribed to the foregoing instrument and severally acknowledged that they, being hereunto duly authorized, signed, sealed with the corporate seals, and delivered the said instrument as the free and voluntary act of said corporations and as their own free and voluntary act for the uses and purposes therein set forth.

LOUISIANA — Before me appeared the above named persons, to me personally known, who, being by me duly sworn, did say that they are the Senior Vice President and Secretary, respectively, of the above named corporations, and that the seals affixed to said instrument are the corporate seals of said corporations and that the instrument was signed and sealed in behalf of the corporations by the authority of their Boards of Directors and that they acknowledged the instrument to be the free act and deed of the corporations.

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

Laura G. Takacs
Notary Public in and for
the State of T E X A S

My Commission Expires _____

LAURA G. TAKACS
Notary Public, State of Texas
My Commission Expires April 9, 1990

STATE OF TEXAS §
§
COUNTY OF DALLAS §

BEFORE ME, the undersigned officer, on this date personally appeared J.P. Donnet, known to me to be the person whose name is subscribed to the foregoing instrument, and known to me to be the President of Minatome Corporation, a Delaware corporation, and, being duly sworn, acknowledged to me that he freely executed said instrument under the authority of the Board of Directors of such corporation for the purposes and consideration therein expressed, and as the voluntary act and deed of said corporation.

GIVEN under my hand and seal of office this 16th day of December, 1986.

Notary Public in and for
the State of T E X A S

My Commission Expires 6-5-89

101GAR/C

EXHIBIT "A"

Warranted Property

Lease Code	Name	State	Field
113017	FROST 1-17	OK	LIBBIE, SOUTHWEST
113025	HORN 1-18	OK	LIBBIE, SOUTHWEST
176	CONTINENTAL CAN H-2	LA	SAILES
152	EDWARDS #1	LA	BELL CITY SOUTH
111112	MISC., ROYALTIES #1	VS	VARIOUS
129	BEARDEN #1	LA	DOWNSVILLE
119028	HECK 1-12B	OK	LIBBIE, SOUTHWEST
184	PIERCE #2-D	LA	SAILES
205024	ALLEN ESTATE 2-111S	TX	LEAR
203	PLACID OIL #1	LA	SAILES
167	SIMS 2-D	LA	SIBLEY
166	SIMS #2	LA	SIBLEY
113056	EMILY 1-16	OK	LIBBIE, SOUTHWEST
207	SMITH, NAPOLEON E-1	LA	SAILES
706038	LEBLANC #1	LA	PARC PERDUE
192	ST. LSE. 7582 #2	LA	REDFISH POINT
715047	SEAMSTER HEIRS 1-ALT	LA	SIBLEY
713155	WILLAMETTE #2	LA	SAILES
704082	PANTHER CREEK	LA	PANTHER CREEK
181	I. P. B. #1	LA	SAILES
713156	WILLAMETTE 2-D	LA	SAILES
216	CONTINENTAL CAN #5	LA	BRYCELAND WEST
704034	SHRINERS HOSP. A-1	LA	LISBON
713020	CONTINENTAL CAN #5	LA	BRYCELAND WEST
215	MERRITT, E.W. #2	LA	BRYCELAND WEST
190	WILLAMETTE #2	LA	SAILES
159	FOGLE #1-D	LA	SIBLEY
777122	SMELLEY, W.G. 1-13	LA	DRISCOLL
706044	ST. LSE. 9695 #1	LA	PECAN ISLAND
102026	SAGER 1-34	OK	BALKO, SOUTH
113	JEAN W.C. #1	LA	BRYCELAND WEST
713149	PIERCE #1	LA	SAILES
234005	BELL, HARRY A #1(U)	TX	IOLA
116076	LARRY 1-33	OK	WEATHERFORD, SE
113081	MOORE 1-35	OK	LIBBIE, SOUTHWEST

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EXHIBIT "A"

Warranted Property

Lease

Code	Name	State	Field
106	CONTINENTAL CAN CO #2	LA	BRYCELAND WEST
860149	LUCKY DITCH STATE 1	WY	UNNAMED
234010	SELECTED LANDS #1	TX	IOLA
722004	RIGGS, L.D. #2	LA	HUMPHREYS
105052	PARKER B #1	OK	CHEYENNE VALLEY
713130	ALEXANDER #2	LA	SAILES
162	LA. METH. ORPH. 2	LA	SIBLEY
113060	PATTON 1-15	OK	LIBBIE, SOUTHWEST
177	CONTINENTAL CAN Y-1	LA	SAILES
113041	ENTZ 1-7	OK	LIBBIE, SOUTHWEST
115	MARSALIS, JOE 1-ALT	LA	BRYCELAND WEST
234001	HOLTH, A.A. #1	TX	IOLA
1006	HORN 1-18 (BP)	OK	LIBBIE, SOUTHWEST
711028	SWEET LAKE LAND #1	LA	BELL CITY SOUTH
110035	GUENZEL 1	OK	REYDON, WEST
304108	SCOTT 2R	NM	BLANCO (MV)
713095	HODGE-HUNT #1	LA	DANVILLE
706028	TRAHAN, ROBERT #1	LA	WRIGHT
251	LOUISIANA HUNT 1-ALT	LA	SAILES
114	JEAN, W.C. 1-D	LA	BRYCELAND WEST
113078	STEVENS COPUS 1-07	OK	LIBBIE, SOUTHWEST
214	HAMNER ESTATE A-1	LA	BRYCELAND WEST
123005	BLUE CREEK 1-7	OK	PITTSBURG, SOUTH
122	STREETMAN 2 & 2-D	LA	BRYCELAND WEST
116084	RUTH, NELDA	OK	CLINTON, E
103	CARTER, HEIRS A-1	LA	BRYCELAND WEST
111015	MCCLAIN 1-17	OK	CEDARS, WEST
116	MERRITT #1	LA	BRYCELAND WEST
723002	BLOXOM, T.C. #1	LA	SIBLEY
205013	SCHULTZ B-1	TX	LEAR
109	CONTINENTAL CAN X-1	LA	BRYCELAND WEST
187	SMITH HEIRS D-1 ALT.	LA	SAILES
173	ALEXANDER #2-D	LA	SAILES
113045	HEGER 1-20	OK	LIBBIE, SOUTHWEST
205051	BOOTH, LINCOLN 2-638	TX	UNIT
304128	STATE N-1M (DAK)	NM	BASIN
304076	SCOTT 1-A	NM	BLANCO (MV)
102028	NAYLOR	OK	BALKO, SOUTH
777704	FAULK #1	LA	LEATHERMAN CREEK

EXHIBIT "A"

Warranted Property

Lease

Code	Name	State	Field
713081	CONTINENTAL CAN S-2-D	LA	DANVILLE
132	ROBERTS, J.F. #1	LA	DOWNSVILLE
713050	YOUNGBLOOD A-1	LA	BRYCELAND WEST
711110	SUTTER, F.F. #1	LA	FRANKLIN
713023	CONTINENTAL CAN X-1	LA	BRYCELAND WEST
205023	SCOTT 1	TX	LEAR
706003	ST. LSE. 7582 #2	LA	REDFISH POINT
723042	GLASS ESTATE #A-1	LA	SIBLEY
113062	SHOOP	OK	LIBBIE, SOUTHWEST
170406	BYRD #2-D	LA	SUGAR CREEK
196	BURSON #1	LA	SIBLEY
713175	PLACID OIL #1	LA	SAILES
713200	BOLINGER CO., LTD. B-1	LA	SAILES
113084	HART 1-06	OK	LIBBIE, SOUTHWEST
304126	STATE N-1 (DAK)	NM	BASIN
113047	HORN 2-18	OK	LIBBIE, SOUTHWEST
120	SALTER, HENRY 1-ALT	LA	BRYCELAND WEST
723017	FOGLE #1-D	LA	SIBLEY
171002	SUTTER, F.F. #1	LA	FRANKLIN, E.
206	BEST, F.L. #1	LA	BRYCELAND WEST
164	REED B-1	LA	SIBLEY
123003	INDIAN NATIONS 1-30	OK	BLANCO, SOUTH
710012	SUTTER, F.F. #1	LA	FRANKLIN, E.
723038	WILLIAMSON #1	LA	SIBLEY
304070	S J 32-9 UNIT (MV)	NM	BLANCO (MV)
194	MORRISON #1	MS	WAUSAU NORTH
234014	SELECTED LANDS #2	TX	IOLA
713085	CONTINENTAL CAN U-1	LA	DANVILLE
7131	CUMMINGS, OTTO #A-1	LA	BRYCELAND WEST
113065	TUCKER 2-25	OK	LIBBIE, SOUTHWEST
713179	CUMMINGS, OTTO #A-1	LA	BRYCELAND WEST
713036	MERRITT A-1	LA	BRYCELAND WEST
722011	WYLIE HEIRS #3	LA	ORANGE GROVE
723023	LA. METH. ORPH. 2-D	LA	SIBLEY
105003	KIMBALL A-1	OK	SEILING, NE
113074	SICKLES 1A-9	OK	LIBBIE, SOUTHWEST
713173	BEST, F.L. #1	LA	BRYCELAND WEST
160	GLASS ESTATE #1	LA	SIBLEY

EXHIBIT "A"

Warranted Property

Lease

Code	Name	State	Field
713018	CONTINENTAL CAN #2	LA	BRYCELAND WEST
304085	SCOTT 5A (MV)	NM	BLANCO (MV)
713039	SALTER, HENRY #1-ALT	LA	BRYCELAND WEST
105051	PARKER 1-21	OK	CHEYENNE VALLEY
123002	BLUE CREEK 1-8 (WAP)	OK	KIOWA
713101	TALBOT #1-D	LA	DANVILLE
119	ROBERSON, W.D. C-1	LA	BRYCELAND WEST
113058	CHRISSMAN 1-27	OK	LIBBIE, SOUTHWEST
713010	WOODARD-WALKER G-1-D	LA	ADA
304071	SAN JUAN 32-9 UN (PC)	NM	BLANCO (PC)
713105	WALTON A-1	LA	DANVILLE
713122	SMELLEY, W.G. 1-13	LA	DRISCOLL
715003	NOLAN #1	LA	BAYOU D'ARBONNE
713183	SUTTON A-1-D	LA	BRYCELAND WEST
713004	MASON, DON	LA	ADA
113075	STALEY-HOWERTON 1-08	OK	LIBBIE, SOUTHWEST
304089	SCOTT 7 A (MV)	NM	BLANCO (MV)
704078	FAULK #4	LA	LEATHERMAN CREEK
304079	SCOTT 2A (PC)	NM	BLANCO (PC)
304096	SCOTT 14 (PC)	NM	BLANCO (PC)
304050	GALLEGOS CAN, UN DAK	NM	BASIN
234006	BELL, HARRY A #1(L)	TX	IOLA
123007	INDIAN NATIONS 1-19	OK	BLANCO, SOUTH
134	WALLACE #1	LA	DOWNSVILLE
715019	BEARDEN #2	LA	DOWNSVILLE
713186	WILLAMETTE C-1	LA	SAILES
117040	BYRD #2	LA	SUGAR CREEK
713083	CONTINENTAL CAN T-1-D	LA	DANVILLE
706002	ST. LSE. 7582 #2D	LA	REDFISH POINT
723009	CONNELL, M.L. #1	LA	SIBLEY
119043	DICKERSON 1-2	OK	LIBBIE, SOUTHWEST
189	SUTTON B-1-D	LA	SAILES
713047	WOODAND WALKER B-1	LA	BRYCELAND WEST
124001	HENSON 1-27	OK	GOLDEN TREND
713131	ALEXANDER #2-D	LA	SAILES
161	GRAY, IRENE #1	LA	SIBLEY
205032	WALTON 2	TX	LEAR

EXHIBIT "A"

Assigned Property

Lease

Code	Name	State	Field
111C01	CLAWSON A-1 (UPPER)	OK	CEDARS
111025	STANDIFORD 1-17 UT	OK	CEDARS, WEST
713064	BLACKWOOD #1	LA	DANVILLE
111111	MISC. ROYALTIES	VS	VARIOUS
153	FAULK #4	LA	LEATHERMAN CREEK
304034	BROOKHAVEN COM M 15	NM	BLANCO (MV)
199	CONNELL, M.L. #1-D	LA	SIBLEY
715005	SMITH, ABBIE J.	LA	BAYOU D'ARBONNE
713080	CONTINENTAL CAN S-2	LA	DANVILLE
713092	FREY B-1	LA	DANVILLE
304078	SCOTT 2A (MESA VERDE)	NM	BLANCO (MV)
138002	BYFIELD 1-11	OK	NEEDMORE, EAST
234009	McDUFFIE #1	TX	IOLA
248	SKINNER #1	LA	LISBON
147	FREY #1	LA	DANVILLE
116106	CLINTON TOWNSITE 14-1A	OK	CLINTON, E
713013	BUTLER, DORIS #1	LA	BRYCELAND WEST
713014	BUTLER, DORIS #1-D	LA	BRYCELAND WEST
713027	HIGHLAND TIMBER	LA	BRYCELAND WEST
118	MCDANIEL 1-4 (MORROW)	OK	CESTOS, S
711011	GUILLOTTE, ROY	LA	HAYES N
103045	LIEBERT 1-11	OK	SEILING, W
103049	PHELPS 1-26	OK	PUTNAM
146	CONTINENTAL CAN V-1-D	LA	DANVILLE
123014	EUNICE A-1	OK	UNNAMED
105011	PARKER 22-A	OK	CHEYENNE VALLEY
860155	LITTLE GRASS CREEK 1-15	WY	UNNAMED
163	LA METH. ORPH. 2-D	LA	SIBLEY
113044	CLAY 1-5	OK	LIBBIE, SOUTHWEST
713019	CONTINENTAL CAN 3&3D	LA	BRYCELAND WEST
723044	FOGLE A-1	LA	SIBLEY
726003	JONES, NETTIE M.	LA	LA ROSE
603063	NIELSON UPTON 2-32	KS	BIRD, SOUTH
111026	STANDIFORD 1-17 (RO)	OK	CEDARS, WEST
706030	RICHARD, ALVIN #1	LA	PARC PERDUE
723020	GRAY, IRENE #1-D	LA	SIBLEY
205039	SCOTT #1	TX	BOOKER, SE
154	FAULK #4	LA	LEATHERMAN CREEK
715004	REAGAN, R. L.	LA	BAYOU D'ARBONNE
158	CRICHTON #1	LA	SIBLEY
713198	LOUISIANA HUNT #1	LA	SAILES
777040	FAULK #2	LA	LEATHERMAN CREEK
723027	REED A-1	LA	SIBLEY
304066	MARCOTTE 1-A	NM	BLANCO (MV)

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
010745-00	CLARENCE W. COBB, ET UX	03/15/82		053	451	274.628

* PRODUCING UNITS :
250002-00 COBB #2
250012-00 COBB #4
250013-00 COBB #5
250021-00 COBB UNIT #6 WELL #1
250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 03/15/99
PT OF THOMAS BOWMAN SVY A-72

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
010751-00	LLOYD W. ROONEY ET UX	03/15/82		053	443	74.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 03/15/99
PT OF WILLIAM VESS SVY A-235

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
010752-00	CECIL B. COX, ET AL	03/15/82		056	209	304.332

* PRODUCING UNITS :
250007-00 BIRDWELL #1
250002-00 COBB #2
250013-00 COBB #5
250015-00 COBB #7
250011-00 COX UNIT #1

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 03/15/99
PT OF THOMAS BOWMAN SVY A-72

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11.18.97

STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
010766-00	WICKSON LAKE CLUB	03/09/82		055	507	537.824

* PRODUCING UNITS : 250007-00 BIRDWELL #1
250005-00 FUQUA UNIT #1
250001-00 COBB #1
250002-00 COBB #2
250003-00 COBB #3
250017-00 COBB #2-2

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 03/09/99
PT OF ELI NICKSON LGE A-236

016513-00	CLARENCE W. COBB, ET UX	11/14/83		624	211	235.600

* PRODUCING UNITS : 250021-00 COBB UNIT #6 WELL #1

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 11/14/99
T. BOWMAN SVY, A-72, AND T. HENRY SVY, A-127

016514-00	STATE OF TEXAS, #86481	10/06/81		440	866	30.000

* PRODUCING UNITS : 250002-00 COBB #2
250003-00 COBB #3

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING OVERRIDE EXPIRES : 10/06/99

11.12.97

STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220223-00	MARY RUTH MITCHEM, ET AL	11/30/83		626	352	216.900
	* PRODUCING UNITS : 250013-00 COBB #5 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA 216.9 ACRS OUT OF THOMAS BOWMAN SUR. A-72					PRODUCING LEASEHOLD EXPIRES : 11/30/99
220224-01	CLARENCE W. COBB, ET UX	11/14/83		624	211	235.600
	* PRODUCING UNITS : 250013-00 COBB #5 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA 235.60 ACRES MORE OR LESS OUT OF THOMAS BOWMEN SUR. A-127					PRODUCING LEASEHOLD EXPIRES : 11/14/99
220225-01	CHARLES HERZOG	12/05/83		653	829	68.000
	* PRODUCING UNITS : 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 (FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES					PRODUCING LEASEHOLD EXPIRES : 12/05/99

854 0468

11.18.87

STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-02	ZENAS EIRVIN RISINGER, JR.	12/05/83		654	21	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-03	ALICE PEARL RISINGER WELLS	12/05/83		654	56	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-04	EUGENE H. HERZOG	12/05/83		653	824	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
FURTHER DESCRIBED IN LEASE, 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

947 459 947 346

STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-06	NANCY RISINGER MAGER	12/05/83	653		849	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-07	ARNOLD W. SEMBERA	12/05/83	654		36	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-08	LORAINE WILSON	12/05/83	654		66	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-09	ALBINKA DUESER	12/05/83		653	814	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-10	MARTHA HAMMETT	12/05/83		653	819	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
(FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-11	JACOB CONRAD MERKA, JR.	12/05/83		653	844	68.000

* PRODUCING UNITS : 250015-00 COBB #7

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: JOSHUA PRODUCING LEASEHOLD EXPIRES : 12/05/99
68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233
FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST
PRODUCTION IN PAYING QUANTITIES

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-12	LOTTIE MERKA RILEY	12/05/83		654	1	68.000
	* PRODUCING UNITS : 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 (FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES	PROSPECT: JOSHUA				PRODUCING LEASEHOLD EXPIRES : 12/05/99
220225-13	THOMAS E. SEMBERA	12/05/83		654	31	68.000
	* PRODUCING UNITS : 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 (FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES	PROSPECT: JOSHUA				PRODUCING LEASEHOLD EXPIRES : 12/05/99
220225-14	EIDELWEISS SCHULTZ WEATHERLY	12/05/83		654	61	68.000
	* PRODUCING UNITS : 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 (FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES	PROSPECT: JOSHUA				PRODUCING LEASEHOLD EXPIRES : 12/05/99

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STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-15	MINNIE LEE TRLICA	12/05/83		654	46	68.000
	* PRODUCING UNITS : 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 (FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES	PROSPECT: JOSHUA				PRODUCING LEASEHOLD EXPIRES : 12/05/99
220225-16	JOHN R. RISINGER	12/05/83	0	654	16	68.000
	* PRODUCING UNITS : 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 (FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES	PROSPECT: JOSHUA				PRODUCING LEASEHOLD EXPIRES : 12/05/99
220225-17	DOROTHY MERKA REGER	12/05/83		654	11	68.000
	* PRODUCING UNITS : 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 (FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES	PROSPECT: JOSHUA				PRODUCING LEASEHOLD EXPIRES : 12/05/99

19.21.11

STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220225-18	VICTORIA MERKA RILEY	12/05/83		654	06	68.000
	* PRODUCING UNITS : 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 (FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES	PROSPECT: JOSHUA				PRODUCING LEASEHOLD EXPIRES : 12/05/99
220225-19	HENRY SYPTAK	12/05/83		654	26	68.000
	* PRODUCING UNITS : 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES	PROSPECT: JOSHUA				PRODUCING LEASEHOLD EXPIRES : 12/05/99
220225-20	THOMAS MERKA, JR.	12/05/83		653	839	68.000
	* PRODUCING UNITS : 250015-00 COBB #7					
	TOWNSHIP RANGE SEC DESCRIPTION: 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 (FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES	PROSPECT: JOSHUA				PRODUCING LEASEHOLD EXPIRES : 12/05/99

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11.12.87

STATE OF TEXAS COUNTY OF BRAZOS

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES	
220225-21	DORIS MILLER	12/05/83	653	834		68.000	
* PRODUCING UNITS : 250015-00 COBB #7							
TOWNSHIP RANGE SEC DESCRIPTION: 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 (FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES	PROSPECT: JOSHUA					PRODUCING LEASEHOLD	EXPIRES : 12/05/99
220225-22	EDDIE JOE SYPTAK	12/05/83	656	759		68.000	
* PRODUCING UNITS : 250015-00 COBB #7							
TOWNSHIP RANGE SEC DESCRIPTION: 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 (FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES	PROSPECT: JOSHUA					PRODUCING LEASEHOLD	EXPIRES : 12/05/99
220225-23	CAROLYN TEETER	12/05/83	654	51		68.000	
* PRODUCING UNITS : 250015-00 COBB #7							
TOWNSHIP RANGE SEC DESCRIPTION: 68 ACRES, MOL, OUT OF WILLIAM VESS LEAGUE A-233 (FURTHER DESCRIBED IN LEASE) 0'-500' BELOW DEEPEST PRODUCTION IN PAYING QUANTITIES	PROSPECT: JOSHUA					PRODUCING LEASEHOLD	EXPIRES : 12/05/99
						1476.884	TOTAL COUNTY

11.12.87

96-505

CONVEYANCE, ASSIGNMENT AND TRANSFER

STATE OF TEXAS 45744 §
§
COUNTY OF ORANGE §

VOL 642 PAGE 275

This Conveyance, Assignment and Transfer is entered into effective as of the 31st day of December, 1986 by and between LEAR PETROLEUM PARTNERS OPERATING COMPANY, L.P., a Delaware limited partnership, LEAR PETROLEUM PARTNERS, L.P., a Delaware limited partnership, LEAR PETROLEUM CORPORATION, a Delaware corporation, LEAR PETROLEUM EXPLORATION, INC., a Delaware corporation, and LPC ENERGY, INC., a Delaware corporation, whose addresses are all Suite 1600, 6688 North Central Expressway, Dallas, Texas 75206-3912, herein for convenience collectively called "Lear", and MINATOME CORPORATION, a Delaware corporation, whose address is One Allen Center, Suite 400, Houston, Texas 77002, herein for convenience called "Buyer".

W I T N E S S E T H:

Lear, for other good and valuable considerations, the full receipt and sufficiency of which are hereby acknowledged and confessed, and subject to the terms hereof, does hereby grant, bargain, sell, transfer, set over, convey, assign and deliver unto Buyer the full interest and estate of Lear in, to and under the following described property, to-wit:

A. All of the oil and gas leases, and oil, gas and mineral interests, and any and all rights appertaining thereto, which are described on Exhibit "A" (all of which are collectively referred to as "Lease and Mineral Interests"), subject, however, to the provisions and conditions contained in the oil, gas and mineral leases and deeds referred to on Exhibit "A" hereto, to which Lease and Mineral Interests and the record thereof reference is made for all purposes; and

B. Rights existing in favor of Lear under all presently existing oil and gas sales, purchase, exchange and processing contracts, casinghead gas contracts, unit agreements, operating agreements, including any and all operator's liens, communitization agreements, pooling agreements, and other contracts, agreements and instruments relating to any of the Lease and Mineral Interests, or to the production, sale, processing and transportation of oil and gas from or attributable to the Lease and Mineral Interests; and

C. All personal property, improvements, lease and well equipment of Lear, including, but not limited to, all wells, casing, tubing, tanks, buildings, fixtures and machinery (hereinafter collectively called "Personal Property") situated upon or used in connection with the exploration, development, operation or maintenance of the Lease and Mineral Interests, or in connection with the production, treating, storing, transportation or marketing of oil and gas produced from the Lease and Mineral Interests.

All of the rights, title and interest of Lear in the above-described properties, interests and rights specified in the foregoing subparagraphs A, B and C are herein collectively called the "Conveyed Interests".

TO HAVE AND TO HOLD the Conveyed Interests unto Buyer, its successors and assigns, forever, subject to the terms and provisions of this Conveyance.

1. The term "oil, gas and other minerals" as used herein shall be deemed to mean and include with respect to any particular Conveyed Interests such substances as are included in the Conveyed Interests, as determined by reference to the law of the state in which such interest is located.

2. Lear warrants and agrees to defend Defensible Title, as defined in the Purchase Agreement dated as of September 29, 1986 by and among Lear and Buyer ("Purchase Agreement"), to those Conveyed Interests set out as warranted properties on Exhibit "A" unto Buyer from and against all claims arising by, under and through Lear, but not otherwise. The remedies of Buyer with respect to the warranty of title provided in this Conveyance are limited under the terms of Section 3.5 of the Purchase Agreement. Nothing herein shall enlarge or alter Lear's liability for the breach of any representation and warranty contained in the Purchase Agreement. This Conveyance is made with full substitution and subrogation of Buyer in and to all covenants and warranties by others heretofore given or made with respect to the Conveyed Interests or any part thereof.

3. Lear agrees to execute and deliver to Buyer all such other and additional instruments, notices, division orders, transfer orders and other documents and to do all such other and further acts and things as may be reasonably necessary to more fully and effectively grant, convey and assign to the Buyer the Conveyed Interests covered hereby.

4. It is the intention of Lear to hereby vest into Buyer all right, title and interest in and to each and every oil, gas and mineral lease interest, oil, gas and mineral interest, royalty and overriding royalty interest, and all attendant and appurtenant rights thereto owned by Lear in said county or parish, whether or not specifically described on Exhibit "A" hereto, and all of such interests are hereby granted, bargained, sold, transferred, set over, conveyed, assigned and delivered by Lear to Buyer.

5. Lear agrees to execute, acknowledge and deliver separate assignments, transfers or certificates of title or other instruments or conveyances on approved forms which may be required or deemed necessary to satisfactorily convey title to certain of the Conveyed Interests in order to comply with applicable statutory and regulatory requirements of any federal, state or other governmental authority. The properties so conveyed by such separate instruments are or will be the same as and not in addition to this Conveyance and said separate assignments, transfers or conveyances shall be in confirmation of the terms hereof and shall be effective as of the Effective Date.

All of the terms, covenants and conditions hereof shall inure to the benefit of and be binding upon the respective successors and assigns of Lear and Buyer, respectively, and

all references herein to Lear and Buyer shall include their respective successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Conveyance, Assignment and Transfer to be duly executed in duplicate originals on the date set forth in their respective acknowledgements, effective, however, as to runs of oil and deliveries of gas and for all other purposes, as of 11:59 p.m. local time (at the location of the Conveyed Interests, respectively) on December 31, 1986 (the "Effective Date").

LEAR PETROLEUM PARTNERS OPERATING COMPANY, L.P.
By: LEAR PETROLEUM EXPLORATION, INC.
Managing General Partner

and

By: LPC ENERGY, INC.
Special General Partner

LEAR PETROLEUM PARTNERS, L.P.
By: LEAR PETROLEUM EXPLORATION, INC.
Managing General Partner

and

By: LEAR PETROLEUM CORPORATION,
Special General Partner

ATTEST:

LEAR PETROLEUM CORPORATION

LEAR PETROLEUM EXPLORATION, INC.

LPC ENERGY, INC.

Randall B. Wilson
Secretary of each of the above-named corporations

By: Gordon D. Mowl
Gordon D. Mowl
Senior Vice President of each of the above-named corporations

MINATOME CORPORATION

ATTEST:

Phillipe Sirven
Assistant Secretary

By: J.P. Donnet
J.P. Donnet
President

Witnesses to all signatures (Louisiana only):

_____

_____

STATE OF TEXAS §
§
COUNTY OF DALLAS §

BE IT REMEMBERED THAT I, Laura G Takacs, a Notary Public duly qualified, commissioned, sworn and acting in and for the State of Texas, hereby certify that on 16th December, 1986, there personally appeared before me Gordon D. Mowl, Senior Vice President, and Randall B. Wilson, Secretary of Lear Petroleum Exploration, Inc., Lear Petroleum Corporation and LPC Energy, Inc., Delaware corporations, such corporations being a party to the foregoing instrument both in its own capacity or as a general partner of a partnership known to me to be the persons and officers whose names are subscribed to the foregoing instruments and that:

ALASKA COLORADO KANSAS NEBRASKA NEW MEXICO NORTH DAKOTA OKLAHOMA TEXAS and WYOMING	They acknowledged to me that they freely executed the same as the voluntary act of the corporations for the purposes and consideration therein expressed and in the capacity therein stated.
ARKANSAS MISSISSIPPI and SOUTH DAKOTA	Before me personally appeared such persons, who acknowledged themselves to be the aforementioned officers of the corporations specified above opposite their names, and that they, being authorized so to do, executed the foregoing instrument on behalf of such corporations for the purposes therein contained by signing the name of such corporations.
CALIFORNIA and MONTANA	Before me personally appeared such persons, known to me to be the above designated officers of the corporations specified above opposite their names, which corporations executed the within instrument, and acknowledged to me that such corporations executed the same.
UTAH	Personally appeared before me such person, who being by me duly sworn, did say that he is the above designated officer of the above named corporations, that said instrument was signed in behalf of such corporations by authority of resolution of their Boards of Directors, and did acknowledge to me that said corporations executed the same.
WASHINGTON	Before me personally appeared such person known to me to be the above designated officers of the corporations above specified opposite their names that executed the within and foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said corporations, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument and that the seals affixed are the seals of said corporations.

NEVADA — Personally appeared before me, a Notary Public, such persons as the above designated officers of the corporations above specified opposite their names, who acknowledged that they voluntarily executed the above instrument for the uses and purposes therein mentioned.

ILLINOIS — I do hereby certify that Gordon D. Mowl and Randall B. Wilson, personally known to me to be the same persons whose names are, respectively, as Senior Vice President and Secretary of the corporations specified above, corporations of the State of Delaware, subscribed to the foregoing instrument, appeared before me this day in person, and subscribed to the foregoing instrument and severally acknowledged that they, being hereunto duly authorized, signed, sealed with the corporate seals, and delivered the said instrument as the free and voluntary act of said corporations and as their own free and voluntary act for the uses and purposes therein set forth.

LOUISIANA — Before me appeared the above named persons, to me personally known, who, being by me duly sworn, did say that they are the Senior Vice President and Secretary, respectively, of the above named corporations, and that the seals affixed to said instrument are the corporate seals of said corporations and that the instrument was signed and sealed in behalf of the corporations by the authority of their Boards of Directors and that they acknowledged the instrument to be the free act and deed of the corporations.

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

Laura G Takacs

Notary Public in and for
the State of T E X A S

My Commission Expires 5

LAURA G. TAKACS
Notary Public, State of Texas
My Commission Expires April 9, 1990

STATE OF TEXAS §
§
COUNTY OF DALLAS §

BEFORE ME, the undersigned officer, on this date personally appeared J.P. Donnet, known to me to be the person whose name is subscribed to the foregoing instrument, and known to me to be the President of Minatome Corporation, a Delaware corporation, and, being duly sworn, acknowledged to me that he freely executed said instrument under the authority of the Board of Directors of such corporation for the purposes and consideration therein expressed, and as the voluntary act and deed of said corporation.

GIVEN under my hand and seal of office this 16th day of December, 1986.

Notary Public in and for
the State of T E X A S

My Commission Expires 6-5-89

101GAR/C

EXHIBIT "A"

Warranted Property

Lease

Code	Name	State	Field
113017	FROST 1-17	OK	LIBBIE, SOUTHWEST
113025	HORN 1-18	OK	LIBBIE, SOUTHWEST
176	CONTINENTAL CAN H-2	LA	SAILES
152	EDWARDS #1	LA	BELL CITY SOUTH
111112	MISC., ROYALTIES #1	VS	VARIOUS
129	BEARDEN #1	LA	DOWNSVILLE
119028	HECK 1-12B	OK	LIBBIE, SOUTHWEST
184	PIERCE #2-D	LA	SAILES
205024	ALLEN ESTATE 2-1118	TX	LEAR
203	PLACID OIL #1	LA	SAILES
167	SIMS 2-D	LA	SIBLEY
166	SIMS #2	LA	SIBLEY
113056	EMILY 1-16	OK	LIBBIE, SOUTHWEST
207	SMITH, NAPOLEON E-1	LA	SAILES
706038	LEBLANC #1	LA	PARC PERDUE
192	ST. LSE. 7582 #2	LA	REDFISH POINT
715047	SEAMSTER HEIRS 1-ALT	LA	SIBLEY
713155	WILLAMETTE #2	LA	SAILES
704082	PANTHER CREEK	LA	PANTHER CREEK
181	I. P. B. #1	LA	SAILES
713156	WILLAMETTE 2-D	LA	SAILES
216	CONTINENTAL CAN #5	LA	BRYCELAND WEST
704034	SHRINERS HOSP. A-1	LA	LISBON
713020	CONTINENTAL CAN #5	LA	BRYCELAND WEST
215	MERRITT, E.W. #2	LA	BRYCELAND WEST
190	WILLAMETTE #2	LA	SAILES
159	FOGLE #1-D	LA	SIBLEY
777122	SMELLEY, W.G. 1-13	LA	DRISCOLL
706044	ST. LSE. 9695 #1	LA	PECAN ISLAND
102026	SAGER 1-34	OK	BALKO, SOUTH
113	JEAN W.C. #1	LA	BRYCELAND WEST
713149	PIERCE #1	LA	SAILES
234005	BELL, HARRY A #1(U)	TX	IOLA
116076	LARRY 1-33	OK	WEATHERFORD, SE
113081	MOORE 1-35	OK	LIBBIE, SOUTHWEST

EXHIBIT "A"

Warranted Property

Lease

Code	Name	State	Field
106	CONTINENTAL CAN CO #2	LA	BRYCELAND WEST
860149	LUCKY DITCH STATE 1	WY	UNNAMED
234010	SELECTED LANDS #1	TX	IOLA
722004	RIGGS, L.D. #2	LA	HUMPHREYS
105052	PARKER B #1	OK	CHEYENNE VALLEY
713130	ALEXANDER #2	LA	SAILES
162	LA. METH. ORPH. 2	LA	SIBLEY
113060	PATTON 1-15	OK	LIBBIE, SOUTHWEST
177	CONTINENTAL CAN Y-1	LA	SAILES
113041	ENTZ 1-7	OK	LIBBIE, SOUTHWEST
115	MARSALIS, JOE 1-ALT	LA	BRYCELAND WEST
234001	HOLTH, A.A. #1	TX	IOLA
1006	HORN 1-18 (BP)	OK	LIBBIE, SOUTHWEST
711028	SWEET LAKE LAND #1	LA	BELL CITY SOUTH
110035	GUENZEL 1	OK	REYDON, WEST
304108	SCOTT 2R	NM	BLANCO (MV)
713095	HODGE-HUNT #1	LA	DANVILLE
706028	TRAHAN, ROBERT #1	LA	WRIGHT
251	LOUISIANA HUNT 1-ALT	LA	SAILES
114	JEAN, W.C. 1-D	LA	BRYCELAND WEST
113078	STEVENS COPUS 1-07	OK	LIBBIE, SOUTHWEST
214	HAMNER ESTATE A-1	LA	BRYCELAND WEST
123005	BLUE CREEK 1-7	OK	PITTSBURG, SOUTH
122	STREETMAN 2 & 2-D	LA	BRYCELAND WEST
116084	RUTH, NELDA	OK	CLINTON, E
103	CARTER, HEIRS A-1	LA	BRYCELAND WEST
111015	MCCLAIN 1-17	OK	CEDARS, WEST
116	MERRITT #1	LA	BRYCELAND WEST
723002	BLOXOM, T.C. #1	LA	SIBLEY
205013	SCHULTZ B-1	TX	LEAR
109	CONTINENTAL CAN X-1	LA	BRYCELAND WEST
187	SMITH HEIRS D-1 ALT.	LA	SAILES
173	ALEXANDER #2-D	LA	SAILES
113045	HEGER 1-20	OK	LIBBIE, SOUTHWEST
205051	BOOTH, LINCOLN 2-638	TX	UNIT
304128	STATE N-1M (DAK)	NM	BASIN
304076	SCOTT 1-A	NM	BLANCO (MV)
102028	NAYLOR	OK	BALKO, SOUTH
777704	FAULK #1	LA	LEATHERMAN CREEK

EXHIBIT "A"

Warranted Property

Lease Code	Name	State	Field
713081	CONTINENTAL CAN S-2-D	LA	DANVILLE
132	ROBERTS, J.F. #1	LA	DOWNSVILLE
713050	YOUNGBLOOD A-1	LA	BRYCELAND WEST
711110	SUTTER, F.F. #1	LA	FRANKLIN
713023	CONTINENTAL CAN X-1	LA	BRYCELAND WEST
205023	SCOTT 1	TX	LEAR
706003	ST. LSE. 7582 #2	LA	REDFISH POINT
723042	GLASS ESTATE #A-1	LA	SIBLEY
113062	SHOOP	OK	LIBBIE, SOUTHWEST
170406	BYRD #2-D	LA	SUGAR CREEK
196	BURSON #1	LA	SIBLEY
713175	PLACID OIL #1	LA	SAILES
713200	BOLINGER CO., LTD. B-1	LA	SAILES
113084	HART 1-06	OK	LIBBIE, SOUTHWEST
304126	STATE N-1 (DAK)	NM	BASIN
113047	HORN 2-18	OK	LIBBIE, SOUTHWEST
120	SALTER, HENRY 1-ALT	LA	BRYCELAND WEST
723017	FOGLE #1-D	LA	SIBLEY
171002	SUTTER, F.F. #1	LA	FRANKLIN, E.
206	BEST, F.L. #1	LA	BRYCELAND WEST
164	REED B-1	LA	SIBLEY
123003	INDIAN NATIONS 1-30	OK	BLANCO, SOUTH
710012	SUTTER, F.F. #1	LA	FRANKLIN, E.
723038	WILLIAMSON #1	LA	SIBLEY
304070	S J 32-9 UNIT (MV)	NM	BLANCO (MV)
194	MORRISON #1	MS	WAUSAU NORTH
234014	SELECTED LANDS #2	TX	IOLA
713085	CONTINENTAL CAN U-1	LA	DANVILLE
7131	CUMMINGS, OTTO #A-1	LA	BRYCELAND WEST
113065	TUCKER 2-25	OK	LIBBIE, SOUTHWEST
713179	CUMMINGS, OTTO #A-1	LA	BRYCELAND WEST
713036	MERRITT A-1	LA	BRYCELAND WEST
722011	WYLIE HEIRS #3	LA	ORANGE GROVE
723023	LA. METH. ORPH. 2-D	LA	SIBLEY
105003	KIMBALL A-1	OK	SEILING, NE
113074	SICKLES 1A-9	OK	LIBBIE, SOUTHWEST
713173	BEST, F.L. #1	LA	BRYCELAND WEST
160	GLASS ESTATE #1	LA	SIBLEY

EXHIBIT "A"

Unrranted Property

Lease

Code	Name	State	Field
713018	CONTINENTAL CAN #2	LA	BRYCELAND WEST
304085	SCOTT 5A (MV)	NM	BLANCO (MV)
713039	SALTER, HENRY #1-ALT	LA	BRYCELAND WEST
105051	PARKER 1-21	OK	CHEYENNE VALLEY
123002	BLUE CREEK 1-8 (WAP)	OK	KIOWA
713101	TALBOT #1-D	LA	DANVILLE
119	ROBERSON, W.D. C-1	LA	BRYCELAND WEST
113058	CHRISSMAN 1-27	OK	LIBBIE, SOUTHWEST
713010	WOODARD-WALKER G-1-D	LA	ADA
304071	SAN JUAN 32-9 UN (PC)	NM	BLANCO (PC)
713105	WALTON A-1	LA	DANVILLE
713122	SMELLEY, W.G. 1-13	LA	DRISCOLL
715003	NOLAN #1	LA	BAYOU D'ARBONNE
713183	SUTTON A-1-D	LA	BRYCELAND WEST
713004	MASON, DON	LA	ADA
113075	STALEY-HOWERTON 1-08	OK	LIBBIE, SOUTHWEST
304089	SCOTT 7 A (MV)	NM	BLANCO (MV)
704078	FAULK #4	LA	LEATHERMAN CREEK
304079	SCOTT 2A (PC)	NM	BLANCO (PC)
304096	SCOTT 14 (PC)	NM	BLANCO (PC)
304050	GALLEGOS CAN, UN DAK	NM	BASIN
234006	BELL, HARRY A #1(L)	TX	IOLA
123007	INDIAN NATIONS 1-19	OK	BLANCO, SOUTH
134	WALLACE #1	LA	DOWNSVILLE
715019	BEARDEN #2	LA	DOWNSVILLE
713186	WILLAMETTE C-1	LA	SAILES
117040	BYRD #2	LA	SUGAR CREEK
713083	CONTINENTAL CAN T-1-D	LA	DANVILLE
706002	ST. LSE. 7582 #2D	LA	REDFISH POINT
723009	CONNELL, M.L. #1	LA	SIBLEY
119043	DICKERSON 1-2	OK	LIBBIE, SOUTHWEST
189	SUTTON B-1-D	LA	SAILES
713047	WOODAND WALKER B-1	LA	BRYCELAND WEST
124001	HENSON 1-27	OK	GOLDEN TREND
713131	ALEXANDER #2-D	LA	SAILES
161	GRAY, IRENE #1	LA	SIBLEY
205032	WALTON 2	TX	LEAR

EXHIBIT "A"

Assigned Property

Lease

Code	Name	State	Field
111001	CLAWSON A-1 (UPPER)	OK	CEDARS
111025	STANDIFORD 1-17 UT	OK	CEDARS, WEST
713064	BLACKWOOD #1	LA	DANVILLE
111111	MISC. ROYALTIES	VS	VARIOUS
153	FAULK #4	LA	LEATHERMAN CREEK
304034	BROOKHAVEN COM M 15	NM	BLANCO (MV)
199	CONNELL, M.L. #1-D	LA	SIBLEY
715005	SMITH, ABBIE J.	LA	BAYOU D'ARBONNE
713080	CONTINENTAL CAN S-2	LA	DANVILLE
713092	FREY B-1	LA	DANVILLE
304078	SCOTT 2A (MESA VERDE)	NM	BLANCO (MV)
138002	BYFIELD 1-11	OK	NEEDMORE, EAST
234009	McDUFFIE #1	TX	IOLA
248	SKINNER #1	LA	LISBON
147	FREY #1	LA	DANVILLE
116106	CLINTON TOWNSITE 14-1A	OK	CLINTON, E
713013	BUTLER, DORIS #1	LA	BRYCELAND WEST
713014	BUTLER, DORIS #1-D	LA	BRYCELAND WEST
713027	HIGHLAND TIMBER	LA	BRYCELAND WEST
118	MCDANIEL 1-4 (MORROW)	OK	CESTOS, S
711011	GUILLOTTE, ROY	LA	HAYES N
103045	LIEBERT 1-11	OK	SEILING, W
103049	PHELPS 1-26	OK	PUTNAM
146	CONTINENTAL CAN V-1-D	LA	DANVILLE
123014	EUNICE A-1	OK	UNNAMED
105011	PARKER 22-A	OK	CHEYENNE VALLEY
860155	LITTLE GRASS CREEK 1-15	WY	UNNAMED
163	LA METH. ORPH. 2-D	LA	SIBLEY
113044	CLAY 1-5	OK	LIBBIE, SOUTHWEST
713019	CONTINENTAL CAN 3&3D	LA	BRYCELAND WEST
723044	FOGLE A-1	LA	SIBLEY
726003	JONES, NETTIE M.	LA	LA ROSE
603063	NIELSON UPTON 2-32	KS	BIRD, SOUTH
111026	STANDIFORD 1-17 (RO)	OK	CEDARS, WEST
706030	RICHARD, ALVIN #1	LA	PARC PERDUE
723020	GRAY, IRENE #1-D	LA	SIBLEY
205039	SCOTT #1	TX	BOOKER, SE
154	FAULK #4	LA	LEATHERMAN CREEK
715004	REAGAN, R. L.	LA	BAYOU D'ARBONNE
158	CRICHTON #1	LA	SIBLEY
713198	LOUISIANA HUNT #1	LA	SAILES
777040	FAULK #2	LA	LEATHERMAN CREEK
723027	REED A-1	LA	SIBLEY
304066	MARCOTTE 1-A	NM	BLANCO (MV)

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EXHIBIT A - NON-WARRANTED PROPERTIES - PRODUCING

STATE OF TEXAS COUNTY OF ORANGE

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES	
260047-00	POWELL LUMBER CO.	08/01/63		94	278	382.000	
	* PRODUCING UNITS : 253017-00 POWELL LBR.CO#3						
	TOWNSHIP RANGE SEC DESCRIPTION: CHAS. MORGAN LEAGUE, A-18, ORANGE CO., TX	PROSPECT: HARTBURG, SOUTH				PRODUCING LEASEHOLD	EXPIRES : 08/01/99
260048-00	POWELL LUMBER CO.	02/01/64		95	19	80.000	
	* PRODUCING UNITS : 253017-00 POWELL LBR.CO#3						
	TOWNSHIP RANGE SEC DESCRIPTION: JEFFERSON ROBINSON SVY, A-166, ORANGE CO., TX	PROSPECT: HARTBURG, SOUTH				PRODUCING LEASEHOLD	EXPIRES : 02/01/99
260049-00	LUTCHER & MOORE LUMBER CO.	04/18/61		85	60	483.330	
	* PRODUCING UNITS : 253016-00 LUTCHER-MOORE#1						
	TOWNSHIP RANGE SEC DESCRIPTION: CHAS. MORGAN LEAGUE, A-18, J. NORRIS SURVEY, A-255, J. ROBINSON SURVEY, A-166, ORANGE CO., TX	PROSPECT: HARTBURG, SOUTH				PRODUCING LEASEHOLD	EXPIRES : 04/18/99
						945.330	TOTAL COUNTY

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LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
016591-00	FRED D BAILEY	06/18/84		136	316	5.250
	TOWNSHIP RANGE SEC DESCRIPTION: JOHN H FORSYTH SVY. A-79	PROSPECT: SYDNEY ISLAND				NON-PRODUCING LEASEHOLD EXPIRES : 06/18/89
016593-00	STATE OF TEXAS #87935	04/06/82		127	278	975.000
	TOWNSHIP RANGE SEC DESCRIPTION: TRACT 1 SABINE LAKE	PROSPECT: SYDNEY ISLAND				NON-PRODUCING LEASEHOLD EXPIRES : 04/06/85
016595-01	RALPH W STEWTS	05/05/84	16790	136	244	91.000
	TOWNSHIP RANGE SEC DESCRIPTION: W A ATKINS SVY. A-381	PROSPECT: SYDNEY ISLAND				NON-PRODUCING LEASEHOLD EXPIRES : 05/05/87
016595-02	GLADYS CARLQUIST, ET VIR	05/05/84	15737	135	772	91.000
	TOWNSHIP RANGE SEC DESCRIPTION: W A ATKIN SVY. A-381	PROSPECT: SYDNEY ISLAND				NON-PRODUCING LEASEHOLD EXPIRES : 05/05/87
016595-03	CORRINE CARR, ET VIR	05/05/84	15736	135	768	91.000
	TOWNSHIP RANGE SEC DESCRIPTION: W A ATKIN SVY. A-381	PROSPECT: SYDNEY ISLAND				NON-PRODUCING LEASEHOLD EXPIRES : 05/05/87

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LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES	
016595-04	HILDA DUPRE	05/05/84	15735	135	764	91.000	
	TOWNSHIP RANGE SEC DESCRIPTION: w A ATKINS SVY. A-381	PROSPECT: SYDNEY ISLAND				NON-PRODUCING LEASEHOLD	EXPIRES : 05/05/87
016595-05	EVELYN RUTH BABIN, ET VIR	05/05/84	15734	135	760	91.000	
	TOWNSHIP RANGE SEC DESCRIPTION: W A ATKINS SVY A-381	PROSPECT: SYDNEY ISLAND				NON-PRODUCING LEASEHOLD	EXPIRES : 05/05/87
016595-06	ARTHUR LEE GUY	05/05/84	16791	136	248	91.000	
	TOWNSHIP RANGE SEC DESCRIPTION: W A ATKINS SVY, A-381	PROSPECT: SYDNEY ISLAND				NON-PRODUCING LEASEHOLD	EXPIRES : 05/08/87
070120-00	PRIOR 1979 LIMITED PARTNERSHIP	08/03/82				1188.140	
	TOWNSHIP RANGE SEC DESCRIPTION: 920.75 AC OUT OF THE JOHN ALLEN LGE A-1 87.69 AC OUT OF THE RICHARD BALLEW A-2 SVY	PROSPECT: WESTBANK				NON-PRODUCING OVERRIDE	EXPIRES : 05/13/99
220037-00	JUANITA ALEXANDER	03/01/84		135	340	1.000	
	TOWNSHIP RANGE SEC DESCRIPTION: LOT 6 OF THE HAYWOOD ADDITION BEING DESCRIBED IN BOOK 5, PAGE 116 OF THE MAP RECORDS OF ORANGE COUNTY, TEXAS	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD	EXPIRES : 03/01/87

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LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220038-00	LARRY E. ANCELOT, SR.	03/01/84	135	360		1.000
	TOWNSHIP RANGE SEC DESCRIPTION: LOT 5 OF THE HAYWOOD ADDITION AND BEING DESCRIBED IN BOOK 5, PAGE 116, OF THE MAP RECORDS OF ORANGE COUNTY, TEXAS	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD EXPIRES : 03/01/87
220039-00	BILLY M. ANGLIN, ET UX	05/30/84	137	34		.172
	TOWNSHIP RANGE SEC DESCRIPTION: LOT THREE (3), IN THE WEST ONE-HALF OF BLOCK 2, OF THE GRUBBS BAILEY SUBDIVISION NO. 1, ACCORDING TO THE MAP OR PLAT RECORDED IN VOLUME 8, PAGE 28 OF THE MAP RECORDS OF ORANGE COUNTY, TEXAS	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD EXPIRES : 05/30/87
220041-00	P. L. BISHOP	06/07/84	136	374		.499
	TOWNSHIP RANGE SEC DESCRIPTION: ALL OF LOTS FIFTY (51), FIFTY TWO (52) & FIFTY THREE (53) BL # FOUR (4) OF THE GRUBBS-BAILEY SUBDIVISION NO. 1, ACCORDING TO THE AMENDED MAP OR PLAT THEREOF RECORDED IN VOLUME 8, PAGE 28 OF THE MAP RECORDS OF ORANGE COUNTY, TEXAS	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD EXPIRES : 06/07/87
220042-00	JOAN M. BOGGIE	03/01/84	135	348		2.000
	TOWNSHIP RANGE SEC DESCRIPTION: LOTS 8 AND 9 AND THE HAYWOOD ADDITION, BEING DESCRIBED IN BOOK 5, PAGE 116 OF THE MAP RECORDS OF ORANGE COUNTY, TEXAS	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD EXPIRES : 03/01/87

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LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220043-00	MILDRED H. BOZEMAN	05/30/84	137	25		.517
	TOWNSHIP RANGE SEC DESCRIPTION: LOTS NOS. (4) FOUR, (5) FIVE, AND (6) IN THE EAST ONE-HALF (E/2) OF BLOCK ONE OF THE GRUBBS-BAILEY SUBDIVISION, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 8, PAGE 28 OF THE MAP RECORDS OF ORANGE COUNTY, TEXAS.	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD EXPIRES : 05/30/87
220044-00	VIOLA B. CARPENTER	06/05/84	137	28		.689
	TOWNSHIP RANGE SEC DESCRIPTION: 100% INTEREST IN 0.6887 ACRES, BEING LOTS 10 AND 11 IN E/2 OF BLOCK #1, AND LOTS 15 AND 16 IN W/2 OF BLK #1, GRUBBS-BAILEY SUBDIVISION, ORANGE COUNTY, TEXAS	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD EXPIRES : 06/05/87
220045-00	W. H. CRAIG, ET UX	03/13/84	135	30		3.000
	TOWNSHIP RANGE SEC DESCRIPTION: LOT 16 OF THE FIRST SUBDIVISION OF GRATIS FARMS, AND BEING THE SAME LOT DESCRIBED IN DEED DATED APRIL 17, 1978 FROM DONALD SNEED ET UX TO W. H. CRAIG, ET UX, RECORDED IN VOLUME 496, PAGE 325 OF THE DEED RECORDS OF ORANGE COUNTY, TEXAS.	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD EXPIRES : 03/13/87

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EXHIBIT A - NON-WARRANTED PROPERTIES - NON-PRODUCING

STATE OF TEXAS COUNTY OF ORANGE

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220046-00	LLOYD L. DIXON, ET UX	05/31/84	137	62		1.033

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: GRATIS NON-PRODUCING LEASEHOLD EXPIRES : 05/31/87

LOTS TWENTY SIX (26), TWENTY SEVEN (27), TWENTY EIGHT (28), TWENTY NINE (29), THIRTY (30) AND THIRTY ONE (31) IN THE WEST ONE HALF (W/2) OF BLOCK TWO OF THE GRUBBS-BAILEY SUBDIVISION NO. 1, ACCORDING THE AMENDED MAP OR PLAT THEREOF RECORDED IN VOLUME 8, PAGE 28 OF THE MAP RECORDS OF ORANGE COUNTY, TEXAS.

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LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220048-00	EARL W. GRUBBS	06/07/84	00	136	342	1.418

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: GRATIS NON-PRODUCING LEASEHOLD EXPIRES : 06/07/87

.41827 ACRES OF LAND, MORE OR LESS, PART OF THE CLAIBORNE WEST LEAGUE, A-27, ORANGE COUNTY, TEXAS, TO-WIT:
TRACT NO. 1: LOTS NOS. TWENTY SEVEN (27) AND TWENTY EIGHT (28) OM THE WEST ONE-HALF (W/2) OF BLOCK NO. ONE (1) OF THE GRUBBS-BAILEY SUBDIVISION, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 4, PAGE 86, MAP RECORDS OF ORANGE COUNTY, TX. TO WHICH REFERENCE IS HEREBY MADE.
TRACT NO. 2: ALL THAT CERTAIN TRACT OR PARCEL OF LAND SITUATED IN THE C. WEST SURVEY, A-27, ORANGE COUNTY, TEXAS, AND BEING A PART OF THAT CERTAIN 135.961 ACRE TRACT CONVEYED TO A.A. BAILEY AND JIM O'GRUBBS BY DEED DATED JULY 17, 1946, RECORDED IN VOLUME 90, PAGE 453 OF THE DEED RECORDS OF ORANGE COUNTY, TX. AND THE PART THEREOF BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
BEGINNING AT THE SOUTHEAST CORNER OF THAT CERTAIN TRACT KNOWN AS LOT NO. 53 IN BLOCK NO. 4 OF THE GRUBBS-BAILEY SUBDIVISION (AMENDED) OF RECORD IN VOLUME 8, PAGE 28 MAP RECORDS OF ORANGE COUNTY, TEXAS, TO WHICH REFERENCE IS HEREBY MADE;
THENCE NORTH 89 DEG. 27 MIN. EAST ALONG THE NORTH RIGHT OF WAY LINE OF A DEDICATED ROAD, WHICH IF EXTENDED EASTWARD WOULD BE KNOWN AS EXPRESS LANE, A DISTANCE OF 200 FT TO A POINT FOR CORNER; THENCE NORTH 0 DEG. 48 MIN. WEST PARALLEL WITH THE EAST LINE OF SAID LOT NO. 53, A DISTANCE OF 161.32 FEET TO POINT FOR CORNER IN THE NORTH LINE OF C. WEST SURVEY, THENCE 89 DEG 27 MIN WEST ALONG THE NORTH LINE OF SAID C. WEST SURVEY, A DISTANCE OF 2000 FEET TO POINT FOR CORNER; BEING THE N.E. CORNER OF SAID LOT NO. 53 IN BLOCK NO. 4 OF GRUBBS-BAILEY SUBDIVISION (AMENDED) THENCE SOUTH 0 DEG. 48 MIN. EAST ALONG THE EAST LINE OF SAID LOT NO. 53, A DISTANCE OF 156.48 FEET TO IRON PIN FOR THE SOUTHEAST CORNER OF SAID LOT NO. 53 IN BLOCK NO. 4 OF GRUBBS-BAILEY SUB-DIVISION, AND BEING THE PLACE OF BEGINNING OF THIS TRACT OF LAND
TRACT NO. 3: A STRIP BEING APPROXIMATELY FIFT (50') FEET IN WIDTH BY 300 FEET IN LENGTH; SAID TRACT AND EASEMENT HEREIN DESCRIBED BEING THAT SAME INTEREST CONVEYED TO JULIA C GRUBBS, F/S, BY A.A. BAILEY BY DEED RECORDED IN VOLUME 500, PAGE 284 DEED RECORDS OF ORANGE COUNTY, TEXAS

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LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220051-00	P. N. HARMON, JR.	07/02/84	137	56		.560

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: GRATIS NON-PRODUCING LEASEHOLD EXPIRES : 07/02/87
.56 ACRES OF LAND, MORE OR LESS, OUT OF THE CLAIBORNE WEST SURVEY, A-27, ORANGE COUNTY, TEXAS, AND BEING THE SAME LAND DESCRIBED IN THAT CERTAIN DEED FROM P. N. HARMON AND WIFE HALLIE MAUDE HARMON TO P. N. HARMON, JR., DATED NOVEMBER 30, 1977 RECORDED IN VOLUME 490, PAGE 595 DEED RECORDS OF ORANGE COUNTY, TEXAS.

220052-00	KEITH HENLEY, ET UX	05/31/84	137	65		.517

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: GRATIS NON-PRODUCING LEASEHOLD EXPIRES : 05/31/87

220055-00	RAYLINE JOHNSTON, ET UX	05/31/84	136	532		.344

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: GRATIS NON-PRODUCING LEASEHOLD EXPIRES : 05/31/87
LOTS SIXTEEN (16) & SEVENTEEN (17) IN THE EAST ONE-HALF OF OF BLOCK NO. ONE (1) OF THE GRUBBS-BAILEY SUBDIVISION, ACCORDING TO MAP OR PLAT THEREOF RECORDED IN VOLUME 8, PAGE 28 OF THE MAP RECORDS OF ORANGE COUNTY, TEXAS.

220059-00	MARY JO MENDOZA, ET AL	06/07/84	137	40		1.382

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: GRATIS NON-PRODUCING LEASEHOLD EXPIRES : 06/07/87
1.38245 AC OF LAND OUT OF THE CLAIBORNE WEST SURVEY A-27

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LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220061-00	MARK A. OLDHAM, ET UX	06/07/84	136	367		1.130
	TOWNSHIP RANGE SEC DESCRIPTION: ALL OF LOTS NINE (9), TEN (10), AND ELEVEN (11), OF BLOCK NOT. 4 OF THE GRUBBS-BAILEY SUBDIVISION NO. 1, ACCORDING TO THE AMENDED MAP OR PLAT THEREOF RECORDED IN VOLUME 8, PAGE 28 OF THE MAP RECORDS OF ORANGE COUNTY, TEXAS.	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD EXPIRES : 06/07/87
220067-00	WINIFRED JEAN RUDD	06/05/84	137	22		.666
	TOWNSHIP RANGE SEC DESCRIPTION: LOTS 47, 48, 49 & 50 BLK 4 OF GRUBBS-BAILEY SUBDIV. NO. 1	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD EXPIRES : 06/05/87
220068-00	SADIE SAVIGNANO, ET AL	05/31/84	137	43		1.033
	TOWNSHIP RANGE SEC DESCRIPTION: LOTS EIGHT (8), NINE (9), TEN (10), ELEVEN (11), TWELVE (12), AND THIRTEEN (13) IN THE WEST ONE-ONE HALF (W/2) OF BLOCK TWO (2) OF THE GRUBBS-BAILEY SUBDIVISION NO. 1, ACCORDING TO THE AMENDED MAP OR PLAT THEREOF RECORDED IN VOLUME 8, PAGE 28, OF THE MAP RECORDS OF ORANGE COUNTY, TEXAS	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD EXPIRES : 05/31/87
220069-00	LARRY SCHIWKOWITSCH, ET UX	06/05/84	136	364		1.332
	TOWNSHIP RANGE SEC DESCRIPTION: LOTS THIRTY EIGHT (38), THIRTY NINE (39), FORTY (40), FORTY ONE (41), FORTY TWO (42), FORTY THREE (43), FORTY FOUR (44), AND FORTY FIVE (45) OF BLOCK FOUR OF THE GRUBBS-BAILEY SUBDIVISION NO. 1, ACCORDING TO THE AMENDED MAP OR PLAT THEREOF RECORDED IN VOLUME 8, PAGE 28 OF THE MAP RECORDS OF ORANGE COUNTY TEXAS.	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD EXPIRES : 06/05/87

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LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220071-00	FREDERICK J. SHUTE	05/31/84	137	19		.344
TOWNSHIP RANGE SEC DESCRIPTION: LOTS NINETEEN (19) AND TWENTY (20) IN THE WEST ONE-HALF (W/2) OF BLOCK TWO (2) OF THE GRUBBS-BAILEY SUBDIVISION NO. 1, ACCORDING TO THE AMENDED MAP OR PLAT THEREOF RECORDED IN VOLUME 8, PAGE 28 OF THE MAP RECORDS OF ORANGE COUNTY, TEXAS		PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD EXPIRES : 05/31/87
220074-00	RUSSELL S. TEEL, ET UX	03/01/84	135	343		1.000
TOWNSHIP RANGE SEC DESCRIPTION: LOT 1 OF THE HAYWOOD ADDITION BEING DESCRIBED IN BOOK 5, PAGE 116 OF THE MAP RECORDS OF ORANGE COUNTY, TEXAS.		PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD EXPIRES : 03/01/87
220075-00	VICTOR R. WALDEN, JR., ET UX	05/31/84	137	59		.603
TOWNSHIP RANGE SEC DESCRIPTION: LOTS ONE (1), TWO (2), AND FOUR (4) IN THE WEST ONE-HALF (W/2) OF BLOCK TOW (2) OF THE GRUBBS-BAILEY SUBDIVISION NO. 1, ACCORDING TO THE (AMENDED) MAP OR PLAT THEREOF RECORDED IN VOLUME 8, PAGE 28, OF THE MAP RECORDS OF ORANGE COUNTY, TEXAS		PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD EXPIRES : 05/31/87

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LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220076-00	JIM WALTERS CONSTR COMPANY INC	06/07/84	136	370		.811
TOWNSHIP RANGE SEC DESCRIPTION: 0.81108 ACRES OF LAND, MORE OR LESS, IN THE CLAIBORNE WEST LEAGUE, ABSTRACT NO. 27, ORANGE COUNTY, TEXAS, AND BEING A PART OF A 135.961 ACRE TRACT CONVEYED TO A.A. BAILEY ET AL BY DEED DATED JULY 17, 1946 RECORDED IN VOLUME 90, PAGE 453, DEED RECORDS OF ORANGE COUNTY, TEXAS, AND ALSO BEING THE SAME LAND DESCRIBED IN DEED DATED MARCH 11, 1980 FROM FLOYD V. AUBIN, ET UX TO JIM WALTERS CONSTRUCTION COMPANY, INC., RECORDED IN VOLUME 525, PAGE 162 OF THE DEED RECORDS OF ORANGE COUNTY, TEXAS.	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD	EXPIRES : 06/07/87
220077-00	MYREE WHITE	03/01/84	135	351		1.000
TOWNSHIP RANGE SEC DESCRIPTION: LOT 10 OF THE HAYWOOD ADDITION BEING DESCRIBED IN BOOK 5, PAGE 116 OF THE MAP RECORDS OF ORANGE COUNTY, TEXAS	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD	EXPIRES : 03/01/87
220080-01	HAYWOOD REESE, ET AL	03/13/84	135	48		3.000
TOWNSHIP RANGE SEC DESCRIPTION: LOTS 2, 3 & 4 OF THE HAYWOOD ADDITION	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD	EXPIRES : 03/13/87
220080-02	JUANITA ALEXANDER	03/13/84	135	852		3.000
TOWNSHIP RANGE SEC DESCRIPTION: LOTS 2, 3, & 4 OF THE HAYWOOD ADDITION	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD	EXPIRES : 03/13/87

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220081-01	KENNETH A. HARTLEY, ET AL	06/14/84	136	523		1.585
	TOWNSHIP RANGE SEC DESCRIPTION: CLAIBORNE WEST SURVEY A-27	PROSPECT: GRATIS			NON-PRODUCING LEASEHOLD	EXPIRES : 06/14/87
220082-01	CASEY J. PEVETO, ET AL	03/27/84	135	28		4.760
	TOWNSHIP RANGE SEC DESCRIPTION: CLAIBORNE WEST SURVEY A-27	PROSPECT: GRATIS			NON-PRODUCING LEASEHOLD	EXPIRES : 03/27/87
220083-01	BERTHA WINNONA PEVETO	06/06/84	136	353		3.835
	TOWNSHIP RANGE SEC DESCRIPTION: 3.835 ACRES OF LAND, MORE OR LESS, OUT OF THE CLAIBORNE WEST SURVEY, A-27, LESSOR OWNS 12.5%	PROSPECT: GRATIS			NON-PRODUCING LEASEHOLD	EXPIRES : 06/06/87
220087-01	PRESTON W. BURTON, ET UX	03/05/84	134	822		6.292
	TOWNSHIP RANGE SEC DESCRIPTION: 6.292 ACRES OF LAND, MORE OR LESS, A PART OF THE JOHN BURTON SUBDIVISION OF THE JOSEPH BERWICK SURVEY, A-42	PROSPECT: GRATIS			NON-PRODUCING LEASEHOLD	EXPIRES : 03/05/87
220089-01	THELMA A. STANTON PRUETT ET AL	04/05/84	135	406		6.390
	TOWNSHIP RANGE SEC DESCRIPTION: JOSEPH BERWICK SURVEY A-42	PROSPECT: GRATIS			NON-PRODUCING LEASEHOLD	EXPIRES : 04/05/87

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LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220089-02	WINNIE F. STANTON WILLEY ET AL	04/05/84		135	409	6.390
	TOWNSHIP RANGE SEC DESCRIPTION: JOSEPH BERWICK SURVEY A-42	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD EXPIRES : 04/05/87
220094-00	DORIS KATHLEEN BROWN, ET VIR	03/13/84		134	886	1.000
	TOWNSHIP RANGE SEC DESCRIPTION: LOT 17 OF JOHN BURTON SUBDIVISION JOSEPH BERWICK SURVERY A-42	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD EXPIRES : 03/13/87
220095-00	DELLA MARIE BURTON	04/05/84		135	106	6.292
	TOWNSHIP RANGE SEC DESCRIPTION: PART OF JOHN BURTON SUBDIVISION, JOSEPH BERWICK SUR. A-42	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD EXPIRES : 04/05/87
220096-00	RUFUS LEE BURTON, JR. ET UX	04/05/84		135	881	8.000
	TOWNSHIP RANGE SEC DESCRIPTION: LOTS 22, 23, 24, 26, 28, 31 & 34 JOHN BURTON SUBDIVISION OF JOSEPH BERWICK SURVEY A-42	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD EXPIRES : 04/05/87
220125-01	COUNTY OF ORANGE	07/09/84	17242	0136	0576	5.000
	TOWNSHIP RANGE SEC DESCRIPTION:	PROSPECT: SYDNEY ISLAND				NON-PRODUCING LEASEHOLD EXPIRES : 07/09/87

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LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES	
220149-00	ROSA L. W. WELSH, ET VIR	04/05/84	135	102		31.500	
	TOWNSHIP RANGE SEC DESCRIPTION: 31.50 AC BEING A PART OF JOSEPH BARWICK SUV. A-42 AND BEING OUT OF A 45 AC TRACT LESS & EXCEPT FOUR TRACTS OF LAND CONTAINING 13.50 AC.	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD	EXPIRES : 04/05/87
220150-00	LONNIE FRANCIS PEVETO, ET UX	06/05/84	136	361		.188	
	TOWNSHIP RANGE SEC DESCRIPTION: .188 AC OUT OF CLAIBORNE WEST SUR. A-27	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD	EXPIRES : 06/05/87
220155-00	JOE M. HUGHES	09/26/84	138	86		2.000	
	TOWNSHIP RANGE SEC DESCRIPTION: 2.00 ACRES, MORE OR LESS, OUT OF THE JOSEPH BERWICK SURVEY, A-42 ORANGE COUNTY, TEXAS, DEED FROM ROBERT WALEA, ET UX, DATED 1-19-72, RECORDED VOL. 425, PAGE 81	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD	EXPIRES : 09/26/87
220156-00	TERRELL A. GAU, ET UX	09/25/84	138	97		.950	
	TOWNSHIP RANGE SEC DESCRIPTION: .95 ACRES, MORE OR LESS, OUT OF THE THERON STRONG SURVEY, A-26, ORANGE COUNTY, TEXAS, DEED DATED 10-20-61 FROM FRANK MITCHELL TO TERRELL A. GAU, ET UX, RECORDED VOL. 275, PAGE 524	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD	EXPIRES : 09/25/87

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LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220161-00	FRED E. HITCHCOCK, ET UX	09/19/84	138	80		.250

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: GRATIS NON-PRODUCING LEASEHOLD EXPIRES : 09/19/87
.25 ACRES, MORE OR LESS, OUT OF THE JOSEPH BERWICK SURVEY, A-42 ORANGE COUNTY, TEXCAS, DEED FROM CECIL WELCH, ET UX DATED 8-10-77, RECORDED VOL. 485, PAGE 996

220162-01	DELLA MARIE BURTON	10/02/84				1.441

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: GRATIS NON-PRODUCING LEASEHOLD EXPIRES : 10/02/87
1.441 ACRES, MORE OR LESS, OUT OF THE JOSEPH BERWICK SURVEY, A-42, ORANGE COUNTY, TEXAS, TRACT #2 IN DEED FROM SUSANNE FRANKLIN TO ARTHUR E. BRACKIN, ET UX, DATED 8-18-80, RECORDED VOL. 530, PAGE 262

220162-02	PRESTON W. BURTON	10/01/84	138	89		1.441

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: GRATIS NON-PRODUCING LEASEHOLD EXPIRES : 10/01/87
1.441 ACRES, MORE OR LESS, OUT OF THE JOSEPH BERWICK SURVEY A-42, ORANGE COUNTY, TEXAS, TRACT #2 OF DEED FROM SUSANNE FRANKLIN TO ARTHUR E. BRACKIN, ET UX, DATED 8-18-80, RECORDED VOL. 530, PAGE 262

220162-03	WALTER L. BURTON	10/02/84	138	95		1.441

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: GRATIS NON-PRODUCING LEASEHOLD EXPIRES : 10/02/87
1.441 ACRES, MORE OR LESS, OUT OF THE JOSEPH BERWICK SURVEY A-42, ORANGE COUNTY, TEXAS, TRACT #2 OF DEED FROM SUSANNE FRANKLIN TO ARTHUR E. BRACKIN, ET UX, DATED 8-18-80, RECORDED VOL. 530, PAGE 262

88-27-11

STATE OF TEXAS COUNTY OF ORANGE

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220162-04	WINNIE F. S. WILLEY, ET AL	09/27/84	138	100		1.441
	TOWNSHIP RANGE SEC DESCRIPTION: 1.441 ACS MORE OR LESS, OUT OF THE JOSEPH BERWICK SUV. A-42 ORANGE CO, TX. TRACT #2 OF DEED FROM SUSANNE FRANKLIN TO ARTHUR E. BRACKIN ET UX, DTD 8/18/80 RECORDED VOL. 530 PAGE 262	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD EXPIRES : 09/27/87
220162-05	ARTHUR LEE STANTON	10/03/84	138	78		1.441
	TOWNSHIP RANGE SEC DESCRIPTION: 1.441 ACRES, MORE OR LESS, OUT OF THE JOSEPH BERWICK SURVEY A-42, ORANGE COUNTY, TEXAS, TRACT #2 OF DEED FROM SUSANNE FRANKLIN TO ARTHUR E. BRACKIN, ET UX, DATED 8-18-80 RECORDED VOL. 530, PAGE 262	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD EXPIRES : 10/03/87
220162-06	HENRY B. STANTON	10/03/84	138	417		1.441
	TOWNSHIP RANGE SEC DESCRIPTION: 1.441 ACRES, MORE OR LESS, OUT OF THE JOSEPH BERWICK SURVEY A-42, ORANGE COUNTY, TEXAS, TRACT #2 OF DEED FROM SUSANNE FRANKLIN TO ARTHUR E. BRACKIN, ET UX, DATED 8-18-80, RECORDED VOL. 530, PAGE 262	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD EXPIRES : 10/03/87
220162-07	THELMA A. S. PRUETT	09/27/84	138	93		1.441
	TOWNSHIP RANGE SEC DESCRIPTION: 1.441 AC, MORE OR LESS, OUT OF THE JOSEPH BERWICK SURVEY, A-42 ORANGE CO. TX. TRACT 2 OF DEED FROM SUSANNE FRANKLIN TO A. E. BRACKIN, ET UX, DTD 8/18/80, RECORDED VOL. 530 PAGE 262	PROSPECT: GRATIS				NON-PRODUCING LEASEHOLD EXPIRES : 09/27/87

10.21.11

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STATE OF TEXAS COUNTY OF ORANGE

LEASE NUMBER	LESSOR	LEASE DATE	RECORDED ENTRY	RECORDED BOOK	RECORDED PAGE	GROSS ACRES
220162-08	JUNE R. S. ACKERMAN	09/28/84	138	415		1.441

TOWNSHIP RANGE SEC DESCRIPTION: PROSPECT: GRATIS NON-PRODUCING LEASEHOLD EXPIRES : 09/23/87
1.441 AC MORE OR LESS OUT OF THE JOSEPH BERWICK SUR. A-42 ORANGE CO. TX. TRACT #2 OUT OF DEED FROM SUSANNE FRANKLIN TO ARTHUR E BRACKIN DTD 8/18/80, RECORDED VOL 530, PAGE 262

2363.923 TOTAL COUNTY

FILED FOR RECORD
1987 JAN 12 PM 1:42
MOLLY THERIOT
COUNTY CLERK
ORANGE COUNTY, TEXAS
By Deputy

Land Dept
Pinnacle Corp
One Allen Center
Suite 400
Houston, Tx 77002

59.00

11-27-87

M- 86481 (50)

Grimes County, Texas

M-86481

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111279

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

The undersigned entities, represented by American Exploration Company, each of whose address is 700 Louisiana, Suite 2100, Houston, Texas 77002-2791, (herein called "Grantors"), for Ten Dollars and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), do hereby GRANT, BARGAIN, SELL, CONVEY, ASSIGN, TRANSFER, SET OVER, and DELIVER unto VINTAGE PETROLEUM, INC., whose address is 4200 One Williams Center, Tulsa, Oklahoma 74172, as to an undivided ninety-five percent (95%) and to LATEX PETROLEUM CORPORATION, whose address is P. O. Box 702373, Tulsa, Oklahoma 74170, as to an undivided five percent (5%) (herein collectively called "Grantee") all of Grantor's interests in the following described properties, rights and interests (the "Subject Properties"):

(a) All right, title and interest of Grantors in and to the oil and gas leases, leasehold interests, royalty or overriding royalty, mineral fee and servitude interests and other properties and interests listed on Exhibit "A", attached hereto and made a part hereof for all purposes, and all contractual rights, including rights under permits, licenses, rights-of-way, leases and gas and oil sales agreements, but subject to the Permitted Encumbrances (as defined in the Purchase and Sale Agreement dated February 13, 1991 by and among American Exploration Company, certain affiliates of American Exploration Company (including Grantors) and Grantee) (the "Purchase and Sale Agreement"), and including all of Grantor's rights, titles and interests in all personal property and equipment located therein or thereon, or used or useful, or held for further use for the operation and development thereof, provided, however, the Subject Properties do not include and Grantors shall retain all rights to use the surface of any of the Subject Properties for access to all leases, leasehold interests and other interests not constituting any of the Subject Properties;

(b) All lease files, land files, well files, gas and oil sales contract files, gas processing files, division order files, abstracts, title opinions, and all other books, files and records, and all rights thereto, of Grantors directly relating to and necessary in Grantee's opinion to the realization of value by Grantee of any of the Subject Properties; and

(c) All gas production or processing overproduction accounts or liabilities and/or underproduction accounts or credits existing as of the Effective Date (as defined below) with respect to any of the properties described in subparagraph (a) above.

TO HAVE AND TO HOLD the Subject Properties unto Grantee, its successors and assigns, forever, but without any warranty, express or implied, of title or otherwise.

CERTAIN OF THE GRANTORS MAY NOT OWN AN INTEREST IN EACH SUBJECT PROPERTY. THE JOINDER OF ALL GRANTORS IN THIS ASSIGNMENT, BILL OF SALE AND CONVEYANCE SHALL NOT BE CONSTRUED TO MEAN THAT EACH GRANTOR OWNS AN INTEREST IN EACH SUBJECT PROPERTY, OR THAT ANY GRANTOR OWNS ANY PART OF THE INTERESTS OF ANY OTHER GRANTOR THEREIN.

Return To: Vintage Petroleum, Inc.
4200 One Williams Center
Tulsa, OK 74172

THE PARTIES AGREE THAT TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS PARAGRAPH ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER. THIS ASSIGNMENT, BILL OF SALE AND CONVEYANCE IS MADE AND ACCEPTED UPON THE UNDERSTANDING AND AGREEMENT THAT ALL PERSONAL PROPERTY, MACHINERY, FIXTURES, EQUIPMENT AND MATERIALS CONVEYED HEREBY ARE SOLD AND ASSIGNED AND ACCEPTED BY GRANTEE IN ITS "WHERE IS, AS IS" CONDITION WITHOUT ANY WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED OR STATUTORY, OF MARKETABILITY, QUALITY, CONDITION, MERCHANTABILITY AND/OR FITNESS FOR A PARTICULAR PURPOSE OR USE, ALL OF WHICH ARE EXPRESSLY DISCLAIMED. GRANTEE EXPRESSLY WAIVES THE PROVISIONS OF CHAPTER XVII, SUBCHAPTER E, SECTIONS 17.41 THROUGH 17.63, INCLUSIVE (OTHER THAN SECTION 17.555, WHICH IS NOT WAIVED), VERNON'S TEXAS CODE ANNOTATED, BUSINESS AND COMMERCE CODE.

Grantee hereby assumes and agrees to pay and perform and discharge all obligations of Grantors and/or American Exploration Company to the extent such obligations are attributable to Grantors' interest in the Subject Properties and are attributable to periods from and after the Effective Date (as defined below). Grantee also hereby assumes the obligation of plugging all wells included in or situated on the Subject Properties and restoring all lands included therein or covered thereby, whether the need for such operations accrued before or after the Effective Date (as defined below) in accordance with regulatory and/or contractual requirements.

This Assignment, Bill of Sale and Conveyance is made with full substitution and subrogation of Grantee in and to all representations and warranties of title heretofore given or made with respect to the Subject Properties.

This Assignment, Bill of Sale and Conveyance is executed, delivered and accepted pursuant to the Purchase and Sale Agreement, which shall control in the event of any conflict between the terms and provisions hereof and thereof.

This Assignment, Bill of Sale and Conveyance is being executed in several counterparts all of which are identical, except that, to facilitate recordation, in certain counterparts hereof only that portion of Exhibit "A" which contains specific descriptions of properties located in the recording jurisdiction in which the particular counterpart is to be recorded are included, and other portions of Exhibit "A" are included by reference only. All of such counterparts together shall constitute one and the same instrument. Complete copies of this Assignment, Bill of Sale and Conveyance containing the entire Exhibit A have been retained by each Grantor and Grantee.

IN WITNESS WHEREOF this Assignment, Bill of Sale and Conveyance has been executed on the dates of the acknowledgements set forth below, and delivered on March 7, 1991, to be effective as to runs of oil and deliveries of gas, and for all other purposes, as of 7:00 o'clock a.m. local time at the locations of the Subject Properties, respectively, on October 1, 1990 (the "Effective Date").

ATTEST:

G. R. Diamond
Assistant Secretary

WITNESSES:

GRANTORS:

AMERICAN EXPLORATION COMPANY

By: W. G. Pattillo
W. G. Pattillo
Senior Vice President - Land

(vintage-2)

ATTEST:

G. R. Diamond
Assistant Secretary

WITNESSES:

AMEX OIL COMPANY, individually and as General Partner of AMEX 1982 LTD. and AMEX 1983 LTD.

By:
W. G. Pattillo
Senior Vice President - Land

ATTEST:

G. R. Diamond
Assistant Secretary

WITTNESSES:

AUSTRAL OIL COMPANY, INCORPORATED

By:
W. G. Pattillo
Senior Vice President - Land

ATTEST:

G. R. Diamond
Assistant Secretary

WITNESSES:

SOUTH STATES OIL & GAS COMPANY, individually and as General Partner of SOUTH STATES DEVELOPMENT LTD.

By:
W. G. Pattillo
Senior Vice President - Land

ATTEST:

G. R. Diamond
Assistant Secretary

AMERICAN PRODUCTION PARTNERSHIP-II, LTD.,
AMERICAN PRODUCTION PARTNERSHIP-III, LTD.,
AMERICAN PRODUCTION PARTNERSHIP-IV, LTD.,
AMERICAN PRODUCTION PARTNERSHIP-V, LTD.,
AMERICAN PRODUCTION PARTNERSHIP-VI, LTD.,
AMERICAN PRODUCTION PARTNERSHIP-VII, LTD., and
AMERICAN PRODUCTION PARTNERSHIP-VIII, LTD.

By: American Exploration Company,
General Partner

ATTEST:

WITNESSES:

By:
W. G. Pattillo
Senior Vice President - Land

NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-A,
NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-B,
NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-C,
NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-D,
NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-A,
NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-B,
NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-C,
NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-D,
NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-E,
NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-F,
NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-G,
NEW YORK LIFE OIL & GAS OPERATING PRODUCTION PARTNERSHIP III-A, and
NEW YORK LIFE OIL & GAS OPERATING PRODUCTION PARTNERSHIP III-B.

ATTEST:

G. R. Diamond
Assistant Secretary

By: American Exploration Production Company, a Managing Partner

WITNESSES:

By: W. G. Pattillo
W. G. Pattillo
Senior Vice President - Land

ATTEST:

G. R. Diamond
Assistant Secretary

AMERICAN EXPLORATION ACQUISITION-VI CORP.

WITNESSES:

By: W. G. Pattillo
W. G. Pattillo
Senior Vice President - Land

ATTEST:

G. R. Diamond
Assistant Secretary

AMERIPLOR CORP.

WITNESSES:

By: W. G. Pattillo
W. G. Pattillo
Senior Vice President - Land

[vintage-4]

ATTEST:

G. R. Diamond
Assistant Secretary

NINIAN OIL FINANCE CORP.

WITNESSES:

By: W. G. Pattillo
W. G. Pattillo
Senior Vice President - Land

ATTEST:

G. R. Diamond
Assistant Secretary

HERSHEY OIL CORPORATION

WITNESSES:

By: W. G. Pattillo
W. G. Pattillo
Senior Vice President - Land

[vintage-5]

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GRANTEE:

ATTEST:

Cynthia K. Reese
Cynthia K. Reese
Asst. Secretary

VINTAGE PETROLEUM, INC.

By: _____
Robert W. Cox
Vice President, General Counsel

Witnesses:

_____

_____

ATTEST:

Vicky L. Faith
Vicky L. Faith
Secretary

LATEX PETROLEUM CORPORATION

By: Jeffrey T. Wilson
Jeffrey T. Wilson
President

Witnesses:

_____

_____

STATE OF TEXAS § VOL 672 PAGE 670

COUNTY OF HARRIS §

ALABAMA

I, Molly Alldredge, a Notary Public in and for the State of Texas hereby certify that W. G. Pattillo, whose name as Senior Vice President - Land of **AMERICAN EXPLORATION COMPANY**, a Delaware corporation, **AUSTRAL OIL COMPANY, INCORPORATED**, a Delaware corporation, **AMERICAN EXPLORATION ACQUISITION-VI CORP.**, a Delaware corporation, **AMERIPLOR CORP.**, a Delaware corporation, **NINIAN OIL FINANCE CORP.**, a Delaware corporation, and **HERSHEY OIL CORPORATION**, a California corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporations.

I, Molly Alldredge, a Notary Public in and for the State of Texas hereby certify that W. G. Pattillo, whose name as Senior Vice President - Land of **AMEX OIL COMPANY**, a Texas corporation, individually and as General Partner of **AMEX 1982 LTD.** and **AMEX 1983 LTD.**, both Texas limited partnerships, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation, and of said partnerships.

I, Molly Alldredge, a Notary Public in and for the State of Texas hereby certify that W. G. Pattillo, whose name as Senior Vice President - Land of **SOUTH STATES OIL & GAS COMPANY**, a Texas corporation, individually and as General Partner of **SOUTH STATES DEVELOPMENT LTD.**, a Texas limited partnership, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation, and of said partnership.

I, Molly Alldredge, a Notary Public in and for the State of Texas hereby certify that W. G. Pattillo, whose name as Senior Vice President - Land of **AMERICAN EXPLORATION COMPANY**, a Delaware corporation, in its capacity as General Partner of **AMERICAN PRODUCTION PARTNERSHIP-II, LTD., AMERICAN PRODUCTION PARTNERSHIP-III, LTD., AMERICAN PRODUCTION PARTNERSHIP-IV, LTD., AMERICAN PRODUCTION PARTNERSHIP-V, LTD., AMERICAN PRODUCTION PARTNERSHIP-VI, LTD., AMERICAN PRODUCTION PARTNERSHIP-VII, LTD. AND AMERICAN PRODUCTION PARTNERSHIP-VIII, LTD.**, all Texas limited partnerships, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation, and of said partnerships.

I, Molly Alldredge, a Notary Public in and for the State of Texas hereby certify that W. G. Pattillo, whose name as Senior Vice President - Land of **AMERICAN EXPLORATION PRODUCTION COMPANY**, a Texas corporation, as a Managing Partner of **NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-A, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-B, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-C, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-D, NEW YORK LIFE**

OIL & GAS PRODUCTION PARTNERSHIP II-A, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-B, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-C, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-D, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-E, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-F, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-G, NEW YORK LIFE OIL & GAS OPERATING PRODUCTION PARTNERSHIP III-A and NEW YORK LIFE OIL & GAS OPERATING PRODUCTION PARTNERSHIP III-B, all Texas general partnerships, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation, and of said partnerships.

KANSAS, OHIO, NEBRASKA AND TEXAS

The foregoing instrument was acknowledged before me on this date, by W. G. Pattillo, Senior Vice President - Land of AMERICAN EXPLORATION COMPANY, a Delaware corporation, AUSTRAL OIL COMPANY, INCORPORATED, a Delaware corporation, AMERICAN EXPLORATION ACQUISITION-VI CORP., a Delaware corporation, AMERIPLOR CORP., a Delaware corporation, NINIAN OIL FINANCE CORP., a Delaware corporation, and HERSHEY OIL CORPORATION, a California corporation, on behalf of said corporations.

The foregoing instrument was acknowledged before me on this date, by W. G. Pattillo, Senior Vice President - Land of AMEX OIL COMPANY, a Texas corporation, individually and as General Partner of AMEX 1982 LTD. and AMEX 1983 LTD., both Texas limited partnerships, on behalf of said corporation, and of said partnerships.

The foregoing instrument was acknowledged before me on this date, by W. G. Pattillo, Senior Vice President - Land of SOUTH STATES OIL & GAS COMPANY, a Texas corporation, individually and as General Partner of SOUTH STATES DEVELOPMENT LTD., a Texas limited partnership, on behalf of said corporation, and of said partnership.

The foregoing instrument was acknowledged before me on this date, by W. G. Pattillo, Senior Vice President - Land of AMERICAN EXPLORATION COMPANY, a Delaware corporation, in its capacity as General Partner of AMERICAN PRODUCTION PARTNERSHIP-II, LTD., AMERICAN PRODUCTION PARTNERSHIP-III, LTD., AMERICAN PRODUCTION PARTNERSHIP-IV, LTD., AMERICAN PRODUCTION PARTNERSHIP-V, LTD., AMERICAN PRODUCTION PARTNERSHIP-VI, LTD., AMERICAN PRODUCTION PARTNERSHIP-VII, LTD. AND AMERICAN PRODUCTION PARTNERSHIP-VIII, LTD., all Texas limited partnerships, on behalf of said corporation, and of said partnerships.

The foregoing instrument was acknowledged before me on this date, by W. G. Pattillo, Senior Vice President - Land of AMERICAN EXPLORATION PRODUCTION COMPANY, a Texas corporation, as a Managing Partner of NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-A, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-B, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-C, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-D, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-A, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-B, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-C, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-D, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-E, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-F, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-G, NEW YORK LIFE OIL & GAS OPERATING PRODUCTION PARTNERSHIP III-A and NEW YORK LIFE OIL & GAS OPERATING PRODUCTION PARTNERSHIP III-B, all Texas general partnerships, on behalf of said corporation, and of said partnerships.

[vin-notary-4]

LOUISIANA

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On this date before me, appeared W. G. Pattillo, to me personally known, who being by me duly sworn, did say that he is the Senior Vice President - Land of **AMERICAN EXPLORATION COMPANY**, a Delaware corporation, **AUSTRAL OIL COMPANY, INCORPORATED**, a Delaware corporation, **AMERICAN EXPLORATION ACQUISITION-VI CORP.**, a Delaware corporation, **AMERIPLOR CORP.**, a Delaware corporation, **NINIAN OIL FINANCE CORP.**, a Delaware corporation, and **HERSHEY OIL CORPORATION**, a California corporation, and that the foregoing instrument was signed on behalf of said corporations by authority of their Board of Directors and that he acknowledged the said instrument to be the free act and deed of the Corporations.

On this date before me, appeared W. G. Pattillo, to me personally known, who being by me duly sworn, did say that he is the Senior Vice President - Land of **AMEX OIL COMPANY**, a Texas corporation, individually and as General Partner of **AMEX 1982 LTD.** and **AMEX 1983 LTD.**, both Texas limited partnerships, and that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors and that he acknowledged the said instrument to be the free act and deed of the Corporation.

On this date before me, appeared W. G. Pattillo, to me personally known, who being by me duly sworn, did say that he is the Senior Vice President - Land of **SOUTH STATES OIL & GAS COMPANY**, a Texas corporation, individually and as General Partner of **SOUTH STATES DEVELOPMENT LTD.**, a Texas limited partnership, and that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors and that he acknowledged the said instrument to be the free act and deed of the Corporation.

On this date before me, appeared W. G. Pattillo, to me personally known, who being by me duly sworn, did say that he is the Senior Vice President - Land of **AMERICAN EXPLORATION COMPANY**, a Delaware corporation, in its capacity as General Partner of **AMERICAN PRODUCTION PARTNERSHIP-II, LTD., AMERICAN PRODUCTION PARTNERSHIP-III, LTD., AMERICAN PRODUCTION PARTNERSHIP-IV, LTD., AMERICAN PRODUCTION PARTNERSHIP-V, LTD., AMERICAN PRODUCTION PARTNERSHIP-VI, LTD., AMERICAN PRODUCTION PARTNERSHIP-VII, LTD. AND AMERICAN PRODUCTION PARTNERSHIP-VIII, LTD.**, all Texas limited partnerships, and that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors and that he acknowledged the said instrument to be the free act and deed of the Corporation.

On this date before me, appeared W. G. Pattillo, to me personally known, who being by me duly sworn, did say that he is the Senior Vice President - Land of **AMERICAN EXPLORATION PRODUCTION COMPANY**, a Texas corporation, as a Managing Partner of **NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-A, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-B, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-C, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-D, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-A, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-B, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-C, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-D, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-E, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-F, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-G, NEW YORK LIFE OIL & GAS OPERATING PRODUCTION PARTNERSHIP III-A and NEW YORK LIFE OIL & GAS OPERATING PRODUCTION PARTNERSHIP III-B**, all Texas general partnerships, and that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors and that he acknowledged the said instrument to be the free act and deed of the Corporation.

MICHIGAN

On this 6th day of March, 1991, before me appeared W. G. Pattillo, to me personally known, who, being by me duly sworn, did say that he is the Senior Vice President - Land of **AMERICAN EXPLORATION COMPANY**, a Delaware corporation, **AUSTRAL OIL COMPANY, INCORPORATED**, a Delaware corporation, **AMERICAN EXPLORATION ACQUISITION-VI CORP.**, a Delaware corporation, **AMERIPLOR CORP.**, a Delaware corporation, **NINIAN OIL FINANCE CORP.**, a Delaware corporation, and **HERSHEY OIL CORPORATION**, a California corporation, the corporations named in the foregoing instrument, and acknowledged to me that he executed the same as the free and voluntary act and deed of said corporations, for the purposes therein mentioned and set forth, and that the seal affixed to said instrument was signed and sealed on behalf of said corporations by authority of their Board of Directors.

On this 6th day of March, 1991, before me appeared W. G. Pattillo, to me personally known, who, being by me duly sworn, did say that he is the Senior Vice President - Land of **AMEX OIL COMPANY**, a Texas corporation, the corporation named in the foregoing instrument individually and as General Partner of **AMEX 1982 LTD.** and **AMEX 1983 LTD.**, both Texas limited partnerships, and acknowledged to me that he executed the same as the free and voluntary act and deed of said corporation, for the purposes therein mentioned and set forth, and that the seal affixed to said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors.

On this 6th day of March, 1991, before me appeared W. G. Pattillo, to me personally known, who, being by me duly sworn, did say that he is the Senior Vice President - Land of **SOUTH STATES OIL & GAS COMPANY**, a Texas corporation, the corporation named in the foregoing instrument individually and as General Partner of **SOUTH STATES DEVELOPMENT LTD.**, a Texas limited partnership, and acknowledged to me that he executed the same as the free and voluntary act and deed of said corporation, for the purposes therein mentioned and set forth, and that the seal affixed to said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors.

On this 6th day of March, 1991, before me appeared W. G. Pattillo, to me personally known, who, being by me duly sworn, did say that he is the Senior Vice President - Land of **AMERICAN EXPLORATION COMPANY**, a Delaware corporation, the corporation named in the foregoing instrument in its capacity as General Partner of **AMERICAN PRODUCTION PARTNERSHIP-II, LTD., AMERICAN PRODUCTION PARTNERSHIP-III, LTD., AMERICAN PRODUCTION PARTNERSHIP-IV, LTD., AMERICAN PRODUCTION PARTNERSHIP-V, LTD., AMERICAN PRODUCTION PARTNERSHIP-VI, LTD., AMERICAN PRODUCTION PARTNERSHIP-VII, LTD. AND AMERICAN PRODUCTION PARTNERSHIP-VIII, LTD.**, all Texas limited partnerships, and acknowledged to me that he executed the same as the free and voluntary act and deed of said corporation, for the purposes therein mentioned and set forth, and that the seal affixed to said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors.

On this 6th day of March, 1991, before me appeared W. G. Pattillo, to me personally known, who, being by me duly sworn, did say that he is the Senior Vice President - Land of **AMERICAN EXPLORATION PRODUCTION COMPANY**, a Texas corporation, the corporation named in the foregoing instrument as a Managing Partner of **NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-A, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-B, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-C, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-D, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP**

II-A, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-B, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-C, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-D, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-E, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-F, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-G, NEW YORK LIFE OIL & GAS OPERATING PRODUCTION PARTNERSHIP III-A and NEW YORK LIFE OIL & GAS OPERATING PRODUCTION PARTNERSHIP III-B, all Texas general partnerships, and acknowledged to me that he executed the same as the free and voluntary act and deed of said corporation, for the purposes therein mentioned and set forth, and that the seal affixed to said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors.

MISSISSIPPI

Personally appeared before me, the undersigned authority, W. G. Pattillo, Senior Vice President - Land of **AMERICAN EXPLORATION COMPANY**, a Delaware corporation, **AUSTRAL OIL COMPANY, INCORPORATED**, a Delaware corporation, **AMERICAN EXPLORATION ACQUISITION-VI CORP.**, a Delaware corporation, **AMERIPLOR CORP.**, a Delaware corporation, **NINIAN OIL FINANCE CORP.**, a Delaware corporation, and **HERSHEY OIL CORPORATION**, a California corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me he executed the same for the purposes and consideration therein expressed, as the act of such corporations, and in the capacity therein stated, and that he delivered the foregoing instrument on the day and the year therein mentioned.

Personally appeared before me, the undersigned authority, W. G. Pattillo, Senior Vice President - Land of **AMEX OIL COMPANY**, a Texas corporation, individually and as General Partner of **AMEX 1982 LTD.** and **AMEX 1983 LTD.**, both Texas limited partnerships, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me he executed the same for the purposes and consideration therein expressed, as the act of such corporation, and in the capacity therein stated, and that he delivered the foregoing instrument on the day and the year therein mentioned.

Personally appeared before me, the undersigned authority, W. G. Pattillo, Senior Vice President - Land of **SOUTH STATES OIL & GAS COMPANY**, a Texas corporation, individually and as General Partner of **SOUTH STATES DEVELOPMENT LTD.**, a Texas limited partnership, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me he executed the same for the purposes and consideration therein expressed, as the act of such corporation, and in the capacity therein stated, and that he delivered the foregoing instrument on the day and the year therein mentioned.

Personally appeared before me, the undersigned authority, W. G. Pattillo, Senior Vice President - Land of **AMERICAN EXPLORATION COMPANY**, a Delaware corporation, in its capacity as General Partner of **AMERICAN PRODUCTION PARTNERSHIP-II, LTD., AMERICAN PRODUCTION PARTNERSHIP-III, LTD., AMERICAN PRODUCTION PARTNERSHIP-IV, LTD., AMERICAN PRODUCTION PARTNERSHIP-V, LTD., AMERICAN PRODUCTION PARTNERSHIP-VI, LTD., AMERICAN PRODUCTION PARTNERSHIP-VII, LTD. AND AMERICAN PRODUCTION PARTNERSHIP-VIII, LTD.**, all Texas limited partnerships, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me he executed the same for the purposes and consideration therein expressed, as the act of such corporation, and in the capacity therein stated, and that he delivered the foregoing instrument on the day and the year therein mentioned.

Personally appeared before me, the undersigned authority, W. G. Pattillo, Senior Vice President - Land of **AMERICAN EXPLORATION PRODUCTION COMPANY**, a Texas corporation, as a Managing Partner of **NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-A, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-B, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-C, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-D, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-A, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-B, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-C, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-D, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-E, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-F, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-G, NEW YORK LIFE OIL & GAS OPERATING PRODUCTION PARTNERSHIP III-A and NEW YORK LIFE OIL & GAS OPERATING PRODUCTION PARTNERSHIP III-B**, all Texas general partnerships, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me he executed the same for the purposes and consideration therein expressed, as the act of such corporation, and in the capacity therein stated, and that he delivered the foregoing instrument on the day and the year therein mentioned.

OKLAHOMA

Before me, on this date, personally appeared W. G. Pattillo, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as the Senior Vice President - Land of **AMERICAN EXPLORATION COMPANY**, a Delaware corporation, **AUSTRAL OIL COMPANY, INCORPORATED**, a Delaware corporation, **AMERICAN EXPLORATION ACQUISITION-VI CORP.**, a Delaware corporation, **AMERIPLOR CORP.**, a Delaware corporation, **NINIAN OIL FINANCE CORP.**, a Delaware corporation, and **HERSHEY OIL CORPORATION**, a California corporation, 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 corporations, for the uses and purposes therein set forth.

Before me, on this date, personally appeared W. G. Pattillo, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as the Senior Vice President - Land of **AMEX OIL COMPANY**, a Texas corporation, individually and as General Partner of **AMEX 1982 LTD.** and **AMEX 1983 LTD.**, both Texas limited partnerships, 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.

Before me, on this date, personally appeared W. G. Pattillo, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as the Senior Vice President - Land of **SOUTH STATES OIL & GAS COMPANY**, a Texas corporation, individually and as General Partner of **SOUTH STATES DEVELOPMENT LTD.**, a Texas limited partnership, 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.

Before me, on this date, personally appeared W. G. Pattillo, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as the Senior Vice President - Land of **AMERICAN EXPLORATION COMPANY**, a Delaware corporation, in its capacity as General Partner of **AMERICAN PRODUCTION PARTNERSHIP-II, LTD., AMERICAN PRODUCTION PARTNERSHIP-III, LTD., AMERICAN PRODUCTION PARTNERSHIP-IV, LTD., AMERICAN PRODUCTION PARTNERSHIP-V, LTD., AMERICAN PRODUCTION PARTNERSHIP-VI, LTD., AMERICAN PRODUCTION PARTNERSHIP-VII, LTD. AND AMERICAN PRODUCTION PARTNERSHIP-VIII, LTD.**, all Texas limited

partnerships, 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.

Before me, on this date, personally appeared W. G. Pattillo, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as the Senior Vice President - Land of AMERICAN EXPLORATION PRODUCTION COMPANY, a Texas corporation, as a Managing Partner of NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-A, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-B, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-C, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP I-D, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-A, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-B, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-C, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-D, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-E, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-F, NEW YORK LIFE OIL & GAS PRODUCTION PARTNERSHIP II-G, NEW YORK LIFE OIL & GAS OPERATING PRODUCTION PARTNERSHIP III-A and NEW YORK LIFE OIL & GAS OPERATING PRODUCTION PARTNERSHIP III-B, all Texas general partnerships, 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.

IN WITNESS WHEREOF, I have hereunder set my hand and affixed my official seal in the City of Houston, County of Harris, State of Texas, this 6th day of March, 1991.

NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

Molly Alldredge
700 Louisiana, Suite 2100
Houston, Texas 77002-2791

My Commission Expires:

August 25, 1994

[vin-notary-9]

STATE OF TEXAS §
§
COUNTY OF HARRIS §

ALABAMA

I, Elaina Kahn, a Notary Public in and for the State of Texas hereby certify that Robert W. Cox , whose name as Vice President, General Counsel of **VINTAGE PETROLEUM, INC.**, a Delaware corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

KANSAS, OHIO, NEBRASKA AND TEXAS

The foregoing instrument was acknowledged before me on this date, by Robert W. Cox , Vice President, General Counsel of **VINTAGE PETROLEUM, INC.**, a Delaware corporation, on behalf of said corporation.

LOUISIANA

On this date before me, appeared Robert W. Cox , to me personally known, who being by me duly sworn, did say that he is the Vice President, General Counsel of **VINTAGE PETROLEUM, INC.**, a Delaware corporation, and that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors and that he acknowledged the said instrument to be the free act and deed of the Corporation.

MICHIGAN

On this 7th day of March, 1991 before me appeared Robert W. Cox, to me personally known, who, being by me duly sworn, did say that he is the Vice President, General Counsel of **VINTAGE PETROLEUM, INC.**, the corporation named in the foregoing instrument, and acknowledged to me that he executed the same as the free and voluntary act and deed of said corporation, for the purposes therein mentioned and set forth, and that the seal affixed to said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors.

MISSISSIPPI

Personally appeared before me, the undersigned authority, Robert W. Cox , Vice President, General Counsel of **VINTAGE PETROLEUM, INC.**, a Delaware corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me he executed the same for the purposes and consideration therein expressed, as the act of such corporation, and in the capacity therein stated, and that he delivered the foregoing instrument on the day and the year therein mentioned.

Before me, on this date, personally appeared Robert W. Cox , to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as the Vice President, General Counsel of VINTAGE PETROLEUM, INC., 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.

IN WITNESS WHEREOF, I have hereunder set my hand and affixed my official seal in the City of Houston, County of Harris, State of Texas, this 7th day of March, 1991.

Elaina Kahn

NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

Elaina Kahn
700 Louisiana, Suite 2100
Houston, Texas 77002-2791

My Commission Expires:

November 10, 1994

STATE OF OKLAHOMA §
§
COUNTY OF Tulsa §

VOL 672 PAGE 679

ALABAMA

I, Kaylen Moore, a Notary Public in and for the State of Oklahoma hereby certify that Jeffrey T. Wilson, whose name as President of LATEX PETROLEUM CORPORATION, a Oklahoma corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

KANSAS, OHIO, NEBRASKA AND TEXAS

The foregoing instrument was acknowledged before me on this date, by Jeffrey T. Wilson, President of LATEX PETROLEUM CORPORATION, a Oklahoma corporation, on behalf of said corporation.

LOUISIANA

On this date before me, appeared Jeffrey T. Wilson, to me personally known, who being by me duly sworn, did say that he is the President of LATEX PETROLEUM CORPORATION, a Oklahoma corporation, and that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors and that he acknowledged the said instrument to be the free act and deed of the Corporation.

MICHIGAN

On this 7 day of March, 1991 before me appeared Jeffrey T. Wilson, to me personally known, who, being by me duly sworn, did say that he is the President of LATEX PETROLEUM CORPORATION, the corporation named in the foregoing instrument, and acknowledged to me that he executed the same as the free and voluntary act and deed of said corporation, for the purposes therein mentioned and set forth, and that the seal affixed to said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors.

MISSISSIPPI

Personally appeared before me, the undersigned authority, Jeffrey T. Wilson, President of LATEX PETROLEUM CORPORATION, a Oklahoma corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me he executed the same for the purposes and consideration therein expressed, as the act of such corporation, and in the capacity therein stated, and that he delivered the foregoing instrument on the day and the year therein mentioned.

OKLAHOMA VOL 672 PAGE 680

Before me, on this date, personally appeared Jeffrey T. Wilson, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as the President of LATEX PETROLEUM CORPORATION, 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.

IN WITNESS WHEREOF, I have hereunder set my hand and affixed my official seal in the City of Tulsa, County of Tulsa, State of Oklahoma, this 7 day of March, 1991.

Kaylen Moore
NOTARY PUBLIC IN AND FOR
THE STATE OF OKLAHOMA

Kaylen Moore
[Printed Name of Notary Public]

My Commission Expires:

3/15/94

[vintage-7]

EXHIBIT A

VOL 672 PAGE 681

STATE: TEXAS
COUNTY: BRAZOS AND GRIMES
FIELD: IOLA

AX LEASE NO(S)	LESSOR/DESCRIPTION	LEASE DATE	RECORDED BOOK PAGE/ COUNTY
0153003	MITCHEM, MARY RUTH, ET AL	11/30/83	628 352 BRAZOS
	216.9 ACRES OF LAND SITUATED OUT OF THE THOMAS BOWMAN SURVEY, A-72 AND THE WILLIAM VESS LABOR, A-233, BRAZOS COUNTY, TEXAS		
0153004	COX, CECIL B., ET AL	03/15/82	56 209 BRAZOS
	304.332 ACRES SITUATED OUT OF THE THOMAS BOWMAN SURVEY, A-72, BRAZOS COUNTY, TEXAS		
0153005-01	MULLER, MARTHA LUCILLE PRATT	09/29/76	344 849 GRIMES 24 780 BRAZOS
	695.56 ACRES OF LAND SITUATED OUT OF THE JOSHUA HADLEY SURVEY, A-266, GRIMES COUNTY, TEXAS, THE JOHN TOM SURVEY, A-447, GRIMES COUNTY, TEXAS, THE THOMAS HENRY SURVEY, A-127 AND THE THOMAS BOWMAN SURVEY, A-72, BRAZOS COUNTY, TEXAS		
0153005	MULLER, MARTHA L. ET VIR	02/02/82	443 221 GRIMES
	166.415 ACRES OF LAND SITUATED OUT OF THE JOSHUA HADLEY SURVEY, A-266, GRIMES COUNTY, TEXAS		
0153005-02	COBB, CLARENCE W., ET UX	02/02/82	443 232 GRIMES
	166.415 ACRES OF LAND SITUATED OUT OF THE JOSHUA HADLEY SURVEY, A-266, GRIMES COUNTY, TEXAS		
0153005-03	ENLOE, S. J., ET AL	02/02/82	443 276 GRIMES
	166.415 ACRES OF LAND SITUATED OUT OF THE JOSHUA HADLEY SURVEY, A-266, GRIMES COUNTY, TEXAS		
0153005-04	PIERCE, JOHN L., II	03/13/82	446 153 GRIMES
	166.415 ACRES OF LAND SITUATED OUT OF THE JOSHUA HADLEY SURVEY, A-266, GRIMES COUNTY, TEXAS		

EXHIBIT A

STATE: TEXAS
COUNTY: BRAZOS AND GRIMES
FIELD: IOLA

AX LEASE NO(S)	LESSOR/DESCRIPTION	LEASE DATE	RECORDED BOOK PAGE/ COUNTY
0153006	COBB, CLARENCE W., ET UX	03/15/82	53 451 BRAZOS
	274.628 ACRES SITUATED OUT OF THE THOMAS BOWMAN SURVEY, A-72, BRAZOS COUNTY, TEXAS		
0153007	WICKSON LAKE CLUB	03/09/82	55 506 BRAZOS
	411.6436 ACRES OF LAND SITUATED OUT OF THE ELI WICKSON LEAGUE, A-236, BRAZOS COUNTY, TEXAS, BEING ALL OF A CALLED 757.14 ACRE TRACT OF LAND, SAVE AND EXCEPT (i) 89.7551 ACRES AS DESCRIBED IN POOLING DESIGNATION DATED MARCH 31, 1980, RECORDED IN VOL 448 PG 498, DEED RECORDS OF BRAZOS COUNTY, SAVE AND EXCEPT (ii) 144.08 ACRES OF LAND AS DESCRIBED IN POOLING DESIGNATION FILED IN VOL 475 PG 809, DEED RECORDS OF BRAZOS COUNTY, AND SAVE AND ESCEPT (iii) 126.1836 ACRES WHICH HAVE BEEN HERETOFORE RELEASED.		
0153009	RASCO, GEARL L., ET UX	10/01/81	42 690 BRAZOS
	123.61 ACRES OUT OF THE THOMAS BOWMAN SURVEY, A-72, BRAZOS COUNTY, TEXAS, INSOFAR AND ONLY INSOFAR AS SAID LEASE COVERS (i) 1.22 ACRES IN THE COBB NO. 1 OIL UNIT AND (ii) 9.0 ACRES IN THE COBB NO. 2 OIL UNIT.		
0153010	STATE OF TEXAS #86481	10/06/81	440 866 BRAZOS 453 351 GRIMES
	30 ACRES BEING ALL OF TRACT 2, NAVASOTA RIVER, GRIMES AND BRAZOS COUNTIES, TEXAS		
0153012	COBB, CLARENCE W., ET AL	02/21/84	571 845 GRIMES
	6.1 ACRES IOLA TANK BATTERY "A"		
0153013	COBB, CLARENCE W.	02/21/84	914 382 BRAZOS
	A 3.55 ACRE TRACT OR PARCEL OF LAND LYING AND BEING SITUATED IN THE THOMAS BOWMAN SURVEY, A-72, BRAZOS COUNTY, TEXAS, AND BEING A PORTION OF A CALLED 274.628 ACRE TRACT OF LAND AS DESCRIBED BY AN OIL, GAS AND MINERAL LEASE FROM CLARENCE W. COBB, ET UX, TO LEAR PETROLEUM EXPLORATION, INC., RECORDED IN VOL 53 PG 451 OF THE OIL AND GAS RECORDS OF BRAZOS COUNTY, TEXAS, MORE PARTICULARLY DESCRIBED IN EXHIBIT "A" OF THE LEASE (IOLA TANK BATTERY "B")		

EXHIBIT A

VOL 672 PAGE 683

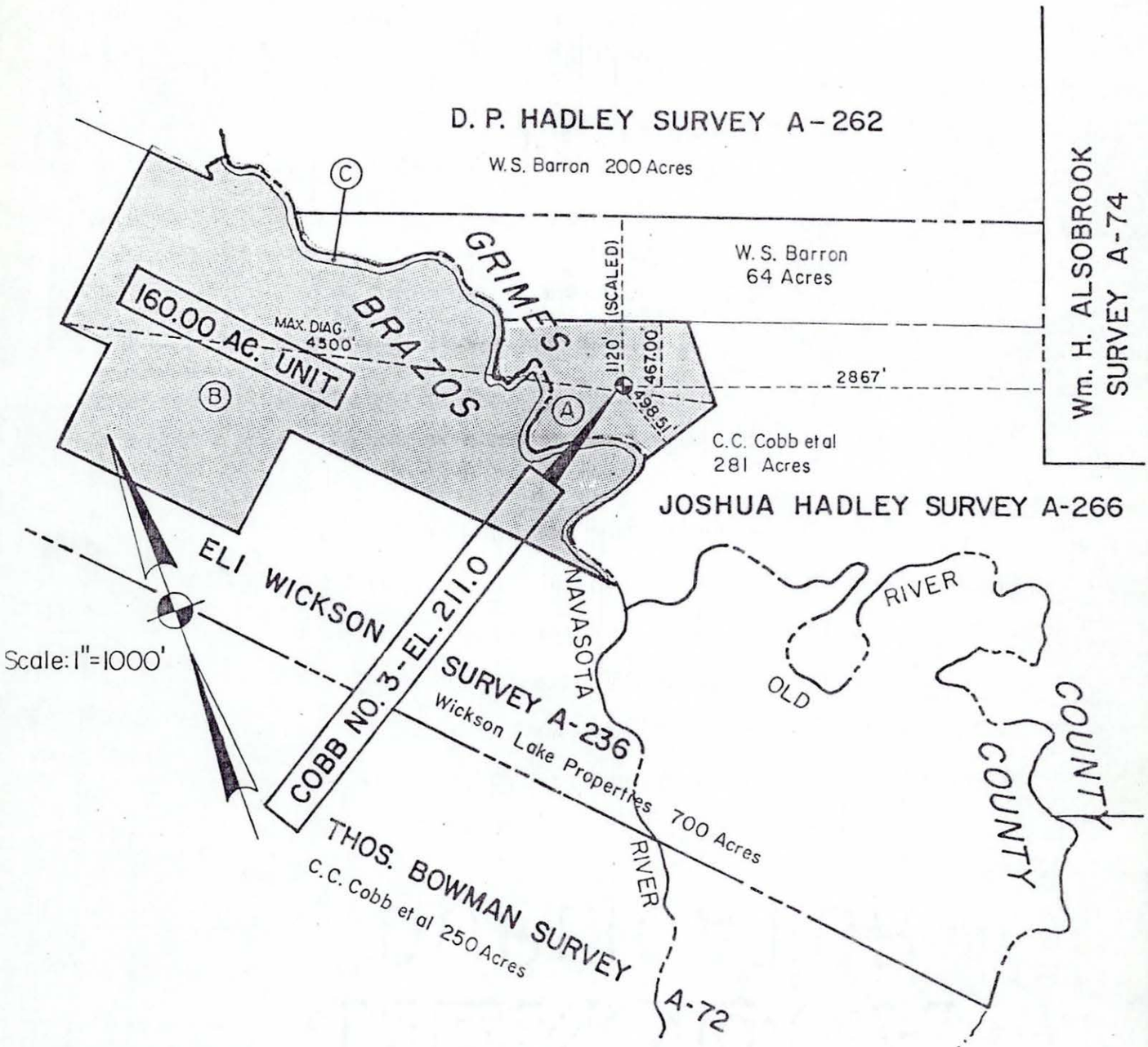
STATE: TEXAS
COUNTY: BRAZOS AND GRIMES
FIELD: IOLA

AX LEASE NO(S)	LESSOR/DESCRIPTION	LEASE DATE	RECORDED BOOK PAGE/ COUNTY
0153014-01	COBB, CLARENCE W., ET UX	11/14/83	624 211 BRAZOS

235.6 ACRES OF LAND SITUATED OUT OF THE THOMAS BOWMAN SURVEY, A-72 AND THOMAS HENRY SURVEY, A-127, BRAZOS COUNTY, TEXAS

AX WELL NAMES/NUMBERS

BIRDWELL UNIT #1-1	015370100100
BIRDWELL UNIT #1-2	015370100200
COBB UNIT #2-1	015370300100
COBB UNIT #2-2	015370300200
COBB UNIT #3-1	015370400100
COBB UNIT #3-2	015370400200
COBB UNIT #4-1	015370500100
COBB UNIT #4-2	015370500200
COBB UNIT #5-1	015370600100
COBB UNIT #6-1	015370700100
COBB UNIT #7-1	015370800100
COX UNIT #1-1	015370900100
COX UNIT #1-2	015370900200



TRACT NO.	ACREAGE	LESSOR	VOL.	PAGE	
A	23.28	Clarence W. Cobb et ux	443	265	Grimes County Records
B	134.31	Wickson Lake Club	289	71	
C	2.41	State of Texas	66	26	Lease Records

WELL LOCATION

COBB NO. 3

L. & B. OIL COMPANY, INC.

JOSHUA HADLEY SURVEY A-266

ELI WICKSON SURVEY A-236

BRAZOS & GRIMES COUNTY, TEXAS

STATE OF TEXAS
MARK R. PAULSON
2099
REGISTERED PUBLIC SURVEYOR

PAULSON SURVEYING INCORPORATED
P. O. Box 9384, College Station, TX 77840, (713) 693-2242

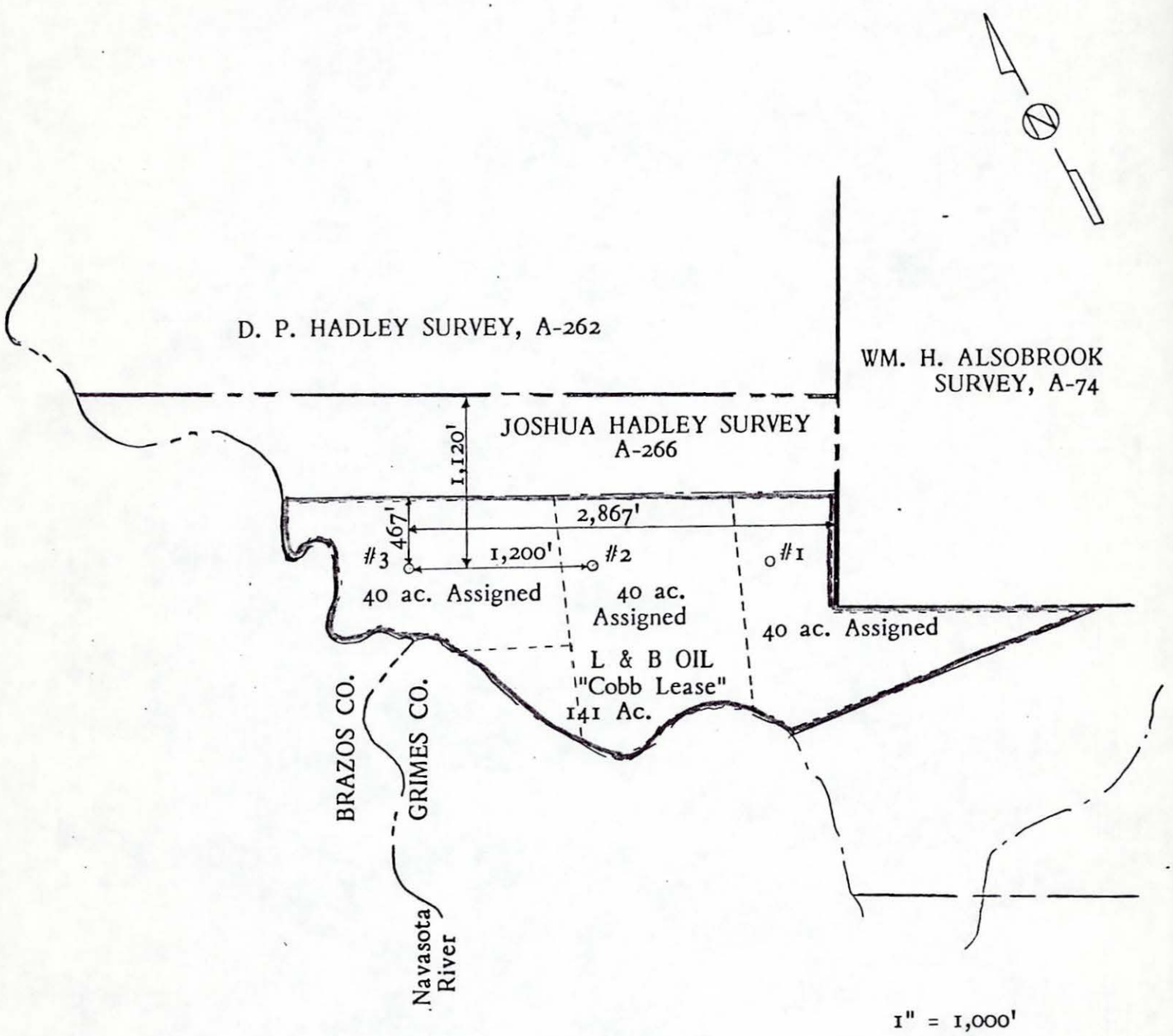
Drawn: Downs

Scale: 1" = 1000'

Date: Sept., 1983

Rev.:

Sheet of



L & B OIL COMPANY, INC.

"Cobb Lease"
Joshua Hadley Survey, A-266
Grimes County, Texas

VOL 672 PAGE 684

Vintage Petrol. Inc.
4100 One Williams Center
Tulsa OK
74172

00000111279

FILED FOR RECORD AT
'91 MAR 26 AM 10 03
COUNTY, TX.
BY _____ DEPUTY

STATE OF TEXAS COUNTY OF GRIMES
I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the volume and page of the named records of Grimes County, Texas as stamped hereon by me.

MAR 2 6 1991

David Pankratz
COUNTY CLERK, GRIMES COUNTY, TEXAS

(51)

MF 86481

Item Asset Bos & Convey

To

From Vantage Pt. Inc.

Date 5-20-91

THE STATE OF TEXAS)
COUNTY OF GRIMES)

I, DAVID PASKET, Clerk of the County Court of Grimes County, Texas do hereby certify that the above and foregoing is a true and correct copy of the Assignment, Bill of Sale, and Conveyance as the same appears on record in volume 672, page 664 of the Real Property Records of Grimes County, Texas.

GIVEN UNDER MY HAND AND THE SEAL OF SAID COURT at office in Anderson, Texas this the 1st day of May A.D. 1991

DAVID PASKET, CLERK COUNTY COURT
Grimes County, Texas.

BY Tina S Schroeder
Deputy

IN PAYMENT OF DELAY RENTAL/SHUT IN ROYALTY/MIN. ROYALTY TO PARTY OR PARTIES NAMED BELOW PURSUANT TO THE TERMS OF LEASE IDENTIFIED HEREIN

LEASE NO.	LEASE DATE	COUNTY	STATE	RECORDED		RENTAL PERIOD		CHECK NO.
				BOOK	PAGE	MOS.	BEGINNING	
153-0010	10/06/81	Brazos & Grimes	TX	440	866	12	10/06/91	116233

PROPERTY DESCRIPTION:

State of Texas Lease #86481
Minimum Royalty Payment
Cobb #2-1 (4200862)
Cobb #3-1 (4200860)

DEPOSIT TO CREDIT OF:

TOTAL AMOUNT: $150.00

RENTAL AMOUNT:

BANK CHARGE:

93006457

121

PAYABLE TO:

RECEIVED
OCT - 5 1992
ENERGY RESOURCES

ACCOUNT NO.

VINTAGE PETROLEUM, INC.
4200 ONE WILLIAMS CENTER, TULSA, OK. 74172

RETAIN FOR YOUR RECORDS

VPI-18

(52) M-86481
Min Lot Payment
10-3-92

VINTAGE PETROLEUM, INC.

January 18, 1995

Commissioners of General Land Office
Garry Mauro
1700 North Congress
Stephen Austin Building
Austin, TX 78701

RE: State Filing Fee
Cobb 2 & 3, Birdwell Unit #1
State Lease #86481
Brazos and Grimes Counties, TX

Gentlemen:

Enclosed please find certified copies of Assignments from Latex to Vintage Petroleum, Inc. and Vintage's check #0174416 in the amount of $50.00 to cover filing fee on the above captioned.

Very truly yours,

VINTAGE PETROLEUM, INC.

Carolyn Moore
Lease & Title Analyst

CM:rmf

Enclosure

CM
a:Comm.Ltr

4200 One Williams Center Tulsa, OK 74172 (918) 592-0101
Fax (918) 584-7282

VINTAGE PETROLEUM, INC.
4200 ONE WILLIAMS CENTER, TULSA, OK. 74172
(918) 592- 0101

CHECK NO.	CHECK DATE	VENDOR NO.
0174416	1/13/95	2071

INVOICE DATE	INVOICE NUMBER	DESCRIPTION	NET AMOUNT
12/01/05	C. MOORE	95029376	50.00
			129
		CHECK TOTAL	50.00

RETAIN THIS STATEMENT FOR YOUR TAX RECORD - A DUPLICATE CANNOT BE FURNISHED.

VPI-6 (3-88)

(53)

MF 86481

ITEM LTR

TO

FROM Vintage Petroleum, Inc.

DATE 1-20-95

524885

STATE OF TEXAS)
) ss.
COUNTY OF BRAZOS & GRIMES)

ASSIGNMENT, BILL OF SALE
AND CONVEYANCE

LATEX PETROLEUM CORPORATION, an Oklahoma corporation, 4200 East Skelly Drive, Suite 1000, Tulsa, Oklahoma 74170, (hereinafter called "Assignor"), for Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby grant, bargain, sell, convey, assign, transfer, set over and deliver unto **VINTAGE PETROLEUM, INC.**, whose address is 4200 One Williams Center, Tulsa, Oklahoma 74172, (hereinafter called "Assignee"), all of Assignor's right, title and interest in and to the following:

(a) The oil and gas and/or mineral leases which are described in Exhibit "A" attached hereto or which otherwise cover and affect the lands covered by the leases described on Exhibit "A" (hereinafter called the "Leases");

(b) All other property and rights used or held for use directly and exclusively in connection with the production, treatment and marketing of oil, gas and other liquid and gaseous hydrocarbons from, and the disposal of water produced from, the Leases, including, without limitation, all wells, materials, equipment, personal property and fixtures located thereon or directly and exclusively used in connection therewith; and

(c) All leases, options, rights of first refusal, rights arising under forced pooling and other similar regulatory orders, contracts, operating agreements (including specifically, but without limitation, all salt water disposal surface leases or agreements) and instruments to the extent that the same relate, appertain, belong to or are incidental to the Leases.

The interest described in paragraphs (a) through (c) above are hereinafter collectively called the "Subject Interest".

TO HAVE AND TO HOLD the Subject Interest unto Assignee and its successors and assigns, forever.

This Assignment, as it pertains to the personal property herein conveyed is made "AS IS, WHERE IS", IF IT EXISTS AND WITHOUT WARRANTY EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. FURTHER, ASSIGNEE ACKNOWLEDGES THAT IT HAS INSPECTED ALL PERSONAL PROPERTY CONVEYED HEREIN AND FINDS SAME TO BE IN WORKING ORDER, AND FREE FROM ALL LATENT AND PATENT DEFECTS.

This Assignment is executed without warranty of title either express or implied, however, Assignor agrees to warrant and forever defend title to the Subject Interest unto Assignee, its successors and assigns, against the claims and demands of all persons claiming, or to claim the same, or any part thereof by, through or under such Assignor, but not otherwise.

This Assignment and Bill of Sale is made with full substitution and subrogation of Assignee in and to all representations and warranties of title heretofore given or made with respect to the Subject Interest.

STATE OF TEXAS
COUNTY OF BRAZOS
The foregoing is a true and correct copy as the same appears on file and recorded in the appropriate records of Brazos, County, Texas.
Thereby certify, on 12-22-94
Mary Lou Wilke
County Clerk
Brazos County, Texas

VOL 1835 PAGE 142

This Assignment and Bill of Sale is expressly made and accepted subject to the terms and conditions of the Leases and all contracts relating to the purchase or sale of production therefrom, to all operating agreements, permits, rights of ways, licenses, easements, options, attributable to and affecting the Subject Interest and to all reservations, exceptions, limitations and other burdens applicable thereto which are of record or of which Assignee may have actual or constructive notice.

Assignee hereby assumes and agrees to be bound by all the terms and conditions of the oil, gas and mineral leases covering the lands set forth on Exhibit "A", and all the agreements and other documents relating thereto. Assignee further assumes the plugging and abandonment and surface restoration obligations affecting all the lands set forth in Exhibit "A" in accordance with all applicable rules and regulations.

If any Lease or any other part of the Subject Interest is subject to the consent requirement or similar provisions which requires that the consent of the applicable Lessor or other party be obtained prior to assignment of an interest therein (hereinafter called an "Affected Lease"), then notwithstanding any other provisions of this Conveyance, including with limitation, the granting clause hereof, the transfer of such Affected Lease shall not be effective until the requisite consents shall have been obtained, at which time the transfer shall be effective as of the Effective Time.

IN WITNESS WHEREOF, this Assignment and Bill of Sale has been executed and delivered on this 16th day of June, 1993, effective as to runs of oil and deliveries of gas, and for all other purposes, as of 7:00 a.m. local time at the locations of the Subject Interest, respectively, on May 1, 1993.

ASSIGNOR:

LATEX PETROLEUM CORPORATION

WITNESSES:

Megan L. Mooney

Linda Hoskins

By: Donald B Pettine
Donald B. Pettine
Vice President

ATTEST:

By: Terri Peracca
Terri Peracca
Assistant Secretary

ASSIGNEE:

VINTAGE PETROLEUM, INC.

WITNESSES:

Kenneth W Wilson

Anne Linton

By: R W Cox
Robert W. Cox
Vice President

ATTEST:

By: Pam Moody
Pam Moody
Assistant Secretary

STATE OF TEXAS
COUNTY OF BRAZOS
The foregoing is a true and correct copy as the same appears on file and recorded in the appropriate records of Brazos, County, Texas.
Thereby certify, on 12-22-94

Mary Lou Wilde
County Clerk
Brazos County, Texas

STATE OF TEXAS
COUNTY OF DENTON
The foregoing is a true and correct copy as
the same appears on file and recorded in the
appropriate records of Denton County, Texas.
Dated this day, ...
Jeff Leach, County Clerk
Denton County, Texas

STATE OF OKLAHOMA)
) ss.
COUNTY OF TULSA)

BEFORE ME, the undersigned authority, on this day personally appeared Donald B. Pettine, Vice President of LaTex Petroleum Corporation, an Oklahoma corporation, known to me to be the person and Officer 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 stated, and as the act and deed of said corporation.

GIVEN under my hand and seal of office on the 16th day of June, 1993.

Kim M. Miller
Notary Public in and for
Tulsa County, Oklahoma

My Commission Expires:
9/11/94

STATE OF OKLAHOMA)
) ss.
COUNTY OF TULSA)

BEFORE ME, the undersigned authority, on this day personally appeared Robert W. Cox, Vice President of Vintage Petroleum, Inc., known to me to be the person and Officer 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 stated, and as the act and deed of said corporation.

GIVEN under my hand and seal of office on the 22nd day of June, 1993.

Joanne Morrow
Notary Public in and for
Tulsa County, Oklahoma

My Commission Expires:
7/22/95

STATE OF TEXAS
COUNTY OF BRAZOS
The foregoing is a true and correct copy as the same appears on file and recorded in the appropriate records of Brazos, County, Texas.
Thereby certify, on 12-27-94 0:13

County Clerk
Brazos County, Texas

EXHIBIT A

STATE: TEXAS
COUNTY: BRAZOS AND GRIMES
FIELD: IOLA

AX LEASE NO(S)	LESSOR/DESCRIPTION	LEASE DATE	RECORDED BOOK PAGE/ COUNTY
0153003	MITCHEM, MARY RUTH, ET AL	11/30/83	628 352 BRAZOS
	216.9 ACRES OF LAND SITUATED OUT OF THE THOMAS BOWMAN SURVEY, A-72 AND THE WILLIAM VESS LABOR, A-233, BRAZOS COUNTY, TEXAS		
0153004	COX, CECIL B., ET AL	03/15/82	56 209 BRAZOS
	304.332 ACRES SITUATED OUT OF THE THOMAS BOWMAN SURVEY, A-72, BRAZOS COUNTY, TEXAS		
0153005-01	MULLER, MARTHA LUCILLE PRATT	09/29/76	344 849 GRIMES 24 780 BRAZOS
	695.56 ACRES OF LAND SITUATED OUT OF THE JOSHUA HADLEY SURVEY, A-266, GRIMES COUNTY, TEXAS, THE JOHN TOM SURVEY, A-447, GRIMES COUNTY, TEXAS, THE THOMAS HENRY SURVEY, A-127 AND THE THOMAS BOWMAN SURVEY, A-72, BRAZOS COUNTY, TEXAS		
0153005	MULLER, MARTHA L. ET VIR	02/02/82	443 221 GRIMES
	166.415 ACRES OF LAND SITUATED OUT OF THE JOSHUA HADLEY SURVEY, A-266, GRIMES COUNTY, TEXAS		
0153005-02	COBB, CLARENCE W., ET UX	02/02/82	443 232 GRIMES
	166.415 ACRES OF LAND SITUATED OUT OF THE JOSHUA HADLEY SURVEY, A-266, GRIMES COUNTY, TEXAS		
0153005-03	ENLOE, S. J., ET AL	02/02/82	443 276 GRIMES
	166.415 ACRES OF LAND SITUATED OUT OF THE JOSHUA HADLEY SURVEY, A-266, GRIMES COUNTY, TEXAS		
0153005-04	PIERCE, JOHN L., II	03/13/82	446 153 GRIMES
	166.415 ACRES OF LAND SITUATED OUT OF THE JOSHUA HADLEY SURVEY, A-266, GRIMES COUNTY, TEXAS		

STATE OF TEXAS
COUNTY OF BRAZOS
The foregoing is a true and correct copy as the same appears on file and recorded in the appropriate records of Brazos, County, Texas.
Thereby certify, on 12-22-94

Mary Lou Woods
County Clerk
Brazos County, Texas

EXHIBIT A

STATE: TEXAS
COUNTY: BRAZOS AND GRIMES
FIELD: IOLA

AX LEASE NO(S)	LESSOR/DESCRIPTION	LEASE DATE	RECORDED BOOK PAGE/ COUNTY
0153006	COBB, CLARENCE W., ET UX	03/15/82	53 451 BRAZOS
	274.628 ACRES SITUATED OUT OF THE THOMAS BOWMAN SURVEY, A-72, BRAZOS COUNTY, TEXAS		
0153007	WICKSON LAKE CLUB	03/09/82	55 506 BRAZOS
	411.6436 ACRES OF LAND SITUATED OUT OF THE ELI WICKSON LEAGUE, A-236, BRAZOS COUNTY, TEXAS, BEING ALL OF A CALLED 757.14 ACRE TRACT OF LAND, SAVE AND EXCEPT (i) 89.7551 ACRES AS DESCRIBED IN POOLING DESIGNATION DATED MARCH 31, 1980, RECORDED IN VOL 448 PG 498, DEED RECORDS OF BRAZOS COUNTY, SAVE AND EXCEPT (ii) 144.08 ACRES OF LAND AS DESCRIBED IN POOLING DESIGNATION FILED IN VOL 475 PG 809, DEED RECORDS OF BRAZOS COUNTY, AND SAVE AND ESCEPT (iii) 126.1836 ACRES WHICH HAVE BEEN HERETOFORE RELEASED.		
0153009	RASCO, GEARL L., ET UX	10/01/81	42 690 BRAZOS
	123.61 ACRES OUT OF THE THOMAS BOWMAN SURVEY, A-72, BRAZOS COUNTY, TEXAS, INSOFAR AND ONLY INSOFAR AS SAID LEASE COVERS (i) 1.22 ACRES IN THE COBB NO. 1 OIL UNIT AND (ii) 9.0 ACRES IN THE COBB NO. 2 OIL UNIT.		
0153010	STATE OF TEXAS #86481	10/06/81	440 866 BRAZOS 453 351 GRIMES
	30 ACRES BEING ALL OF TRACT 2, NAVASOTA RIVER, GRIMES AND BRAZOS COUNTIES, TEXAS		
0153012	COBB, CLARENCE W., ET AL	02/21/84	571 845 GRIMES
	6.1 ACRES IOLA TANK BATTERY "A"		
0153013	COBB, CLARENCE W.	02/21/84	914 382 BRAZOS
	A 3.55 ACRE TRACT OR PARCEL OF LAND LYING AND BEING SITUATED IN THE THOMAS BOWMAN SURVEY, A-72, BRAZOS COUNTY, TEXAS, AND BEING A PORTION OF A CALLED 274.628 ACRE TRACT OF LAND AS DESCRIBED BY AN OIL, GAS AND MINERAL LEASE FROM CLARENCE W. COBB, ET UX, TO LEAR PETROLEUM EXPLORATION, INC., RECORDED IN VOL 53 PG 451 OF THE OIL AND GAS RECORDS OF BRAZOS COUNTY, TEXAS, MORE PARTICULARLY DESCRIBED IN EXHIBIT "A" OF THE LEASE (IOLA TANK BATTERY "B")		

STATE OF TEXAS
COUNTY OF BRAZOS
The foregoing is a true and correct copy as the same appears on file and recorded in the appropriate records of Brazos, County, Texas.
Thereby certify, on 12-12-94

County Clerk
Brazos County, Texas

EXHIBIT A

STATE: TEXAS
COUNTY: BRAZOS AND GRIMES
FIELD: IOLA

AX

LEASE NO(S)	LESSOR/DESCRIPTION	LEASE DATE	RECORDED BOOK PAGE/ COUNTY
0153014-01	COBB, CLARENCE W., ET UX	11/14/83	624 211 BRAZOS

235.6 ACRES OF LAND SITUATED OUT OF THE THOMAS BOWMAN SURVEY, A-72 AND THOMAS HENRY SURVEY, A-127, BRAZOS COUNTY, TEXAS

AX WELL NAMES

BIRDWELL UNIT #1-1
BIRDWELL UNIT #1-2
COBB UNIT #2-1
COBB UNIT #2-2
COBB UNIT #3-1
COBB UNIT #3-2
COBB UNIT #4-1
COBB UNIT #4-2
COBB UNIT #5-1
COBB UNIT #6-1
COBB UNIT #7-1
COX UNIT #1-1
COX UNIT #1-2

STATE OF TEXAS
COUNTY OF BRAZOS
The foregoing is a true and correct copy as the same appears on file and recorded in the appropriate records of Brazos, County, Texas.
Thereby certify, on 12-22-94

Mary Lou Wied
County Clerk
Brazos County, Texas

(54.)

MF 86481

ITEM Assignment

TO

FROM

DATE 1-20-95

524885

STATE OF TEXAS)
) ss.
COUNTY OF BRAZOS & GRIMES)

VOL 722 PAGE 229
121545

FILED
93 JUN 23 PM 4:23
COUNTY CLERK
BRAZOS COUNTY COURTHOUSE
BRYAN, TEXAS
BY Isabella DEPUTY

ASSIGNMENT, BILL OF SALE
AND CONVEYANCE

LATEX PETROLEUM CORPORATION, an Oklahoma corporation, 4200 East Skelly Drive, Suite 1000, Tulsa, Oklahoma 74170, (hereinafter called "Assignor"), for Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby grant, bargain, sell, convey, assign, transfer, set over and deliver unto **VINTAGE PETROLEUM, INC.**, whose address is 4200 One Williams Center, Tulsa, Oklahoma 74172, (hereinafter called "Assignee"), all of Assignor's right, title and interest in and to the following:

(a) The oil and gas and/or mineral leases which are described in Exhibit "A" attached hereto or which otherwise cover and affect the lands covered by the leases described on Exhibit "A" (hereinafter called the "Leases");

(b) All other property and rights used or held for use directly and exclusively in connection with the production, treatment and marketing of oil, gas and other liquid and gaseous hydrocarbons from, and the disposal of water produced from, the Leases, including, without limitation, all wells, materials, equipment, personal property and fixtures located thereon or directly and exclusively used in connection therewith; and

(c) All leases, options, rights of first refusal, rights arising under forced pooling and other similar regulatory orders, contracts, operating agreements (including specifically, but without limitation, all salt water disposal surface leases or agreements) and instruments to the extent that the same relate, appertain, belong to or are incidental to the Leases.

The interest described in paragraphs (a) through (c) above are hereinafter collectively called the "Subject Interest".

TO HAVE AND TO HOLD the Subject Interest unto Assignee and its successors and assigns, forever.

This Assignment, as it pertains to the personal property herein conveyed is made "AS IS, WHERE IS", IF IT EXISTS AND WITHOUT WARRANTY EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. FURTHER, ASSIGNEE ACKNOWLEDGES THAT IT HAS INSPECTED ALL PERSONAL PROPERTY CONVEYED HEREIN AND FINDS SAME TO BE IN WORKING ORDER, AND FREE FROM ALL LATENT AND PATENT DEFECTS.

This Assignment is executed without warranty of title either express or implied, however, Assignor agrees to warrant and forever defend title to the Subject Interest unto Assignee, its successors and assigns, against the claims and demands of all persons claiming, or to claim the same, or any part thereof by, through or under such Assignor, but not otherwise.

This Assignment and Bill of Sale is made with full substitution and subrogation of Assignee in and to all representations and warranties of title heretofore given or made with respect to the Subject Interest.

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF GRIMES
The above is a full, true, and correct photographic copy of the original record now in my lawful custody and possession as the same is recorded in the Real Property Records in my office with volume and page number stamped thereon. I hereby certify on

DEC 1 1994

DAVID PASKET
COUNTY CLERK
GRIMES COUNTY, TEXAS
BY _____ DEPUTY

VOL 1835 PAGE 142

This Assignment and Bill of Sale is expressly made and accepted subject to the terms and conditions of the Leases and all contracts relating to the purchase or sale of production therefrom, to all operating agreements, permits, rights of ways, licenses, easements, options, attributable to and affecting the Subject Interest and to all reservations, exceptions, limitations and other burdens applicable thereto which are of record or of which Assignee may have actual or constructive notice.

Assignee hereby assumes and agrees to be bound by all the terms and conditions of the oil, gas and mineral leases covering the lands set forth on Exhibit "A", and all the agreements and other documents relating thereto. Assignee further assumes the plugging and abandonment and surface restoration obligations affecting all the lands set forth in Exhibit "A" in accordance with all applicable rules and regulations.

If any Lease or any other part of the Subject Interest is subject to the consent requirement or similar provisions which requires that the consent of the applicable Lessor or other party be obtained prior to assignment of an interest therein (hereinafter called an "Affected Lease"), then notwithstanding any other provisions of this Conveyance, including with limitation, the granting clause hereof, the transfer of such Affected Lease shall not be effective until the requisite consents shall have been obtained, at which time the transfer shall be effective as of the Effective Time.

IN WITNESS WHEREOF, this Assignment and Bill of Sale has been executed and delivered on this 18th day of June, 1993, effective as to runs of oil and deliveries of gas, and for all other purposes, as of 7:00 a.m. local time at the locations of the Subject Interest, respectively, on May 1, 1993.

ASSIGNOR:

LATEX PETROLEUM CORPORATION

WITNESSES:

Megan L. Mooney

Linda Hebert

By: Donald B Pettine
Donald B. Pettine
Vice President

ATTEST:

By: Terri Peracca
Terri Peracca
Assistant Secretary

ASSIGNEE:

VINTAGE PETROLEUM, INC.

WITNESSES:

Kenneth W Gibson

Anne Linton

By: _____
Robert W. Cox
Vice President

ATTEST:

By: Pam Moody
Pam Moody
Assistant Secretary

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF GRIMES
The above is a full, true, and correct photographic copy of the original record now in my lawful custody and possession as it same is recorded in the Real Property Records in my office with volume and page number stamped thereon. I hereby certify on

DEC 1 1994

DAVID PASKET
COUNTY CLERK
GRIMES COUNTY, TEXAS
BY _____ DEPUTY

STATE OF OKLAHOMA)
) ss.
COUNTY OF TULSA)

VOL 722 PAGE 231

BEFORE ME, the undersigned authority, on this day personally appeared Donald B. Pettine, Vice President of LaTex Petroleum Corporation, an Oklahoma corporation, known to me to be the person and Officer 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 stated, and as the act and deed of said corporation.

GIVEN under my hand and seal of office on the 18th day of June, 1993.

Kim M. Miller
Notary Public in and for
Tulsa County, Oklahoma

My Commission Expires:
9/11/94

STATE OF OKLAHOMA)
) ss.
COUNTY OF TULSA)

BEFORE ME, the undersigned authority, on this day personally appeared Robert W. Cox, Vice President of Vintage Petroleum, Inc., known to me to be the person and Officer 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 stated, and as the act and deed of said corporation.

GIVEN under my hand and seal of office on the 22nd day of June, 1993.

Jeannie Morrow
Notary Public in and for
Tulsa County, Oklahoma

My Commission Expires:
4/22/95

NOTARY PUBLIC IN AND FOR STATE OF OKLAHOMA TULSA COUNTY

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF GRIMES
The above is a full, true, and correct photographic copy of the original record now in my lawful custody and possession as the same is recorded in the Real Property Records in my office with volume and page number stamped thereon. I hereby certify on

VOL 1835 PAGE 144

DEC 1 1994

DAVID PASKET
COUNTY CLERK
GRIMES COUNTY, TEXAS
BY DEPUTY

EXHIBIT A

VOL 722 PAGE 232

STATE: TEXAS
COUNTY: BRAZOS AND GRIMES
FIELD: IOLA

AX LEASE NO(S)	LESSOR/DESCRIPTION	LEASE DATE	RECORDED BOOK PAGE/ COUNTY
0153003	MITCHEM, MARY RUTH, ET AL	11/30/83	628 352 BRAZOS
	216.9 ACRES OF LAND SITUATED OUT OF THE THOMAS BOWMAN SURVEY, A-72 AND THE WILLIAM VESS LABOR, A-233, BRAZOS COUNTY, TEXAS		
0153004	COX, CECIL B., ET AL	03/15/82	56 209 BRAZOS
	304.332 ACRES SITUATED OUT OF THE THOMAS BOWMAN SURVEY, A-72, BRAZOS COUNTY, TEXAS		
0153005-01	MULLER, MARTHA LUCILLE PRATT	09/29/76	344 849 GRIMES 24 780 BRAZOS
	695.56 ACRES OF LAND SITUATED OUT OF THE JOSHUA HADLEY SURVEY, A-266, GRIMES COUNTY, TEXAS, THE JOHN TOM SURVEY, A-447, GRIMES COUNTY, TEXAS, THE THOMAS HENRY SURVEY, A-127 AND THE THOMAS BOWMAN SURVEY, A-72, BRAZOS COUNTY, TEXAS.		
0153005	MULLER, MARTHA L. ET VIR	02/02/82	443 221 GRIMES
	166.415 ACRES OF LAND SITUATED OUT OF THE JOSHUA HADLEY SURVEY, A-266, GRIMES COUNTY, TEXAS		
0153005-02	COBB, CLARENCE W., ET UX	02/02/82	443 232 GRIMES
	166.415 ACRES OF LAND SITUATED OUT OF THE JOSHUA HADLEY SURVEY, A-266, GRIMES COUNTY, TEXAS		
0153005-03	ENLOE, S. J., ET AL	02/02/82	443 276 GRIMES
	166.415 ACRES OF LAND SITUATED OUT OF THE JOSHUA HADLEY SURVEY, A-266, GRIMES COUNTY, TEXAS		
0153005-04	PIERCE, JOHN L., II	03/13/82	446 153 GRIMES
	166.415 ACRES OF LAND SITUATED OUT OF THE JOSHUA HADLEY SURVEY, A-266, GRIMES COUNTY, TEXAS		

VOL 1995 PAGE 145

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF GRIMES
The above is a full, true, and correct photographic copy of the original record now in my lawful custody and possession as the same is recorded in the Real Property Records in my office with volume and page number stamped thereon. I hereby certify on

DEC 1 1994

COUNTY COURT GRIMES COUNTY, TEXAS

DAVID PASKET
COUNTY CLERK
GRIMES COUNTY, TEXAS
BY Jenny Hoke DEPUTY

EXHIBIT A

STATE: TEXAS
COUNTY: BRAZOS AND GRIMES
FIELD: IOLA

VOL 722 PAGE 233

AX LEASE NO(S)	LESSOR/DESCRIPTION	LEASE DATE	RECORDED BOOK PAGE/ COUNTY
0153006	COBB, CLARENCE W., ET UX	03/15/82	53 451 BRAZOS
	274.628 ACRES SITUATED OUT OF THE THOMAS BOWMAN SURVEY, A-72, BRAZOS COUNTY, TEXAS		
0153007	WICKSON LAKE CLUB	03/09/82	55 506 BRAZOS
	411.6436 ACRES OF LAND SITUATED OUT OF THE ELI WICKSON LEAGUE, A-236, BRAZOS COUNTY, TEXAS, BEING ALL OF A CALLED 757.14 ACRE TRACT OF LAND, SAVE AND EXCEPT (i) 89.7551 ACRES AS DESCRIBED IN POOLING DESIGNATION DATED MARCH 31, 1980, RECORDED IN VOL 448 PG 498, DEED RECORDS OF BRAZOS COUNTY, SAVE AND EXCEPT (ii) 144.08 ACRES OF LAND AS DESCRIBED IN POOLING DESIGNATION FILED IN VOL 475 PG 809, DEED RECORDS OF BRAZOS COUNTY, AND SAVE AND ESCEPT (iii) 126.1836 ACRES WHICH HAVE BEEN HERETOFORE RELEASED.		
0153009	RASCO, GEARL L., ET UX	10/01/81	42 690 BRAZOS
	123.61 ACRES OUT OF THE THOMAS BOWMAN SURVEY, A-72, BRAZOS COUNTY, TEXAS, INSOFAR AND ONLY INSOFAR AS SAID LEASE COVERS (i) 1.22 ACRES IN THE COBB NO. 1 OIL UNIT AND (ii) 9.0 ACRES IN THE COBB NO. 2 OIL UNIT.		
0153010	STATE OF TEXAS #86481	10/06/81	440 866 BRAZOS 453 351 GRIMES
	30 ACRES BEING ALL OF TRACT 2, NAVASOTA RIVER, GRIMES AND BRAZOS COUNTIES, TEXAS		
0153012	COBB, CLARENCE W., ET AL	02/21/84	571 845 GRIMES
	6.1 ACRES IOLA TANK BATTERY "A"		
0153013	COBB, CLARENCE W.	02/21/84	914 382 BRAZOS
	A 3.55 ACRE TRACT OR PARCEL OF LAND LYING AND BEING SITUATED IN THE THOMAS BOWMAN SURVEY, A-72, BRAZOS COUNTY, TEXAS, AND BEING A PORTION OF A CALLED 274.628 ACRE TRACT OF LAND AS DESCRIBED BY AN OIL, GAS AND MINERAL LEASE FROM CLARENCE W. COBB, ET UX, TO LEAR PETROLEUM EXPLORATION, INC., RECORDED IN VOL 53 PG 451 OF THE OIL AND GAS RECORDS OF BRAZOS COUNTY, TEXAS, MORE PARTICULARLY DESCRIBED IN EXHIBIT "A" OF THE LEASE (IOLA TANK BATTERY "B")		

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF GRIMES
The above is a full, true, and correct photographic copy of the original record now in my lawful custody and possession as the same is recorded in the Real Property Records in my office with volume and page number stamped thereon. I hereby certify on

DEC 1 1994

DAVID PASKET
COUNTY CLERK
GRIMES COUNTY, TEXAS
BY _____ DEPUTY

EXHIBIT A

STATE: TEXAS VOL 722 PAGE 234
COUNTY: BRAZOS AND GRIMES
FIELD: IOLA

AX

LEASE NO(S)	LESSOR/DESCRIPTION	LEASE DATE	RECORDED BOOK PAGE/ COUNTY
0153014-01	COBB, CLARENCE W., ET UX	11/14/83	624 211 BRAZOS

235.6 ACRES OF LAND SITUATED OUT OF THE THOMAS BOWMAN SURVEY, A-72 AND THOMAS HENRY SURVEY, A-127, BRAZOS COUNTY, TEXAS

AX WELL NAMES

BIRDWELL UNIT #1-1
BIRDWELL UNIT #1-2
COBB UNIT #2-1
COBB UNIT #2-2
COBB UNIT #3-1
COBB UNIT #3-2
COBB UNIT #4-1
COBB UNIT #4-2
COBB UNIT #5-1
COBB UNIT #6-1
COBB UNIT #7-1
COX UNIT #1-1
COX UNIT #1-2

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF GRIMES
The above is a full, true, and correct photographic copy of the original record now in my lawful custody and possession as the same is recorded in the Real Property Records in my office with volume and page number stamped thereon. I hereby certify on

DEC 1 1994

DAVID PASKET
COUNTY CLERK
GRIMES COUNTY, TEXAS
BY DEPUTY

VOL 1835 PAGE 147

VOL 722 PAGE 235

Later Petroleum Corp.
to
Vintage Petroleum Corp

Vintage Petrol Inc
4200 One Williams Center
Tulsa Ok 74172

1.20.00

0 0001215 45

FILED FOR RECORD AT

'93 AUG 5 PM 4 23

CO. CLK.
COUNTY, TX.

By _____ DEPUTY

STATE OF TEXAS COUNTY OF BRAZOS
I hereby ... and time ... on the
date and ... recorded in the ... records
of Brazos County, Texas ... hereon by me.

JUN 28 1993

COUNTY CLERK, Brazos County Texas

RECORDER'S MEMORANDUM
AT THE TIME OF RECORDATION THIS INSTRUMENT WAS FOUND TO BE INADEQUATE FOR THE BEST PHOTOGRAPHIC REPRODUCTION BECAUSE OF ILLEGIBILITY, CARBON, OR PHOTO COPY, DISCOLORED PAPER, ETC. ALL BLOCKOUTS, ADDITIONS AND CHANGES WERE PRESENT AT THE TIME THE INSTRUMENT WAS FILED AND RECORDED.

STATE OF TEXAS COUNTY OF GRIMES
I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the volume and page of the real property records of Grimes County, Texas as stamped hereon by me.

AUG 5 1993

David Pasket
COUNTY CLERK, GRIMES COUNTY, TEXAS

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF GRIMES
The above is a full, true, and correct photographic copy of the original record now in my lawful custody and possession as the same is recorded in the Real Property Records in my office with volume and page number stamped thereon. I hereby certify on

DEC 1 1994

DAVID PASKET
COUNTY CLERK
GRIMES COUNTY, TEXAS
BY _____ DEPUTY

VINTAGE PETROLEUM, INC.
4200 ONE WILLIAMS CENTER
TULSA, OKLAHOMA 74172

MF 86481
ITEM Assignment
TO
FROM
DATE 1-20-95

RECEIVED
DEC 5 1994
VINTAGE

Texas General Land Office
Garry Mauro, Commissioner

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

January 23, 1995

CAROLYN MOORE
VINTAGE PETROLEUM, INC.
4200 ONE WILLIAMS CENTER
TULSA, OKLAHOMA 74172

RE: ASSIGNMENT FILING

Dear MS. MOORE :

The General Land Office received the following instruments on January 20, 1995, and have been filed in Mineral File No. M-86481.

1. Assignment of Oil & Gas Lease dated, June 18, 1993, from LATEX PETROLEUM CORPORATION to VINTAGE PETROLEUM, INC., recorded in BRAZOS & GRIMES Counties, Texas

2. Assignment and Oil & Gas Lease dated June 18, 1993, from LATEX PETROLEUM CORPORATION to VINTAGE PETROLEUM, INC., recorded in BRAZOS & GRIMES Counties, Texas.

The total amount of the fees received for the filing of the instruments listed above is $50.00, the receipt of which is acknowledged by the General Land Office.

Sincerely,

Mary Helen Silva
Gas Contract Administrator
Lease Administration
Energy Resources
(512) 475-1532

MHR/mhr

Printed on recycled paper with soybean ink

(54)

MF 86481
ITEM Ltr
TO Vintage Petroleum Inc.
FROM
DATE 1-23-95

Texas General Land Office
Garry Mauro, Commissioner

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

August 6, 1996

Ms. Regina Finnegan
Vintage Petroleum, Inc.
4200 One Williams Center
Tulsa, Oklahoma 74172

Dear Ms. Finnegan:

The General Land Office received the following instrument on July 30, 1996, and has filed them in M-86481.

Assignment of Oil and Gas Lease effective date May 1, 1996, from Vintage Petroleum, Inc. to Al-Tx Operating Inc., recorded in Brazos County, Texas.

Filing fees of $25.00 were received in connection with the above assignment. If you have any questions, please feel free to call me.

Sincerely,

Bridget Hennig

Bridget Hennig
Royalty Management
Energy Resources
(512) 463-5261

:bh

Printed on recycled paper with soybean ink

606697

FILED

96 JUN -4 PM 3:47

CLERK

BRAZOS COUNTY, TEXAS

BY

ASSIGNMENT AND BILL OF SALE

STATE OF TEXAS)
)
COUNTIES OF BRAZOS AND GRIMES)

KNOW ALL MEN BY THESE PRESENTS:

That **Vintage Petroleum, Inc., 4200 One Williams Center, Tulsa, Oklahoma 74172,** (hereinafter referred to as "ASSIGNOR") for and in consideration of the sum of ONE HUNDRED DOLLARS ($100.00), other good and valuable consideration (the receipt of which is hereby acknowledged) and such additional consideration as recited below, and upon and subject to the exceptions, reservations, conditions and other provisions hereinafter set forth, does hereby grant, bargain, sell, transfer, convey, assign and deliver, effective as of **May 1, 1996,** (the "Effective Date") to **AL-TX Operating Inc., P. O. Box 22, Plum, Texas 78952,** (hereinafter referred to as "ASSIGNEE") all of ASSIGNOR's right, title and interest in and to the oil, gas, and mineral lease(s) described in Exhibit "A", attached hereto and made a part hereof (hereinafter referred to as "Assigned Premises").

ASSIGNOR, for the same consideration, does hereby further grant, bargain, sell, transfer, assign and convey, without any warranty or representation of any kind, express or implied, all of ASSIGNOR's right, title and interest in and to all wells, (including saltwater disposal), herein referred to as "Wells", and all surface and downhole movable and immovable property, buildings, structures, machinery, equipment and materials located in, on and appurtenant to such wells, buildings or structures located upon the Assigned Premises. All wells, structures, buildings, machinery, material and equipment referred to in this paragraph are hereinafter referred to as "Wells and Appurtenances".

All of ASSIGNOR's right, title and interest in and to the Assigned Premises and in and to the Wells and Appurtenances are hereinafter together called the "Assigned Interests".

It is agreed between the parties that this Assignment and Bill of Sale is subject to and conditioned upon compliance with the following terms:

1. THIS ASSIGNMENT AND BILL OF SALE IS EXECUTED WITHOUT ANY WARRANTY OF TITLE, EITHER EXPRESS OR IMPLIED, WITHOUT ANY EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION AS TO THE MERCHANTABILITY OF ANY OF THE WELLS AND APPURTENANCES OR ITS FITNESS FOR ANY PURPOSE, AND WITHOUT ANY OTHER EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION WHATSOEVER. IT IS UNDERSTOOD AND AGREED THAT ASSIGNEE HAS INSPECTED THE ASSIGNED INTERESTS AND IS SATISFIED AS TO ITS PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE, AND THAT ASSIGNEE ACCEPTS ALL OF THE SAME IN "AS IS, WHERE IS" CONDITION. IN ADDITION, ASSIGNOR MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF ANY DATA, INFORMATION OR MATERIALS HERETOFORE OR HEREAFTER FURNISHED ASSIGNEE IN CONNECTION WITH THE INTERESTS, OR AS TO THE QUALITY OR QUANTITY OF HYDROCARBON RESERVES (IF ANY) ATTRIBUTABLE TO THE INTERESTS OR THE ABILITY OF THE INTERESTS TO PRODUCE HYDROCARBONS. ANY AND ALL SUCH DATA, INFORMATION AND OTHER MATERIALS FURNISHED BY ASSIGNOR IS PROVIDED ASSIGNEE AS A CONVENIENCE AND ANY RELIANCE ON OR USE OF THE SAME SHALL BE AT ASSIGNEE'S SOLE RISK.

2. ASSIGNEE shall, at the Effective Date (i) assume and be responsible for and comply with all duties and obligations of ASSIGNOR, express or implied, with respect to the Assigned Interests, including, without limitation, those arising under or by virtue of any lease, contract, agreement, document, permit, applicable statute or rule, regulation or order of any governmental

STATE OF TEXAS
COUNTY OF BRAZOS
The foregoing is a true and correct copy as the same appears on file and recorded in the appropriate records of Brazos, County, Texas.
I hereby certify, on 7-18-96 AD

Mary Ann Ward
County Clerk
Brazos County, Texas

authority (specifically including, without limitation, any governmental or lessor request or requirement to plug, re-plug and/or abandon any well of whatsoever type, status or classification or take any clean-up or other action, with respect to the Assigned Interests, including the removal of all structures, wells and foundations) and (ii) defend, indemnify and hold ASSIGNOR harmless from any and all claims in connection therewith, except any such claims asserted against ASSIGNOR prior to the Effective Date which have been expressly assumed by ASSIGNOR in writing.

3. The interest in the Assigned Premises covered hereby is conveyed by ASSIGNOR and accepted by ASSIGNEE subject to the royalties, overriding royalties, production payments, net profits obligations, carried working interest and other payments out of or with respect to production which are of record and to which said Assigned Premises are encumbered (including royalties owned by ASSIGNOR, if any); and ASSIGNEE hereby assumes and agrees to pay, perform or carry as the case may be, each of said royalties, overriding royalties, production payments, net profits obligations, carried working and other payments out of or with respect to production, to the extent that any remain a burden on the Assigned Premises herein assigned.

4. ASSIGNEE will be liable for and agrees to pay all transactional taxes including but not limited to sales, use, lease or similar taxes, ad valorem taxes or recording fees due as a result of this Assignment and Bill of Sale.

5. This assignment of the Assigned Interests is made subject to any and all necessary State and/or Federal Agency approvals as well as any prior approvals which may be necessary from lessors of the leases with respect to the Assigned Premises. This assignment is also made subject to prior and continuing compliance with the terms of all applicable Joint Operating Agreements, and all other applicable agreements.

6. This Assignment and Bill of Sale shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, successors and assigns.

TO HAVE AND TO HOLD the Assigned Premises, Wells and Appurtenances conveyed herein, subject to the terms and conditions recited above; but all without warranty of any kind, either express or implied.

DATED this 23rd day of May, 1996, but effective the 1st day of May, 1996.

ASSIGNOR

ATTEST:

VINTAGE PETROLEUM, INC.

By: _____
Robert W. Cox, Vice President

ASSIGNEE

ATTEST:

AL-TX OPERATING INC.

_____
J. W. Guthrie, Secretary

By: _____
Perry C. Cavender, Vice President

c:Assgmt\AL-TX.Out

STATE OF TEXAS
COUNTY OF BRAZOS
The foregoing is a true and correct copy as the same appears on file and recorded in the appropriate records of Brazos, County, Texas.
I hereby certify, on 7-18-96 0829

Mary Ann Ward
County Clerk
Brazos County, Texas

STATE OF OKLAHOMA)
)
COUNTY OF TULSA)

Before me, the undersigned, a Notary [redacted] on this 23 day of May, 1996, personally [redacted] Vice President of Vintage Petroleum, Inc. [redacted] corporation by authority of its Board of Di[redacted] executed the same in the capacity therein [redacted]

I have hereunto set my hand and offi[redacted]

My Commission Expires:

8-14-99

[redacted]

CORPORATION [redacted]

STATE OF Texas)
)
COUNTY OF Fayette)

Before me, the undersigned, a No[redacted] this 17th day of May, 1996, personally [redacted] to be the Secretary/V.Pres of Al-T[redacted] that instrument was signed on behalf of said corp[redacted] that [redacted] acknowledged that [redacted] and for the purposes therein set forth.

I have hereunto set my hand and offi[redacted]

My Commission Expires:

March 17, 1999

[redacted]

[redacted]

c:Assgmt\AL-TX.Out

[redacted]

STATE OF TEXAS
COUNTY OF BRAZOS
The foregoing is a true and correct copy
the same appears on file and recorded in the
appropriate records of Brazos, County, Texas

Thereby certify, on 7-18-96

Mary Ann Ward
County Clerk
Brazos County, Texas

EXHIBIT "A"
to
ASSIGNMENT AND BILL OF SALE
BETWEEN VINTAGE PETROLEUM, INC., AS ASSIGNOR
AND AL-TX OPERATING, INC., AS ASSIGNEE

STATE: TEXAS
COUNTY: BRAZOS AND GRIMES
FIELD: IOLA

LESSOR/DESCRIPTION	LEASE DATE	RECORDED BOOK PAGE/ COUNTY
MITCHEM, MARY RUTH, ET AL	11/30/83	628 352 BRAZOS
216.9 ACRES OF LAND SITUATED OUT OF THE THOMAS BOWMAN SURVEY, A-72 AND THE WILLIAM VESS LABOR, A-233, BRAZOS COUNTY, TEXAS		
COX, CECIL B., ET AL	03/15/82	56 209 BRAZOS
304.332 ACRES SITUATED OUT OF THE THOMAS BOWMAN SURVEY, A-72, BRAZOS COUNTY, TEXAS		
MULLER, MARTHA LUCILLE PRATT	09/29/76	344 849 GRIMES 24 780 BRAZOS
695.56 ACRES OF LAND SITUATED OUT OF THE JOSHUA HADLEY SURVEY, A-266, GRIMES COUNTY, TEXAS, THE JOHN TOM SURVEY, A-447, GRIMES COUNTY, TEXAS, THE THOMAS HENRY SURVEY, A-127 AND THE THOMAS BOWMAN SURVEY, A-72, BRAZOS COUNTY, TEXAS		
MULLER, MARTHA L. ET VIR	02/02/82	443 221 GRIMES
166.415 ACRES OF LAND SITUATED OUT OF THE JOSHUA HADLEY SURVEY, A-266, GRIMES COUNTY, TEXAS		
COBB, CLARENCE W., ET UX	02/02/82	443 232 GRIMES
166.415 ACRES OF LAND SITUATED OUT OF THE JOSHUA HADLEY SURVEY, A-266, GRIMES COUNTY, TEXAS		
ENLOE, S. J., ET AL	02/02/82	443 276 GRIMES
166.415 ACRES OF LAND SITUATED OUT OF THE JOSHUA HADLEY SURVEY, A-266, GRIMES COUNTY, TEXAS		
PIERCE, JOHN L., II	03/13/82	446 153 GRIMES
166.415 ACRES OF LAND SITUATED OUT OF THE JOSHUA HADLEY SURVEY, A-266, GRIMES COUNTY, TEXAS		

STATE OF TEXAS
COUNTY OF BRAZOS

The foregoing is a true and correct copy as the same appears on file and recorded in the appropriate records of Brazos, County, Texas.

I hereby certify, on 7-18-96

Mary Ann Ward
County Clerk
Brazos County, Texas

STATE: TEXAS
COUNTY: BRAZOS AND GRIMES
FIELD: IOLA

LESSOR/DESCRIPTION	LEASE DATE	RECORDED BOOK PAGE/ COUNTY
WICKSON LAKE CLUB	03/09/82	55 506 BRAZOS
411.6436 ACRES OF LAND SITUATED OUT OF THE ELI WICKSON LEAGUE, A-236, BRAZOS COUNTY, TEXAS, BEING ALL OF A CALLED 757.14 ACRE TRACT OF LAND, SAVE AND EXCEPT (i) 89.7551 ACRES AS DESCRIBED IN POOLING DESIGNATION DATED MARCH 31, 1980, RECORDED IN VOL 448 PG 498, DEED RECORDS OF BRAZOS COUNTY, SAVE AND EXCEPT (ii) 144.08 ACRES OF LAND AS DESCRIBED IN POOLING DESIGNATION FILED IN VOL 475 PG 809, DEED RECORDS OF BRAZOS COUNTY, AND SAVE AND ESCEPT (iii) 126.1836 ACRES WHICH HAVE BEEN HERETOFORE RELEASED.		
RASCO, GEARL L., ET UX	10/01/81	42 690 BRAZOS
123.61 ACRES OUT OF THE THOMAS BOWMAN SURVEY, A-72, BRAZOS COUNTY, TEXAS, INSOFAR AND ONLY INSOFAR AS SAID LEASE COVERS (i) 1.22 ACRES IN THE COBB NO. 1 OIL UNIT AND (ii) 9.0 ACRES IN THE COBB NO. 2 OIL UNIT.		
STATE OF TEXAS #86481	10/06/81	440 866 BRAZOS 453 351 GRIMES
30 ACRES BEING ALL OF TRACT 2, NAVASOTA RIVER, GRIMES AND BRAZOS COUNTIES, TEXAS		
COBB, CLARENCE W., ET UX	11/14/83	624 211 BRAZOS
235.6 ACRES OF LAND SITUATED OUT OF THE THOMAS BOWMAN SURVEY, A-72 AND THOMAS HENRY SURVEY, A-127, BRAZOS COUNTY, TEXAS		

STATE OF TEXAS
COUNTY OF BRAZOS
The foregoing is a true and correct copy
the same appears on file and recorded in the
appropriate records of Brazos, County, Texas
I hereby certify, on 7-18-96 AD

Mary Ann Ward
County Clerk
Brazos County, Texas

The above described leases are herein conveyed INSOFAR AND ONLY INSOFAR as they are included within the boundaries of the following described units.

1. Cobb Unit #2 being described in that certain Designation of Unit, recorded in Book 658, Page 452 in the Real Property records of Brazos County Texas, and in Book 500, Page 246 in the Real Property records of Grimes County, Texas.

2. Cobb Unit #4 being described in that certain Designation of Unit, recorded in Book 707, Page 54 in the Real Property records of Brazos County Texas.

3. Cobb Unit #6 being described in that certain Designation of Unit, recorded in Book 727, Page 30 in the Real Property records of Brazos County Texas.

4. Cobb Unit #7 being described in that certain Designation of Unit, recorded in Book 752, Page 293 in the Real Property records of Brazos County Texas.

Further, Assignor reserves and excepts from this conveyance its interests in the following described surface leases and in the common production/tank facilities situated thereon:

COBB, CLARENCE W., ET AL 02/21/84 571 845
GRIMES

6.1 ACRES
IOLA TANK BATTERY "A"

COBB, CLARENCE W. 02/21/84 914 382
BRAZOS

A 3.55 ACRE TRACT OR PARCEL OF LAND
LYING AND BEING SITUATED IN THE THOMAS
BOWMAN SURVEY, A-72, BRAZOS COUNTY, TEXAS,
AND BEING A PORTION OF A CALLED 274.628 ACRE
TRACT OF LAND AS DESCRIBED BY AN OIL, GAS AND
MINERAL LEASE FROM CLARENCE W. COBB, ET UX, TO
LEAR PETROLEUM EXPLORATION, INC., RECORDED IN
VOL 53 PG 451 OF THE OIL AND GAS RECORDS OF
BRAZOS COUNTY, TEXAS, MORE PARTICULARLY DESCRIBED
IN EXHIBIT "A" OF THE LEASE (IOLA TANK BATTERY "B")

STATE OF TEXAS
COUNTY OF BRAZOS
The foregoing is a true and correct copy
the same appears on file and recorded in
appropriate records of Brazos, County, Texas
I hereby certify, on 7-18-96 at 9

Mary Ann Wa
County Clerk
Brazos County, Texas

M- 86481 (57)

Assignment

File Dated SEP 23 1996

5-30-96

December 20, 2002

Janice L. Swears
Chaparral Energy, Inc.
701 Cedar Lake Blvd
Oklahoma City, OK 73114

RE: Assignment filing; GLO ID 3536

Dear Ms. Swears,

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

> Assignment and Bill of Sale, executed November 1, 2001 From Vintage Petroleum, Inc. as Assignor, to Chaparral Energy, Inc. as Assignee. MF086481.

Filing fees of $0.00 were received in connection with the above lease. If you have any questions, please feel free to call me at (800) 998-4GLO, or at my direct number at (512) 463-6521.

Sincerely,

FILE COPY

Beverly Boyd
Mineral Leasing
Energy Resources
512-463-6521

Exhibit "A"

GLO ID	*County*	*Lease*
3536		
	Brazos	MF086481

Chaparral Energy, Inc.

RECEIVED
02 AUG -5 PM 4:03

July 31, 2002

3526

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

Re: State of Texas M-86481
Brazos & Grimes Co., Texas

ML M 86481

Gentlemen:

Enclosed for your records is a Certified, Recorded copy of an Assignment and Bill of Sale from Vintage Petroleum, Inc. into Chaparral Energy, Inc. which includes the above State lease.

If anything further is needed, please advise.

Sincerely,

Janice L. Swears
Lease Records Supervisor

/js

701 Cedar Lake Blvd., Oklahoma City, Oklahoma 73114 • telephone: 405-478-8770 • facsimile: 405-478-1947

Cobb Unit 3 #1

Doc 00760441 Bk OR Vol 4388 Pg 186

VOL 1012 PAGE 593
179801

Birdwell Unit 1 #1
Cox Unit 1 #1
Cox Unit 1 #2
Cobb Unit 5 #1
CobbUnit 3 #1

RECORDER'S MEMORANDUM:
AT THE TIME OF RECORDATION THIS INSTRUMENT WAS FOUND TO BE INADEQUATE FOR THE BEST PHOTOGRAPHIC REPRODUCTION BECAUSE OF ILLIGIBILITY, CARBON, OR PHOTO COPY, DISCOLORED PAPER, ETC. ALL BLOCKOUTS, ADDITIONS AND CHANGES WERE PRESENT AT THE TIME THE TIME THE INSTRUMENT WAS FILED AND RECORDED.

STATE OF TEXAS §

COUNTY OF BRAZOS §

ASSIGNMENT AND BILL OF SALE

Vintage Petroleum, Inc., a Delaware corporation with an address of 110 W. Seventh Street, Tulsa, OK 74119 (hereinafter referred to as "Assignor"), in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, and subject to the exceptions, reservations, conditions and other provisions hereinafter set forth, does hereby grant, bargain, sell, transfer, convey, assign and deliver, **effective this 1st day of December, 2001**, (hereinafter in after referred to as the "Effective Date") to,

CHAPARRAL ENERGY, INC.
701 CEDAR LAKE BOULEVARD
OKLAHOMA CITY, OK 73114

(hereinafter referred to as "Assignee") all of Assignor's right, title and interest in and to those certain oil, gas and mineral leases and those certain mineral rights and interests more particularly described in Exhibit "A", attached hereto and made a part hereof, together with all rights in, to and under all agreements, leases, permits, easements, rights of way, licenses, joint operating agreements, pooling and spacing orders, communitization agreements, and other incidental rights and appurtenances in any way related thereto (hereinafter referred to as the "Assigned Interests").

Assignor, for the same consideration, does hereby further grant, bargain, sell, transfer, assign and convey, without any warranty or representation of any kind, express or implied, all of Assignor's right, title and interest in and to all wells, including saltwater disposal wells, located on the leases described in Exhibit "A" (hereinafter referred to as the "Wells"), and all surface and downhole movable and immovable property, buildings, structures, machinery, equipment and materials located in, on and appurtenant to the Wells, buildings and structures located on the leases described in Exhibit "A" (hereinafter referred to as the "Appurtenances").

It is agreed between the parties that this Assignment and Bill of Sale is subject to and conditioned upon compliance with the following terms:

1. THIS ASSIGNMENT AND BILL OF SALE IS EXECUTED WITHOUT ANY WARRANTY OF TITLE, EITHER EXPRESS OR IMPLIED, WITHOUT ANY EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION AS TO THE MERCHANTABILITY OF ANY OF THE ASSIGNED INTERESTS, WELLS OR APPURTENANCES OR THEIR FITNESS FOR ANY PURPOSE, AND WITHOUT ANY OTHER EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION WHATSOEVER. IT IS UNDERSTOOD AND AGREED THAT ASSIGNEE HAS INSPECTED THE ASSIGNED INTERESTS, WELLS AND APPURTENANCES AND IS SATISFIED AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE, AND THAT ASSIGNEE ACCEPTS ALL OF THE SAME IN "AS IS, WHERE IS" CONDITION IN ADDITION, ASSIGNOR MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF ANY DATA, INFORMATION OR MATERIALS HERETOFORE OR HEREAFTER FURNISHED TO ASSIGNEE IN CONNECTION WITH THE ASSIGNED INTERESTS, WELLS OR APPURTENANCES OR AS TO THE QUALITY OR QUANTITY OF HYDROCARBON RESERVES (IF ANY) ATTRIBUTABLE TO THE ASSIGNED INTERESTS, WELLS OR APPURTENANCES OR THE ABILITY OF THE ASSIGNED INTERESTS, WELLS OR APPURTENANCES TO PRODUCE HYDROCARBONS. ANY AND ALL SUCH DATA, INFORMATION AND OTHER MATERIALS FURNISHED BY ASSIGNOR IS PROVIDED TO ASSIGNEE AS A CONVENIENCE AND ANY RELIANCE ON OR USE OF THE SAME SHALL BE AT ASSIGNEE'S SOLE RISK.

2. Assignee shall, as of the Effective Date (i) assume and be responsible for and comply with all duties and obligations of Assignor, express or implied, with respect to the Assigned Interests, Wells and Appurtenances, including, without limitation, those arising under or by virtue of any lease, contract, agreement, document, permit, applicable statute or rule, regulation or order of any governmental authority (specifically including, without limitation, any governmental or lessor request or requirement to plug, re-plug and/or abandon any well of whatsoever type, status or classification or take any clean-up or other action, with respect to the Assigned Interests, Wells and Appurtenances, including the removal of all structures, wells and foundations) and (ii) defend, indemnify and hold Assignor harmless from any and

PLEASE RETURN TO:
THE OIL & GAS ASSET
CLEARING HOUSE, INC.
P.O. BOX 671787
HOUSTON, TX 77267-1787

Sale No. 169C

Lot No. 148

STATE OF TEXAS
COUNTY OF BRAZOS
The foregoing is a true and correct copy as the same appears on file and recorded in the appropriate records of Brazos, County, Texas
Thereby certify, on 3.10.03 m.q.
Karen McRae
County Clerk
Brazos County, Texas

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF GRIMES
The above is a full, true, and correct photographic copy of the original record now in my lawful custody and possession as the same is recorded in the Real Prop. Records in my office with volume and page number stamped thereon. I hereby certify on

JUN 28 2002

DAVID PASKET
COUNTY CLERK
GRIMES COUNTY, TEXAS
BY Mary A. Hargrave
DEPUTY

all claims in connection therewith, except any such claims asserted against Assignor prior to the Effective Date which have been expressly assumed by Assignor in writing.

3. The Assigned Interests, Wells and Appurtenances are hereby conveyed by Assignor and accepted by Assignee subject to the royalties, overriding royalties, production payments, net profits obligations, carried working interests and other payments out of or with respect to production which are of record and by which the Assigned Interests are encumbered, including royalties owned by Assignor, if any. Assignee hereby assumes and agrees to pay, perform or carry as the case may be, each of said royalties, overriding royalties, production payments, net profits obligations, carried working interests and other payments out of or with respect to production, to the extent that any remain a burden on the Assigned Interests, Wells and Appurtenances herein assigned.

4. Assignee will be liable for and agrees to pay all transactional taxes including but not limited to sales, use, lease or similar taxes, ad valorem taxes or recording fees due as a result of this Assignment and Bill of Sale.

5. This Assignment and Bill of Sale is made subject to any and all necessary State and/or Federal Agency approvals as well as any prior approvals which may be necessary from lessors of the leases with respect to the Assigned Interests. This Assignment and Bill of Sale is also made subject to prior and continuing compliance with the terms of all applicable joint operating agreements, and all other applicable agreements.

6. This Assignment and Bill of Sale shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, successors and assigns.

TO HAVE AND TO HOLD the Assigned Interests, Wells and Appurtenances conveyed herein, subject to the terms and conditions recited above; but all without warranty of any kind, either express or implied.

DATED this 1 day of NOV., 2001.

ASSIGNOR

VINTAGE PETROLEUM, INC.

By: _____
Robert W. Cox
Title: Vice President

STATE OF TEXAS
COUNTY OF BRAZOS
The foregoing is a true and correct copy as the same appears on file and recorded in the appropriate records of Brazos, County, Texas
Thereby certify, on 5-10-02 at 9 m.
Karen McQueen
County Clerk
Brazos County, Texas

STATE OF OKLAHOMA)
)
COUNTY OF TULSA)

Before me, the undersigned, a Notary Public, in and for said County and State, on this 1st day of November, 2001, personally appeared Robert W. Cox, to me known to be the Vice President of Vintage Petroleum, Inc. and that said instrument was signed on behalf of said corporation by authority of its Board of Directors and said Robert W. Cox acknowledged that he executed the same in the capacity therein stated and for the purposes therein set forth.

I have hereunto set my hand and official seal this 1st day of November, 2001.

My Commission Expires:
12-8-2003

KIMBERLYN LEIGH ROPER NOTARY PUBLIC IN AND FOR STATE OF OKLAHOMA TULSA COUNTY

Kimberlyn Leigh Roper
Notary Public

RECORDER'S MEMORANDUM:
AT THE TIME OF RECORDATION THIS INSTRUMENT WAS FOUND TO BE INADEQUATE FOR THE BEST PHOTOGRAPHIC REPRODUCTION BECAUSE OF ILLEGIBILITY, CARBON, OR PHOTO COPY, DISCOLORED PAPER, ETC. ALL BLOCKOUTS, ADDITIONS AND CHANGES WERE PRESENT AT THE TIME THE INSTRUMENT WAS FILED AND RECORDED.

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF GRIMES
The above is a full, true, and correct photographic copy of the original record now in my lawful custody and possession as the same is recorded in the Real Prop. Records in my office with volume and page number stamped thereon. I hereby certify on

JUN 28 2002

DAVID PASKET
COUNTY CLERK
GRIMES COUNTY, TEXAS
BY Mary G. Hargrave DEPUTY

Doc 00760441 Bk OR Vol 4388 Pg 188 VOL 1012 PAGE 595

ASSIGNEE

CHAPARRAL ENERGY, INC.

By: Mark A. Oates
MARK A. OATES
Title: ATTORNEY IN FACT

RECORDER'S MEMORANDUM:
AT THE TIME OF RECORDATION THIS INSTRUMENT WAS FOUND TO BE INADEQUATE FOR THE BEST PHOTOGRAPHIC REPRODUCTION BECAUSE OF ILLEGIBILITY, CARBON, OR PHOTO COPY, DISCOLORED PAPER, ETC. ALL BLOCKOUTS, ADDITIONS AND CHANGES WERE PRESENT AT THE TIME THE TIME THE INSTRUMENT WAS FILED AND RECORDED.

CORPORATE ACKNOWLEDGEMENT

STATE OF _____)
)
COUNTY OF _____)

Before me, the undersigned, a Notary Public, in and for said County and State, on this ____ day of _____, 20__, personally appeared _____, to me known to be the _____ of _____, who subscribed the foregoing instrument and acknowledged to me that he/she executed the same as his/her 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.

I have hereunto set my hand and official seal this ___ day of _____, 20___.

My Commission Expires:

_____ _____
Notary Public

STATE OF TEXAS
COUNTY OF BRAZOS
The foregoing is a true and correct copy as the same appears on file and recorded in the appropriate records of Brazos, County, Texas
Thereby certify on 5.10.02 m.q.
Karen McQueen
County Clerk
Brazos County, Texas

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF _____)
)
COUNTY OF _____)

Before me, the undersigned, a Notary Public in and for said County and State, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

I have hereunto set my hand and official seal this ___ day of _____, 20___.

My Commission Expires:

_____ _____
Notary Public

AGENT OR ATTORNEY-IN-FACT ACKNOWLEDGEMENT

STATE OF Texas)
)
COUNTY OF Harris)

Before me, the undersigned authority, on this day personally appeared Mark A. Oates, known to me to be the person whose name is subscribed to the foregoing instrument as attorney-in-fact (agent) of Chaparral Energy Inc., and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand an seal this 14 day of November, 2001.

My Commission Expires:

LUCILLE VAN ALLEN
MY COMMISSION EXPIRES
August 29, 2002

Lucille Van Allen
Notary Public

3

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF GRIMES
The above is a full, true, and correct photographic copy of the original record now in my lawful custody and possession as the same is recorded in the Real Prop. Records in my office with volume and page number stamped thereon. I hereby certify on

JUN 28 2002

DAVID PASKET
COUNTY CLERK
GRIMES COUNTY, TEXAS
BY Mary A. Hargrave
DEPUTY

Doc 00768441 Bk OR Vol 4388 Pg 189

Birdwell Unit 1#1
Cox Unit 1 #1
Cox Unit 1 #2
Cobb Unit 3 #1
Cobb Unit 5 #1

VOL 1012 PAGE 596

EXHIBIT A

LESSOR:	CLARENCE W. COBB, ET UX
LESSEE:	LEAR PETROLEUM EXPLORATION, INC.
DATE:	FEBRUARY 2, 1982
RECORDING DATA:	VOLUME 443, PAGE 232, GRIMES CO, TX
LESSOR:	WICKSON LAKE CLUB
LESSEE:	LEAR PETROLEUM EXPLORATION, INC.
DATE:	MARCH 9, 1982
RECORDING DATA:	VOLUME 55, PAGE 506, BRAZOS CO, TX
LESSOR:	S. J. ENLOE, ET UX
LESSEE:	LEAR PETROLEUM EXPLORATION, INC.
DATE:	FEBRUARY 2, 1982
RECORDING DATA:	VOLUME 443, PAGE 276, GRIMES CO, TX
LESSOR:	MARTHA LUCILLE PRATT MULLER
LESSEE:	CAYUGA EXPLORATION, INC.
DATE:	SEPTEMBER 29, 1976
RECORDING DATA:	VOLUME 24, PAGE 780 BRAZOS CO, TX VOLUME 344, PAGE 849 GRIMES CO, TX
LESSOR:	STATE OF TEXAS
LESSEE:	REPUBLIC ENERGY, INC.
DATE:	OCTOBER 6, 1981
STATE NO:	M-86481
RECORDING DATA:	VOLUME 440, PAGE 866 BRAZOS CO, TX VOLUME 453, PAGE 351 GRIMES CO, TX
LESSOR:	CLARENCE W. COBB, ET UX
LESSEE:	LEAR PETROLEUM EXPLORATION, INC.
DATE:	MARCH 15, 1982
RECORDING DATA:	VOLUME 53, PAGE 451, BRAZOS CO, TX
LESSOR:	MARY RUTH MITCHEM, ET AL
LESSEE:	LEAR PETROLEUM EXPLORATION, INC.
DATE:	NOVEMBER 30, 1983
RECORDING DATA:	VOLUME 628, PAGE 352, BRAZOS CO, TX
LESSOR:	CECIL B. COX, ET AL
LESSEE:	LEAR PETROLEUM EXPLORATION, INC.
DATE:	MARCH 15, 1982
RECORDING DATA:	VOLUME 56, PAGE 209

RECORDER'S MEMORANDUM:
AT THE TIME OF RECORDATION THIS INSTRUMENT WAS FOUND TO BE INADEQUATE FOR THE BEST PHOTOGRAPHIC REPRODUCTION BECAUSE OF ILLIGIBILITY, CARBON, OR PHOTO COPY, DISCOLORED PAPER, ETC. ALL BLOCKOUTS, ADDITIONS AND CHANGES WERE PRESENT AT THE TIME THE TIME THE INSTRUMENT WAS FILED AND RECORDED.

STATE OF TEXAS
COUNTY OF BRAZOS
The foregoing is a true and correct copy as the same appears on file and recorded in the appropriate records of Brazos, County, Texas
Thereby certify on 5-10-02 at 9:
Karen McRae
County Clerk
Brazos County, Texas

Filed for Record in
BRAZOS COUNTY
On Nov 26,2001 at 09:50A
By a
Recording
Document Number 00768441
Amount 12.00
Receipt Number - 183913
By,
Barbara Johnson

STATE OF TEXAS COUNTY OF BRAZOS
I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the volume and page of the named records of BRAZOS COUNTY as stamped hereon by me.
Nov 26,2001
RANDALL REES KRUEGER, COUNTY CLERK
BRAZOS COUNTY

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF GRIMES
The above is a full, true, and correct photographic copy of the original record now in my lawful custody and possession as the same is recorded in the Real Prop. Records in my office with volume and page number stamped thereon. I hereby certify on

JUN 28 2002

DAVID PASKET
COUNTY CLERK
GRIMES COUNTY, TEXAS
BY Mary A. Hargrave DEPUTY

RECEIVED MAY 1 6 2002

Chaparral Energy, Inc.
701 Cedar Lake Blvd.
Oklahoma City, Ok. 73114

VOL 1012 PAGE 597

179801

16.00 Pd

FILED FOR RECORD AT

2002 JUN 7 AM 10 43

DAVID PASKET CO. CLK.
GRIMES COUNTY, TX.
BY Mary A. Hargrave DEPUTY

STATE OF TEXAS COUNTY OF GRIMES
I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the volume and page of the real property records of Grimes County, Texas as stamped hereon by me.

JUN 07 2002

David Paskett
COUNTY CLERK, GRIMES COUNTY, TEXAS

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF GRIMES
The above is a full, true, and correct photographic copy of the original record now in my lawful custody and possession as the same is recorded in the Real Prop. Records in my office with volume and page number stamped thereon. I hereby certify on

JUN 28 2002

DAVID PASKET
COUNTY CLERK
GRIMES COUNTY, TEXAS
BY Mary A. Hargrave DEPUTY

File No. MF086481 58.

Assignment

Date Filed: 12/20/02

David Deshaviet, Commissioner

By

RECEIVED JUL 0 1 2002

TEXAS GENERAL LAND OFFICE

JERRY PATTERSON, COMMISSIONER

April 12, 2005

Anadarko E&P Co LP
PO Box 1330
Houston, TX 77251

Re: State Lease MF086481
Cobb Unit #3
6600801/001

The General Land Office has received and filed the division order submitted for the above-referenced state lease. Please be advised that the payment of royalties attributable to state-owned mineral interests is set by statute. As the execution of division orders may, in some cases, affect the manner in which such payments are paid or calculated, it is the policy of this office not to execute them.

Subject to applicable state law and the state's right to take its production in-kind, the General Land Office acquiesces to the sale of oil and gas under the terms and conditions set out in the oil and gas lease. If you should have questions concerning this matter, please feel free to call me at (512) 463-6521.

Sincerely,

Beverly Boyd

Beverly Boyd, Lease Analyst
Mineral Leasing Division

Stephen F. Austin Building • 1700 North Congress Avenue • Austin, Texas 78701-1495
Post Office Box 12873 • Austin, Texas 78711-2873
512-463-5001 • 800-998-4GLO
www.glo.state.tx.us

DIVISION ORDER

Property Number: 6600801/001
Property Name: COBB UNIT # 3
Product: ALL PRODUCTS
Status: NOT APPLICABLE
County/State: WASHINGTON / TEXAS
Effective Date: First Sales
Owner Number: 456782
Owner Tax ID: 74-6000108
Interest Type: RI
Interest: 0.00174567

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

THIS AGREEMENT DOES NOT AMEND ANY LEASE OR OPERATING AGREEMENT BETWEEN THE INTEREST OWNERS AND THE LESSEE OR OPERATOR OR ANY OTHER CONTRACTS FOR THE PURCHASE OF OIL OR GAS.

The following provisions apply to each interest owner ("owner") who executes this agreement.

TERMS OF SALE: Said owner will be paid in accordance with the division of interest as shown. The payor shall pay all parties for gas according to the underlying lease, operating agreement and/or other contracts applicable to each party's interest. The payor shall pay all parties at the price agreed to by the operator for oil to be sold pursuant to this division order.
Purchaser shall compute quantity and make corrections for gravity and temperature and make deduction for impurities.

PAYMENT: From the effective date, payment is to be made monthly by payor's check, based on this division of interest, for oil run during the preceding calendar month and for gas sold during the second preceding calendar month from the property listed above, less taxes required by law to be deducted and remitted by payor as purchaser. Payments of less than $100 may be accrued before disbursement until the total amount equals $100 or more, or until September 30 of each year, whichever occurs first. Payee agrees to refund to payor any amounts attributable to an interest that payee does not own.

INDEMNITY: The owner agrees to indemnify and hold payor harmless from all liability resulting from payments made to the owner in accordance with such division of interest, including but not limited to attorney fees or judgments in connection with any suit that affects the owner's interest to which payor is made a party.

DISPUTE, WITHHOLDING OF FUNDS: If a suit is filed that affects the interest of the owner, written notice shall be given to payor by the owner together with a copy of the complaint or petition filed. In the event of a claim or dispute that affects title to the division of interest credited herein, payor is authorized to withhold payments accruing to such interest, without interest unless otherwise required by applicable statute, until the claim or dispute is settled.

TERMINATION: Termination of this agreement is effective on the first day of the month that begins after the 30th day after the date written notice of termination is received by either party.

NOTICES: The owner agrees to notify payor 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 is binding on payor until the recorded copy of the instrument of change or documents satisfactorily evidencing such change are furnished to payor 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 payor. Any correspondence regarding this agreement shall be furnished to the addresses listed unless otherwise advised by either party. In addition to the legal rights provided by the terms and provisions of this division order, an owner may have certain statutory rights under state laws.

REQUIREMENTS:

Signature of Witness #1	Owner Signature/Corporate Title	Address if different from above
Signature of Witness #2	Owner Signature/Corporate Title	City, State, Zip Code
	Owner Phone #	Tax ID Number if different from above

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

Return to: Anadarko E & P Company LP
P.O. Box 1330, Timberloch 3
Houston, TX 77251-1330

Date Prepared: April 7, 2005
Prepared by: Jenett Hodge
Request: [msc]

EXHIBIT "A"

April 7, 2005

Well No: 6600801 / 001
Well Nm: COBB UNIT # 3

Unit Desc: 1000.00 ACRES OUT OF THE JAMES SCHRIER SURVEY A-98 IN WASHINGTON COUNTY, TEXAS

Product: ALL PRODUCTS

59.

File No. MF 086481

Division Order

Date Filed: 4/12/05

Jerry E. Patterson, Commissioner

By

Texas General Land Office
Reconciliation Billing

Jerry Patterson, Commissioner

PO Box 12873
Austin, TX 78711-2873
(800) 998-4456
7:30 - 5:30 M-F

COPY

CHAPARRAL ENERGY L L C
701 CEDAR LAKE BLVD
OKLAHOMA CITY, OK 73114-7806

Billing Date: 9/19/2011
Billing Due Date: 10/19/2011
Customer Number: C000044474

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
12I00011	MF086481	$203.36	$0.00	$375.00	$7.20	$585.56
12I00012	MF086481	$1,971.27	$0.00	$2,575.00	$1,339.97	$5,886.24
Total Due		$2,174.63	$0.00	$2,950.00	$1,347.17	**$6,471.80**

Penalty and interest have been calculated thru 9/30/2011. Payment remitted after 9/30/2011 will result in additional penalty and interest charges.

Contact Info: Shirley Chou (512) 463-5408 or shirley.chou@glo.state.tx.us

NOTICE

- Please update GLO1 and GLO2 production reports to correct volumes.
- Please do not update GLO3 report to include billed royalty, penalty or interest. This receivable has already been recorded.
- For other royalty reporting questions, visit http://www.glo.texas.gov, call (512) 463-6850 or email us at glo123@glo.texas.gov.

This notice does not constitute an Audit Billing Notice as defined in Section 52.135 of the Texas Natural Resources Code and, consequently, does not preclude the TGLO from conducting further examinations of these leases, time periods or issues.

Detach and return with payment

Reconciliation Billing
CHAPARRAL ENERGY L L C
Billing Date: 9/19/2011
Billing Due Date: 10/19/2011
Customer Number: C000044474

Remit Payment To:
Texas General Land Office
PO Box 12873
Austin, TX 78711-2873

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
12I00011	MF086481	$203.36	$0.00	$375.00	$7.20	$585.56
12I00012	MF086481	$1,971.27	$0.00	$2,575.00	$1,339.97	$5,886.24
Total Due		$2,174.63	$0.00	$2,950.00	$1,347.17	**$6,471.80**
Amt. Paid						

Customer ID: C000044474
Invoice Number:
Glo Lease: MF086481
GLO Review: CHAPARRAL ENERGY LLC
Review Period: SEP 2000 THROUGH DEC 2009

Auditor/AE: schou
Billing Date: 9/1/2011
P&I Calculation Date: 9/30/2011
Royalty Rate: 25.00%

Month / Year	(1) Gas Volume (A)	(2) Tract Participation Rate 0.0150625	(3) Price (B)	(4) BTU (B)	(5) Gross Value (2)x(3)x(4)	(6) Royalty Due (5) * Royalty Rate	(7) Royalty Paid	(8) Additional Royalty Due	(9) Number of Days Late	(10) Penalty From Additional Royalty (C)	(11) Interest From Additional Royalty (C)	Revenue Due (8)+(10)+(11)
Sep-00	842	13	$ 4.640000	1.000000	$58.85	$14.71	$0.00	$14.71	3971	$25.00	$18.92	$58.63
Oct-00	870	13	$ 5.300000	1.000000	$69.45	$17.36	$0.00	$17.36	3941	$25.00	$22.16	$64.52
Nov-00	842	13	$ 4.460000	1.000000	$56.56	$14.14	$0.00	$14.14	3910	$25.00	$17.90	$57.04
Dec-00	870	13	$ 6.000000	1.000000	$78.63	$19.66	$0.00	$19.66	3879	$25.00	$24.69	$69.35
Jan-01	870	13	$ 9.840000	1.000000	$128.95	$32.24	$0.00	$32.24	3851	$25.00	$40.19	$97.43
Feb-01	786	12	$ 6.240000	1.000000	$73.88	$18.47	$0.00	$18.47	3820	$25.00	$22.84	$66.31
Mar-01	870	13	$ 5.030000	1.000000	$65.92	$16.48	$0.00	$16.48	3790	$25.00	$20.21	$61.69
Apr-01	842	13	$ 5.370000	1.000000	$68.11	$17.03	$0.00	$17.03	3759	$25.00	$20.72	$62.75
May-01	870	13	$ 4.910000	1.000000	$64.34	$16.09	$0.00	$16.09	3729	$25.00	$19.41	$60.50
Jun-01	842	13	$ 3.780000	1.000000	$47.94	$11.99	$0.00	$11.99	3698	$25.00	$14.34	$51.33
Jul-01	870	13	$ 3.260000	1.000000	$42.72	$10.68	$0.00	$10.68	3667	$25.00	$12.67	$48.35
Aug-01	870	13	$ 3.240000	1.000000	$42.46	$10.61	$0.00	$10.61	3637	$25.00	$12.48	$48.09
Apr-02	842	13	$ 3.410000	1.000000	$43.25	$10.81	$0.00	$10.81	3394	$25.00	$11.85	$47.66
May-02	870	13	$ 3.360000	1.000000	$44.03	$11.01	$0.00	$11.01	3364	$25.00	$11.96	$47.97
Jun-02	842	13	$ 3.370000	1.000000	$42.74	$10.69	$0.00	$10.69	3333	$25.00	$11.51	$47.20
Jul-02	870	13	$ 3.300000	1.000000	$43.24	$10.81	$0.00	$10.81	3302	$25.00	$11.53	$47.34
Sep-02	842	13	$ 3.310000	1.000000	$41.98	$10.49	$0.00	$10.49	3241	$25.00	$10.97	$46.46
Oct-02	870	13	$ 3.640000	1.000000	$47.70	$11.92	$0.00	$11.92	3211	$25.00	$12.35	$49.27
Nov-02	842	13	$ 4.080000	1.000000	$51.75	$12.94	$0.00	$12.94	3180	$25.00	$13.28	$51.22
Dec-02	870	13	$ 4.050000	1.000000	$53.07	$13.27	$0.00	$13.27	3149	$25.00	$13.48	$51.75
Jan-03	870	13	$ 4.760000	1.000000	$62.38	$15.59	$0.00	$15.59	3121	$25.00	$15.69	$56.28
Feb-03	786	12	$ 5.440000	1.000000	$64.40	$16.10	$0.00	$16.10	3090	$25.00	$16.04	$57.14
Mar-03	870	13	$ 8.790000	1.000000	$115.19	$28.80	$0.00	$28.80	3060	$25.00	$28.41	$82.21
Apr-03	842	13	$ 4.930000	1.000000	$62.53	$15.63	$0.00	$15.63	3029	$25.00	$15.26	$55.89
May-03	870	13	$ 4.990000	1.000000	$65.39	$16.35	$0.00	$16.35	2999	$25.00	$15.80	$57.15
Jun-03	842	13	$ 5.870000	1.000000	$74.45	$18.61	$0.00	$18.61	2968	$25.00	$17.80	$61.41
Jul-03	870	13	$ 5.360000	1.000000	$70.24	$17.56	$0.00	$17.56	2937	$25.00	$16.62	$59.18
Aug-03	870	13	$ 4.660000	1.000000	$61.07	$15.27	$0.00	$15.27	2907	$25.00	$14.30	$54.57
Sep-03	842	13	$ 4.820000	1.000000	$61.13	$15.28	$0.00	$15.28	2876	$25.00	$14.15	$54.43
Oct-03	870	13	$ 4.260000	1.000000	$55.82	$13.96	$0.00	$13.96	2846	$25.00	$12.79	$51.75
Nov-03	842	13	$ 4.290000	1.000000	$54.41	$13.60	$0.00	$13.60	2815	$25.00	$12.32	$50.92
Dec-03	870	13	$ 4.690000	1.000000	$61.46	$15.36	$0.00	$15.36	2784	$25.00	$13.76	$54.12
Jan-04	870	13	$ 5.710000	1.000000	$74.83	$18.71	$0.00	$18.71	2755	$25.00	$16.58	$60.29
Feb-04	786	12	$ 5.330000	1.000000	$63.10	$15.78	$0.00	$15.78	2724	$25.00	$13.83	$54.61
Mar-04	870	13	$ 4.880000	1.000000	$63.95	$15.99	$0.00	$15.99	2694	$25.00	$13.85	$54.84
Apr-04	842	13	$ 5.290000	1.000000	$67.09	$16.77	$0.00	$16.77	2663	$25.00	$14.36	$56.13
May-04	870	13	$ 5.800000	1.000000	$76.01	$19.00	$0.00	$19.00	2633	$25.00	$16.08	$60.08
Jun-04	842	13	$ 6.560000	1.000000	$83.20	$20.80	$0.00	$20.80	2602	$25.00	$17.39	$63.19
Jul-04	870	13	$ 6.000000	1.000000	$78.63	$19.66	$0.00	$19.66	2571	$25.00	$16.24	$60.90
Aug-04	870	13	$ 5.940000	1.000000	$77.84	$19.46	$0.00	$19.46	2541	$25.00	$15.88	$60.34

Customer ID: C000044474
Invoice Number:
Glo Lease: MF086481
GLO Review: CHAPARRAL ENERGY LLC
Review Period: SEP 2000 THROUGH DEC 2009

Auditor/AE: schou
Billing Date: 9/1/2011
P&I Calculation Date: 9/30/2011
Royalty Rate: 25.00%

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Month / Year	**Gas Volume**	**Tract Participation Rate**	**Price**	**BTU**	**Gross Value**	**Royalty Due**	**Royalty Paid**	**Additional Royalty Due**	**Number of Days Late**	**Penalty From Additional Royalty**	**Interest From Additional Royalty**	**Revenue Due**
	(A)	0.0150625	(B)	(B)	(2)x(3)x(4)	(5) * Royalty Rate				(C)	(C)	(8)+(10)+(11)
Sep-04	842	13	$ 5.100000	1.000000	$64.68	$16.17	$0.00	$16.17	2510	$25.00	$13.03	$54.20
Oct-04	870	13	$ 5.110000	1.000000	$66.96	$16.74	$0.00	$16.74	2480	$25.00	$13.32	$55.06
Nov-04	842	13	$ 7.320000	1.000000	$92.84	$23.21	$0.00	$23.21	2449	$25.00	$18.24	$66.45
Dec-04	870	13	$ 6.330000	1.000000	$82.95	$20.74	$0.00	$20.74	2418	$25.00	$16.09	$61.83
Jan-05	870	13	$ 5.750000	1.000000	$75.35	$18.84	$0.00	$18.84	2390	$25.00	$14.44	$58.28
Feb-05	786	12	$ 5.740000	1.000000	$67.96	$16.99	$0.00	$16.99	2359	$25.00	$12.85	$54.84
Mar-05	870	13	$ 5.980000	1.000000	$78.36	$19.59	$0.00	$19.59	2329	$25.00	$14.62	$59.21
Apr-05	842	13	$ 7.010000	1.000000	$88.91	$22.23	$0.00	$22.23	2298	$25.00	$16.36	$63.59
May-05	870	13	$ 6.500000	1.000000	$85.18	$21.29	$0.00	$21.29	2268	$25.00	$15.46	$61.75
Jun-05	842	13	$ 6.210000	1.000000	$78.76	$19.69	$0.00	$19.69	2237	$25.00	$14.10	$58.79
Jul-05	870	13	$ 6.880000	1.000000	$90.16	$22.54	$0.00	$22.54	2206	$25.00	$15.91	$63.45
Aug-05	870	13	$ 7.390000	1.000000	$96.84	$24.21	$0.00	$24.21	2176	$25.00	$16.85	$66.06
Sep-05	842	13	$ 9.720000	1.000000	$123.28	$30.82	$0.00	$30.82	2145	$25.00	$21.14	$76.96
Oct-05	870	13	$ 10.460000	1.000000	$137.07	$34.27	$0.00	$34.27	2115	$25.00	$23.16	$82.43
Nov-05	842	13	$ 10.920000	1.000000	$138.49	$34.62	$0.00	$34.62	2084	$25.00	$23.05	$82.67
Dec-05	870	13	$ 7.880000	1.000000	$103.26	$25.82	$0.00	$25.82	2053	$25.00	$16.93	$67.75
Jan-06	870	13	$ 8.680000	1.000000	$113.75	$28.44	$0.00	$28.44	2025	$25.00	$18.38	$71.82
Feb-06	786	12	$ 7.230000	1.000000	$85.60	$21.40	$0.00	$21.40	1994	$25.00	$13.61	$60.01
Mar-06	870	13	$ 6.660000	1.000000	$87.28	$21.82	$0.00	$21.82	1964	$25.00	$13.67	$60.49
Apr-06	842	13	$ 6.820000	1.000000	$86.50	$21.62	$0.00	$21.62	1933	$25.00	$13.32	$59.94
May-06	870	13	$ 6.880000	1.000000	$90.16	$22.54	$0.00	$22.54	1903	$25.00	$13.66	$61.20
Jun-06	842	13	$ 5.740000	1.000000	$72.80	$18.20	$0.00	$18.20	1872	$25.00	$10.85	$54.05
Jul-06	870	13	$ 5.690000	1.000000	$74.56	$18.64	$0.00	$18.64	1841	$25.00	$10.92	$54.56
Aug-06	870	13	$ 6.360000	1.000000	$83.34	$20.84	$0.00	$20.84	1811	$25.00	$12.00	$57.84
Sep-06	842	13	$ 6.370000	1.000000	$80.79	$20.20	$0.00	$20.20	1780	$25.00	$11.43	$56.63
Oct-06	870	13	$ 4.000000	1.000000	$52.42	$13.10	$0.00	$13.10	1750	$25.00	$7.28	$45.38
Nov-06	842	13	$ 6.830000	1.000000	$86.62	$21.66	$0.00	$21.66	1719	$25.00	$11.82	$58.48
Dec-06	870	13	$ 7.070000	1.000000	$92.65	$23.16	$0.00	$23.16	1688	$25.00	$12.40	$60.56
Jan-07	854	13	$ 5.740000	1.000000	$73.84	$18.46	$0.00	$18.46	1660	$25.00	$9.72	$53.18
Feb-07	771	12	$ 6.860000	1.000000	$79.67	$19.92	$0.00	$19.92	1629	$25.00	$10.28	$55.20
Mar-07	854	13	$ 7.010000	1.000000	$90.17	$22.54	$0.00	$22.54	1599	$25.00	$11.41	$58.95
Apr-07	826	12	$ 6.910000	1.000000	$85.97	$21.49	$0.00	$21.49	1568	$25.00	$10.66	$57.15
May-07	854	13	$ 7.360000	1.000000	$94.67	$23.67	$0.00	$23.67	1538	$25.00	$11.51	$60.18
Jun-07	826	12	$ 7.510000	1.000000	$93.44	$23.36	$0.00	$23.36	1507	$25.00	$11.12	$59.48
Jul-07	854	13	$ 6.790000	1.000000	$87.34	$21.84	$0.00	$21.84	1476	$25.00	$10.17	$57.01
Aug-07	854	13	$ 5.640000	1.000000	$72.55	$18.14	$0.00	$18.14	1446	$25.00	$8.27	$51.41
Sep-07	826	12	$ 5.230000	1.000000	$65.07	$16.27	$0.00	$16.27	1415	$25.00	$7.25	$48.52
Oct-07	854	13	$ 6.130000	1.000000	$78.85	$19.71	$0.00	$19.71	1385	$25.00	$8.59	$53.30
Nov-07	826	12	$ 6.920000	1.000000	$86.10	$21.52	$0.00	$21.52	1354	$25.00	$9.16	$55.68
Dec-07	854	13	$ 6.870000	1.000000	$88.37	$22.09	$0.00	$22.09	1323	$25.00	$9.18	$56.27

Customer ID: C000044474
Invoice Number:
Glo Lease: MF086481
GLO Review: CHAPARRAL ENERGY LLC
Review Period: SEP 2000 THROUGH DEC 2009

Auditor/AE: schou
Billing Date: 9/1/2011
P&I Calculation Date: 9/30/2011
Royalty Rate: 25.00%

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Month / Year	**Gas Volume**	**Tract Participation Rate**	**Price**	**BTU**	**Gross Value**	**Royalty Due**	**Royalty Paid**	**Additional Royalty Due**	**Number of Days Late**	**Penalty From Additional Royalty**	**Interest From Additional Royalty**	**Revenue Due**
	(A)	0.0150625	(B)	(B)	(2)x(3)x(4)	(5) * Royalty Rate				(C)	(C)	(8)+(10)+(11)
Jan-08	854	13	$ 6.730000	1.000000	$86.57	$21.64	$0.00	$21.64	1294	$25.00	$8.79	$55.43
Feb-08	771	12	$ 7.740000	1.000000	$89.89	$22.47	$0.00	$22.47	1263	$25.00	$8.89	$56.36
Mar-08	854	13	$ 8.730000	1.000000	$112.30	$28.07	$0.00	$28.07	1233	$25.00	$10.83	$63.90
Apr-08	826	12	$ 9.250000	1.000000	$115.09	$28.77	$0.00	$28.77	1202	$25.00	$10.81	$64.58
May-08	854	13	$ 10.830000	1.000000	$139.31	$34.83	$0.00	$34.83	1172	$25.00	$12.74	$72.57
Jun-08	826	12	$ 11.660000	1.000000	$145.07	$36.27	$0.00	$36.27	1141	$25.00	$12.90	$74.17
Jul-08	854	13	$ 12.840000	1.000000	$165.17	$41.29	$0.00	$41.29	1110	$25.00	$14.27	$80.56
Aug-08	854	13	$ 9.040000	1.000000	$116.28	$29.07	$0.00	$29.07	1080	$25.00	$9.76	$63.83
Sep-08	826	12	$ 8.060000	1.000000	$100.28	$25.07	$0.00	$25.07	1049	$25.00	$8.16	$58.23
Oct-08	854	13	$ 7.270000	1.000000	$93.52	$23.38	$0.00	$23.38	1019	$25.00	$7.38	$55.76
Nov-08	826	12	$ 5.720000	1.000000	$71.17	$17.79	$0.00	$17.79	988	$25.00	$5.43	$48.22
Dec-08	854	13	$ 6.110000	1.000000	$78.60	$19.65	$0.00	$19.65	957	$25.00	$5.80	$50.45
Jan-09	854	13	$ 5.260000	1.000000	$67.66	$16.92	$0.00	$16.92	929	$25.00	$4.84	$46.76
Feb-09	771	12	$ 3.860000	1.000000	$44.83	$11.21	$0.00	$11.21	898	$25.00	$3.09	$39.30
Mar-09	854	13	$ 3.510000	1.000000	$45.15	$11.29	$0.00	$11.29	868	$25.00	$3.00	$39.29
Apr-09	826	12	$ 3.650000	1.000000	$45.41	$11.35	$0.00	$11.35	837	$25.00	$2.90	$39.25
May-09	854	13	$ 3.190000	1.000000	$41.03	$10.26	$0.00	$10.26	807	$25.00	$2.52	$37.78
Jun-09	826	12	$ 3.480000	1.000000	$43.30	$10.82	$0.00	$10.82	776	$25.00	$2.55	$38.37
Jul-09	854	13	$ 3.850000	1.000000	$49.52	$12.38	$0.00	$12.38	745	$25.00	$2.79	$40.17
Aug-09	854	13	$ 3.410000	1.000000	$43.86	$10.97	$0.00	$10.97	715	$25.00	$2.37	$38.34
Oct-09	854	13	$ 3.680000	1.000000	$47.34	$11.83	$0.00	$11.83	654	$25.00	$2.31	$39.14
Nov-09	826	12	$ 4.230000	1.000000	$52.63	$13.16	$0.00	$13.16	623	$25.00	$2.44	$40.60
Dec-09	854	13	$ 4.570000	1.000000	$58.79	$14.70	$0.00	$14.70	592	$25.00	$2.58	$42.28
TOTALS	87401				$7,884.95	$1,971.27	$0.00	$1,971.27		$2,575.00	$1,339.97	$5,886.24

COMMENTS: (A) VOLUME - REPRESENTS THE LEASE FUEL VOLUME ON RRC 03-17051 (COBB UNIT 3).
PER INSPECTION REPORT, THE LEASE FUEL VOLUME RATE FOR 9/2000 THROUGH 1/2007 ARE AS: PUMPJACK ENGINE -AJAX MODEL E-42 : 11.07666 MCF PER DAY, AND HEATER TREATER : 17 MCF PER DAY, THE TOTAL IS 28.07666 MCF PER DAY.
PER INSPECTION REPORT, THE LEASE FUEL VOLUME RATE FOR 2/2007 THROUGH 3//2011 ARE AS: PUMPJACK ENGINE -AJAX MODEL E-42 : 10.5492 MCF PER DAY, AND HEATER TREATER : 17 MCF PER DAY, THE TOTAL IS 27.5492 MCF PER DAY.

(B) PRICE - OBTAINED FROM HOUSTON SHIP CHANNEL PRICE LIST DUE TO NO GLO-2E PRODUCTION REPORT RECEIVED.

(C) SEE ATTACHMENT III, SUMMARY OF PENALTY/INTEREST ASSESSMENT RULES", FOR EXPLANATION OF PENALTY AND INTEREST CALCULATION.

NOTE 1 : PAYMENT OF THIS INVOICE SHOULD BE SUBMITTED SEPARATELY FROM MONTHLY ROYALTY PAYMENTS, THE PAYMENT CAN BE SUBMITTED BY A HAND CHECK OR A WIRE, DO NOT SUBMIT THE GLO-3E REPORT FOR THIS PAYMENT.

ATTENTION: DON MARLETT

CERTIFIED MAIL: 70070220000450658879

Customer ID: C000044474
Invoice Number:
Glo Lease: MF086481
GLO Review: CHAPARRAL ENERGY LLC
Review Period: JAN 2010 THROUGH MARCH 2011

Auditor/AE: schou
Billing Date: 9/1/2011
P&I Calculation Date: 9/30/2011
Royalty Rate: 25.00%

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Month / Year	**Gas Volume** (A)	**Tract Participation Rate** (A)*.0150625	**Price** (B)	**BTU** (B)	**Gross Value** (2)x(3)x(4)	**Royalty Due** (5) * Royalty Rate	**Royalty Paid**	**Additional Royalty Due**	**Number of Days Late**	**Penalty From Additional Royalty** (C)	**Interest From Additional Royalty** (C)	**Revenue Due** (8)+(10)+(11)
Jan-10	854	13	$5.830000	1.000000	$74.99	$18.75	$0.00	$18.75	564	$25.00	$1.10	$44.85
Feb-10	771	12	$5.480000	1.000000	$63.64	$15.91	$0.00	$15.91	533	$25.00	$0.88	$41.79
Mar-10	854	13	$4.770000	1.000000	$61.36	$15.34	$0.00	$15.34	503	$25.00	$0.79	$41.13
Apr-10	826	12	$3.920000	1.000000	$48.77	$12.19	$0.00	$12.19	472	$25.00	$0.59	$37.78
May-10	854	13	$4.150000	1.000000	$53.38	$13.35	$0.00	$13.35	442	$25.00	$0.60	$38.95
Jun-10	826	12	$4.050000	1.000000	$50.39	$12.60	$0.00	$12.60	411	$25.00	$0.52	$38.12
Jul-10	854	13	$4.690000	1.000000	$60.33	$15.08	$0.00	$15.08	380	$25.00	$0.56	$40.64
Aug-10	854	13	$4.590000	1.000000	$59.04	$14.76	$0.00	$14.76	350	$25.00	$0.50	$40.26
Sep-10	826	12	$3.700000	1.000000	$46.03	$11.51	$0.00	$11.51	319	$25.00	$0.35	$36.86
Oct-10	854	13	$3.860000	1.000000	$49.65	$12.41	$0.00	$12.41	289	$25.00	$0.33	$37.74
Nov-10	826	12	$3.250000	1.000000	$40.44	$10.11	$0.00	$10.11	258	$25.00	$0.23	$35.34
Dec-10	854	13	$4.220000	1.000000	$54.28	$13.57	$0.00	$13.57	227	$25.00	$0.27	$38.84
Jan-11	854	13	$4.100000	1.000000	$52.74	$13.18	$0.00	$13.18	199	$25.00	$0.21	$38.39
Feb-11	771	12	$4.300000	1.000000	$49.94	$12.48	$0.00	$12.48	168	$25.00	$0.16	$37.64
Mar-11	854	13	$3.770000	1.000000	$48.49	$12.12	$0.00	$12.12	138	$25.00	$0.11	$37.23
TOTALS	12532				$813.48	$203.36	$0.00	$203.36		$375.00	$7.20	$585.56

COMMENTS: (A) VOLUME - REPRESENTS THE LEASE FUEL VOLUME ON RRC 03-17051 (COBB UNIT 3).
PER INSPECTION REPORT, THE LEASE FUEL VOLUME RATE FOR 9/2000 THROUGH 1/2007 ARE AS: PUMPJACK ENGINE -AJAX MODEL E-42 : 11.07666 MCF PER DAY, AND HEATER TREATER : 17 MCF PER DAY, THE TOTAL IS 28.07666 MCF PER DAY.
PER INSPECTION REPORT, THE LEASE FUEL VOLUME RATE FOR 2/2007 THROUGH 3//2011 ARE AS: PUMPJACK ENGINE -AJAX MODEL E-42 : 10.5492 MCF PER DAY, AND HEATER TREATER : 17 MCF PER DAY, THE TOTAL IS 27.5492 MCF PER DAY.

(B) PRICE - OBTAINED FROM HOUSTON SHIP CHANNEL PRICE LIST DUE TO NO GLO-2E PRODUCTION REPORT RECEIVED.

(C) SEE ATTACHMENT III, SUMMARY OF PENALTY/INTEREST ASSESSMENT RULES", FOR EXPLANATION OF PENALTY AND INTEREST CALCULATION.

NOTE 1 : PAYMENT OF THIS INVOICE SHOULD BE SUBMITTED SEPARATELY FROM MONTHLY ROYALTY PAYMENTS, THE PAYMENT CAN BE SUBMITTED BY A HAND CHECK OR A WIRE, DO NOT SUBMIT THE GLO-3E REPORT FOR THIS PAYMENT.

ATTENTION: DON MARLETT CERTIFIED MAIL: 70070220000450658879

(60)

File No. MF-086481

Reconciliation 4r

Date Filed: 9/9/11

Jerry E. Patterson, Commissioner

By: MCL

Energy Financial Management
SMAR Activity / Invoicing Approval

Auditor/Account Examiner: Shirley Chou
Company Name: CHAPARRAL ENERGY LLC
Customer Number: C000044474
Mineral File #: MF086481
Transaction Type: volume reconciliation
Other / Invoice #: 12I00012

Previous Amount	Current Amount	Date	Reviewer's Notes	Reviewer's Signature	AR Notes
5945.86	0.00	2/1/2012	Chaparral Energy LLC has not fired the heater treater, need to VOID ~~voice~~ this invoice. See the emails from David Carlson, Dan Gutierrez and flow diagram from Chaparral Energy LLC..	Joe G. Z. 2/1/2012	

All original invoices must be approved.
All reduction in billing of more than $1000 must be approved.

Energy Financial Management
SMAR Activity / Invoicing Approval

Auditor/Account Examiner: Shirley Chou
Company Name: CHAPARRAL ENERGY LLC
Customer Number: C000044474
Mineral File #: MF086481
Transaction Type: volume reconciliation
Other / Invoice #: 12I00011

Previous Amount	Current Amount	Date	Reviewer's Notes	Reviewer's Signature	AR Notes
587.73	0.00	2/1/2012	Chaparral Energy LLC has not fired the heater treater, need to ~~voice~~ void this invoice. See the emails from David Carlson, Dan Gutierrez and flow diagram from Chaparral Energy LLC..	for A. S. 2/1/2012	

All original invoices must be approved.
All reduction in billing of more than $1000 must be approved.

(61)

File No. 086481
VOID invoices

Date Filed: 2/1/12
Jerry E. Patterson, Commissioner

By MK

RAM Energy LLC

5100 East Skelly Drive, Suite 600
Tulsa, Oklahoma 74135
918.947.6300 Fax 918.794.3363

November 19, 2015

Texas State General Land Office
Attn: Resource Acct
1700 North Congress Ave
Austin, TX 78701

Certified Return Receipt #7015 1520 0003 5158 5598

RE: RAM Energy LLC
Lease Number: TX1852701
Shut-In Royalty Payment

Dear Sir/Madam:

While we are continuing operations to produce the Cobb #3-1 in Grimes County, please find the enclosed RAM Energy LLC check number 005317 in the amount of $1200.00 covering the twelve month shut-in royalty period on the above referenced lease.

Please sign and date the gold copy of the Shut-In Royalty Payment Receipt and return it in the postage paid return envelope provided.

If you need any additional information or have any questions please don't hesitate to contact me at the phone number or email address listed below.

Sincerely,

Sharon Briceland

Sharon Briceland
Lease Records Analyst
918-947-6313 (phone)
sbriceland@ramenergy.net

Enclosure

RAM Energy LLC
Tulsa, OK 74135

005317

VENDOR	CHECK DATE
71315	11/19/15

INVOICE NUMBER	INVOICE DATE		DISCOUNT TAKEN	AMOUNT PAID
20151112	11/12/15	7359 2015 S/I PMT - COBB UNIT 3 #1 LEASE:2701	$0.00	$1,200.00
		Total:	$0.00	$1,200.00

Shut in pymt

16703777

121

COMPUFORMS, (817) 735-8240 PRINTED IN U.S.A.

THE FACE OF THIS DOCUMENT HAS A VOID FEATURE, MICRO PRINTING AND AN ARTIFICIAL WATERMARK ON THE BACK.

RAM Energy LLC
Operating Account
5100 E. Skelly Dr., Suite 600
Tulsa, OK 74135

BancFirst
Oklahoma City, OK

16703777 005317

CHECK NO.
005317

Pay **********1,200 Dollars and 00 Cents

DATE	AMOUNT
11/19/15	********$1,200.00

TO THE ORDER OF:
TEXAS STATE GENERAL LAND OFFICE
ATTN: RESOURCE ACCT
1700 NORTH CONGRESS AVE
AUSTIN,TX 78701

AUTHORIZED SIGNATURE

MP

⑈005317⑈ [redacted]

RAM Energy LLC
Tulsa, OK 74135

VENDOR	CHECK DATE	
71315	11/19/15	005317

INVOICE NUMBER	INVOICE DATE		DISCOUNT TAKEN	AMOUNT PAID
20151112	11/12/15	7359 2015 S/I PMT - COBB UNIT 3 #1 LEASE:2701	$0.00	$1,200.00
		Total:	$0.00	$1,200.00

16703777 V

MF 086481 API 185-30338

121

62.

File No. MF 086481

Shut-in Royalty Payment County

Date Filed: 11/19/15

George P. Bush, Commissioner

By SSD

11-30-12

7011 1150 0001 2414 3207

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Restricted Delivery Fee (Endorsement Required)	

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MF0864S1

To SHARON BRICELAND
LEASE RECORDS ANALYST
RAM ENERGY LLC
5100 EAST SKELLY DRIVE, STE 600
TULSA, OK 74135

Ser

Str
or I

City

PS Form 3800, August 2006 See Reverse for Instructions

Certified Mail Provides:

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- A unique identifier for your mailpiece
- A record of delivery kept by the Postal Service for two years

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- For an additional fee, a *Return Receipt* may be requested to provide proof of delivery. To obtain Return Receipt service, please complete and attach a Return Receipt (PS Form 3811) to the article and add applicable postage to cover the fee. Endorse mailpiece "Return Receipt Requested". To receive a fee waiver for a duplicate return receipt, a USPS® postmark on your Certified Mail receipt is required.
- For an additional fee, delivery may be restricted to the addressee or addressee's authorized agent. Advise the clerk or mark the mailpiece with the endorsement *"Restricted Delivery"*.
- If a postmark on the Certified Mail receipt is desired, please present the article at the post office for postmarking. If a postmark on the Certified Mail receipt is not needed, detach and affix label with postage and mail.

IMPORTANT: Save this receipt and present it when making an inquiry.

PS Form 3800, August 2006 *(Reverse)* PSN 7530-02-000-9047

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

SHARON BRICELAND
LEASE RECORDS ANALYST
RAM ENERGY LLC
5100 EAST SKELLY DRIVE, STE 600
TULSA, OK 74135

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X D. Gray ☐ Agent ☐ Addressee

B. Received by *(Printed Name)*

C. Date of Delivery 12-11-15

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Transfer from service label)* 7011 1150 0001 2414 3207

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

UNITED STATES POSTAL SERVICE

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Sender: Please print your name, address, and ZIP+4 in this box •

SUSAN DRAUGHN / ENERGY
TEXAS GENERAL LAND OFFICE
P.O. BOX 12873
AUSTIN, TX 78711-2873

RECEIVED
DEC 15 2015
General Land Office

TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

CERTIFIED 7011 1150 0001 2414 3207

December 7, 2015

Sharon Briceland
RAM Energy LLC
5100 East Skelly Drive, Suite 600
Tulsa, Oklahoma 74135

Re: **Texas State Lease MF086481 Recorded in Brazos in the Oil and Gas Records at Volume 66/Page26 and also Grimes County Real Property Records at Volume 440/Page 866.** Lease dated October 6, 1981, The State of Texas, Lessor and Republic Energy, Inc., Lessee, being Tract 2, Navasota River, Brazos and Grimes Counties, Texas containing approximately 30 acres within the boundaries of the Eli Wickson Survey, A-236, and the Thos. Bowman Survey, A-72.
Shut-in royalty payment

Dear Ms. Briceland:

This acknowledges receipt of your check in the amount of $1200.00 received by the GLO on November 30, 2015 as a shut-in royalty payment under the referenced State lease (copy of check stub is enclosed for identification). Acceptance of this payment does not ensure that agreement obligations have been met. Our shut-in affidavit (copy enclosed) must be completed, notarized and returned to the General Land Office within 30 days of receipt of this letter.

If you would like to access the affidavit form online, you may find it here:
http://www.glo.texas.gov/energy-business/oil-gas/mineral-leasing/lease-maintenance/forms/Aff_Shut_In_Royalties.pdf

Please note that the Texas Administrative Code contains the following provision at Title 31, Part I, Chapter 9, Subchapter C, Rule 9.36, (e).
(e) Affidavit required. Upon receipt of a shut-in royalty, the GLO will send a shut-in affidavit to the party paying the shut-in royalty. The affidavit must be completed and returned to the GLO. Failure to complete and return the affidavit as required may result in a penalty under §9.32(c)(3)(B)(iii), and/or forfeiture of the lease.

Please include on the affidavit in the "additional information" box on page 2 the original completion date of any well that has been shut in.

The reasons set out in your agreement for a shut-in are "oil or gas is not being produced for lack of suitable production facilities or lack of a suitable market." Note that the well must be

capable of producing in paying quantities. . Please include any information you would like for us to consider in determining if the General Land Office will accept the shut-in royalty payment.

I look forward to receiving the executed affidavit within 30 days.

Yours very truly,

Susan S Draughn

Susan Draughn, Landman
Mineral Leasing, Energy Resources
512-463-6521
512-475-1404 (fax)
susan.draughn@glo.texas. gov

63.

File No. MF 086481

Request for Shut-in

Affidavit

County

Date Filed: 12/7/15

George P. Bush, Commissioner

By SSD

Shut-In Affidavit
Texas General Land Office
George P. Bush, Commissioner
PO Box 12873
Austin, TX 78711-2873

Please respond fully to all applicable questions on this affidavit. Shut-in may be denied for failure to provide information establishing the validity of this request for shut-in status. For shut-in leases contained within units, ***separate affidavits must be submitted for each state lease within the unit.***

Land Office lease no.	Operator		
M- 86481	RAMTEX ENERGY LLC		
Lease name	Field name		
COBB UNIT 3	IOLA SOUTH		
Area	Tract	Part	Acres
	2	NAVASOTA RIVER	2.41
Section	Block	Survey	County
		A-266 JOSHUA HADLEY/A-236 ELI WICKSON	GRIMES/BRAZOS

SHUT-IN PAYMENTS

Wells must be capable of producing in paying quantities. TAC, Title 31, Part 1, Chapter 9, Subchapter C, Rule 9.36, (e). Affidavit required. Upon receipt of a shut-in royalty, the GLO will send a shut-in affidavit to the party paying the shut-in royalty. The affidavit must be completed and returned to the GLO. Failure to compleate and return the affidavit as required may result in a penalty under §9.32(c)(3)(B)(iii), and/or forfeiture of the lease.

GAS			
Well #	API#: District-RRC#:	Date shut-in: Completion Date:	Produced in past? Yes No
Reason shut-in _____			
Well capable of producing @ _____ MCF/D + _____ Bbls condensate + _____ BBls Water			
Well #	API#: District-RRC#:	Date shut-in: Completion Date:	Produced in past? Yes No
Reason shut-in _____			
Well capable of producing @ _____ MCF/D + _____ Bbls condensate + _____ BBls Water			
Well #	API#: District-RRC#:	Date shut-in: Completion Date:	Produced in past? Yes No
Reason shut-in _____			
Well capable of producing @ _____ MCF/D + _____ Bbls condensate + _____ BBls Water			

Please list shut in oil wells in the section below.

OIL						
API #	Dist-RRC#	Well #	Date shut-in	Well capable of producing:		
				Bbls oil	MCF gas	Bbls water
42-185-30338-00-00	03	3.1	8/27/15	2		18

Reason oil wells are shut-in THERE IS A HOLE IN THE TUBING

Method of water disposal for above gas and oil leases: WATER IS HAULED OFF PREMISES

Total shut-in payment due for this lease: $ 1200.00

Indicate which one of these is applicable

payment is being made at the rate of twice the annual rental

payment is being made at the rate of $ 1200.00 for each well/completion

Are gas wells connected to a pipeline?

Yes X No

Will purchaser take gas?

yes-price per MCF offered $ _____

no

Name of nearest purchaser: ENERGY TRANSFER COMPANY

Distance: CLOSEST PIPELINE IS 2 MILES AWAY

Price offered $ N/A

List all producing wells within 1,000 feet of this lease. If there are wells more than 1,000 feet from the lease which are draining the lease, list these also.

Operator	Lease Name	Well #	RRC ID #	Distance	Completion Interval	Status
NO OTHER WELL W/IN 1000 FT						

Please provide any additional information here:

Contact MIKE KAISER **Phone** 918.947.6314

Operator's representative

I certify that this statement is true and correct.

Mike Kaiser

By: _____ Title: _____

Sworn and subscribed to before me, the undersigned authority

this 11th day of January, 20 16

Jane A Meyer

Notary Public in and for Tulsa County, State of Oklahoma

GLO Use Only

Receiving Stamp

JANE A. MEYER NOTARY # 12006255 EXP. 07/05/16 PUBLIC STATE OF OKLAHOMA

RAM Energy LLC

5100 East Skelly Drive, Suite 600
Tulsa, Oklahoma 74135
918.947.6300 Fax 918.794.3363

January 11, 2016

Texas State General Land Office
Attn: Resource Acct
1700 North Congress Ave
Austin, TX 78701

Fed Ex Tracking Number: 7753 8847 8127

RE: RAM Energy LLC
Land Office Lease Number: M-86481
Lease Number: TX1852701
Affidavit of Shut-In

Dear Sir/Madam:

Please find the enclosed Affidavit of Shut-In for the Cobb Unit 3 well located in Grimes/Brazos County, Texas. If you need any additional information or have any questions please don't hesitate to contact me at the phone number or email address listed below.

Sincerely,

Sharon Briceland

Sharon Briceland
Lease Records Analyst
918-947-6313 (phone)
sbriceland@ramenergy.net

Enclosure

64.

File No. MF 086481

Shut-in Affidavit DD County

Date Filed: 1/14/16

George P. Bush, Commissioner

By SSD

7011 1150 0001 2414 3320

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Sent

Stree or P

City,

Sharon Briceland
RAM Energy LLC
5100 East Skelly Drive, Ste 600
Tulsa, Oklahoma 74135

PS Form 3800, August 2006 — See Reverse for Instructions

Certified Mail Provides:

- A mailing receipt
- A unique identifier for your mailpiece
- A record of delivery kept by the Postal Service for two years

Important Reminders:

- Certified Mail may ONLY be combined with First-Class Mail® or Priority Mail®.
- Certified Mail is *not* available for any class of international mail.
- NO INSURANCE COVERAGE IS PROVIDED with Certified Mail. For valuables, please consider Insured or Registered Mail.
- For an additional fee, a *Return Receipt* may be requested to provide proof of delivery. To obtain Return Receipt service, please complete and attach a Return Receipt (PS Form 3811) to the article and add applicable postage to cover the fee. Endorse mailpiece "Return Receipt Requested". To receive a fee waiver for a duplicate return receipt, a USPS® postmark on your Certified Mail receipt is required.
- For an additional fee, delivery may be restricted to the addressee or addressee's authorized agent. Advise the clerk or mark the mailpiece with the endorsement *"Restricted Delivery"*.
- If a postmark on the Certified Mail receipt is desired, please present the article at the post office for postmarking. If a postmark on the Certified Mail receipt is not needed, detach and affix label with postage and mail.

IMPORTANT: Save this receipt and present it when making an inquiry.

PS Form 3800, August 2006 *(Reverse)* PSN 7530-02-000-9047

UNITED STATES POSTAL SERVICE

TULSA OK 741
JAN 25
PM 1
2016

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Sender: Please print your name, address, and ZIP+4 in this box •

Susan Draughn, Energy Resources
Texas General Land Office
P.O. Box 12873
Austin, TX 78711-2873

RECEIVED
JAN 29 2
General Land Office

MF086481

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Sharon Briceland
RAM Energy LLC
5100 East Skelly Drive, Ste 600
Tulsa, Oklahoma 74135

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X [signature] ☐ Agent ☐ Addressee

B. Received by *(Printed Name)* | C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number
(Transfer from service label) 7011 1150 0001 2414 3320

TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

January 20, 2016 CERTIFIED MAIL: 7011 1150 0001 2414 3320

Sharon Briceland
RAM Energy LLC
5100 East Skelly Drive, Suite 600
Tulsa, Oklahoma 74135

RE: **Texas State Lease MF086481** Recorded in Brazos County, TX, Volume 66/Page 26 and in Grimes County, TX, Volume 440/Page 866. Lease dated October 6, 1981, being Tract 2, Navasota River, Brazos and Grimes Counties, containing approximately 30 acres within the boundaries of the Eli Wickson Survey, A-236, and the Thos. Bowman Survey, A-72. Remaining acres being 2.41.
State Unit 1522 – Cobb 3-1, 2.41 river acres included.
Shut-In payment for API 42-185-30338 RRC# 03-17051

Dear Ms. Briceland:

This acknowledges receipt of shut-in payment in the amount of $1,200.00 for State Mineral File 086481 by the Texas General Land Office on November 30, 2015 and receipt of the Shut-In Affidavit for this lease on January 14, 2016.

I note on your shut-in affidavit that the well (03-17051) was shut in on August 27, 2015.

By State Statute if a well is shut-in for more than sixty days, any shut-in royalty payment must be received by the GLO on or before sixty days from the shut-in date. The deadline for paying this shut-in royalty was October 26, 2015. I regret to inform you that the referenced lease terminated as of October 26, 2015 and your shut-in payment is hereby rejected.

You may make a written request (by e-mail or regular mail) for a refund of the $1,200.00 payment and I will process that request promptly. Please provide the Tax ID for RAM Energy LLC for processing of a refund.

You may request a new lease under the terms of Statute 52.076 for the leasing of unleased riverbeds by contacting Brandon Nichols at his direct line 512.463.5759 or email at Brandon.Nichols@glo.texas.gov.

You may contact me at the number below if you have any questions regarding this assessment.

Yours truly,

Susan Draughn

Susan Draughn, Landman
Energy Resources/ Mineral Leasing
Direct: 512.463.6521 / Email: susan.draughn@glo.texas.gov

65.

File No. MF 086481

Reject Letter Q

County

Shut-in + termination of lease

Date Filed: 1/20/16

George P. Bush, Commissioner

By SSD