

MF094337

<i>State Lease</i>	<i>Control</i>	<i>Base File</i>	<i>County</i>
MF094337	31-000368		BRAZOS

<i>Survey</i>	TEXAS A&M UNIVERSITY		
<i>Block</i>			
<i>Block Name</i>			
<i>Township</i>			
<i>Section/Tract</i>			
<i>Land Part</i>			
<i>Part Description</i>			
<i>Acres</i>	1991.39		
<i>Depth Below</i>	<i>Depth Above</i>	<i>Depth Other</i>	
		See Lease	
<i>Name</i>	ULTRAMAR OIL & GAS LTD		
<i>Lease Date</i>	12/11/1990		
<i>Primary Term</i>	3 yrs		
<i>Bonus (\$)</i>	\$507,804.45		
<i>Rental (\$)</i>	\$10.00		
<i>Lease Royalty</i>	0.2500		

Leasing: _____

Analyst: _____

Maps: _____

GIS: _____

DocuShare: _____

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ULTRAMAR OIL & GAS LTD

CONTENTS OF FILE NO. M-94337

1. Oil & Gas Lease	12-6-90	26.
2. Minutes, Board of Regents	12-6-90	27.
3. Bonus Payment	1/9/90	28.
4. Division Orders	^{12-26-92 3-27-92} 2-6-92 5-5-92	29.
5. Letter + Division Order	6-11-92	30.
6. Letter fr. Cody Energy	9-14-94	31.
7. Unit agreement #2204	2-17-05	32.
8. letter from Texas A&M	3-29-93	33.
9. Division order	2-17-05	34.
10. Division order	2-17-05	35.
11. Division order	2-17-05	36.
12. E-mail from petrohawk	11-10-2006	37.
Scanned sm	10/1/13	38.
13. Memo Re: Unit 2204		39.
14. Recon Billing	3/23/18	40.
Scanned PJ	3-26-2018	41.
15. #14 PS Form 3811		42.
Scanned PJ	4-3-2018	43.
16.		44.
17.		45.
18.		46.
19.		47.
20.		48.
21.		49.
22.		50.

MF-094337

o&g-form.doc
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OIL AND GAS LEASE
THE TEXAS A&M UNIVERSITY SYSTEM

I. STATUTORY REQUIREMENTS

A. AWARD OF LEASE [Ed.Code 85.58(a)].

THE BOARD OF REGENTS OF THE TEXAS A&M UNIVERSITY SYSTEM, Lessor, in consideration of payment by ULTRAMAR OIL AND GAS LIMITED, Lessee of the sum of FIVE HUNDRED SEVEN THOUSAND EIGHT HUNDRED FOUR AND 45/100 DOLLARS (\$507,804.45), the receipt of which is hereby acknowledged, and of the royalties, covenants, stipulations, and conditions contained herein, and hereby agreed to be paid, observed, and performed by Lessee, DOES HEREBY GRANT, LEASE, AND LET unto Lessee, for the sole and only purpose of prospecting, drilling for, and producing oil, gas, casinghead gas, distillate, and associated hydrocarbons, and constituent elements (including sulphur), but not including coal, lignite, gravel, iron ore, caliche, sand, fissionable minerals and any other minerals, the following described land in Brazos County, Texas, which land was acquired by the State of Texas for the use and benefit of The Texas A&M University System:

41000 & 4111

See Attached Exhibit "A"

Said land shall be deemed for the purposes of bonus and rental payments to contain 1,991.39 acres, whether it actually contains more or less.

B. EXPLORATORY TERM [Ed. Code 85.59(a)(b) and (c)]. Subject to each of the conditions contained herein, this lease shall be for a term of three (3) years from this date (hereinafter called Primary Term), and as long thereafter as oil and gas, or either of them is produced in paying quantities from the leased premises or land with which the leased premises is pooled hereunder, provided, however, the term of this lease may be extended under the following conditions:

If the Board finds that lessee has proceeded with diligence to protect the interests of the State, and that there is a likelihood that oil, gas, or distillate will be discovered on the leased premises, the Board may by unanimous vote extend this lease for a period not to exceed three (3) years, conditioned upon Lessee continuing to pay the yearly rentals provided herein, and upon any additional terms the Board may see fit and proper to demand. No such extension may be granted until the last thirty (30) days of the original term of the lease.

C. ANNUAL RENTALS [Ed. Code 85.55(c) and 85.61]. One (1) year from the date hereof, and on the same date of each of the following years during the primary term of this lease, Lessee shall pay to Lessor an annual rental of \$10.00 per acre. Provided, however, that if Lessee is engaged in actual drilling operations for the discovery of oil and/or gas on the leased premises on the anniversary date of this lease, no annual rental shall be payable as to the acreage contained in that tract on which said operations are being conducted as long as such are proceeding in good faith; and if oil and/or gas are discovered in paying quantities on any tract covered by this lease, then as to that tract this lease shall remain in force so long as production is obtained in paying quantities from said tract. When

royalties, as provided herein, amount to as much as the yearly payment set out above, said annual rental may be discontinued.

D. PAYMENTS AND RECORDS TO GENERAL LAND OFFICE [Ed. Code 85.66(a)]. All royalties, as provided herein, shall be paid to the Commissioner of the General Land Office at Austin, Texas, on or before the last day of each month for the preceding month during the term of this lease. Notice is hereby given that Lessor is not subject to windfall profits tax on royalties paid but is exempt therefrom. Said payment shall be accompanied by a sworn statement of Lessee's owner, manager, or other authorized agent, showing the gross amount of oil and/or gas produced and saved since the last report, the amount of oil and/or gas produced and sold off the premises, and the market value of same, together with a copy of all daily gauges, or vats, tanks, gas meter readings, pipeline receipts, gas line receipts and other checks and memoranda of the amounts produced and put into pipelines, tanks, vats, or pool and gas lines, gas storage, other places of storage, and other means of transportation. Lessee shall simultaneously provide Lessor with photocopies of all papers filed with the General Land Office.

E. INSPECTION OF RECORDS [Ed. Code 85.66(b)]. Lessee's books and accounts, receipts and discharges of all wells, tanks, vats, pools, meters, pipelines, and all contracts and other records pertaining to the production, transportation, sale, and marketing of oil and/or gas shall at all times be subject to inspections and examination by an Member of the Board of Regents of The Texas A&M University System, or any duly authorized representative of said Board.

F. SURFACE OPERATIONS [Ed. Code 85.63].

(1) Drilling for oil and/or gas within less than three hundred (300) feet or less of any building or research area is prohibited, unless written consent of the Board is first obtained. Operations for oil and/or gas shall not in any way interfere with the use of the leased premises for educational, recreational, experimental, and any other purposes to which it has or may be put, and shall not cause the abandonment of the leased premises. Lessee shall drill, mine, and carry on operations in such a way as not to cause the abandonment of the property for experimental farm purposes and the leased premises shall be subject to use by the State of Texas for all experimental purposes.

(2) Lessor requires that all pipelines be buried below plow depth (deemed to be 36 inches), and that Lessee pay for damages caused by its operations to any surface structure or use of the property.

(3) In the event drilling upon the leased premises shall result in production, Lessee, at its own expense, shall immediately remove all temporary structures and place all permanent equipment in such manner as will not interfere with or introduce hazard to any activity of Lessor. Should drilling result in a dry hole or holes, Lessee shall, at its own expense, immediately remove all temporary structures from the land and restore the land as it existed as of the date of this lease, or to such state as is compatible with the use then being made of said premises, at the option of the Lessor. This requirement is subject to the rights of Lessor established in Paragraph II(I).

(4) The Lessor may designate specific streets as access routes for use by operators. Costs of additional reinforcements and repairs made necessary by the activities of operators shall be borne by the Lessee. Such reinforcement and repairs shall conform to standards set by the Lessor in advance. Permanent access roads constructed by Lessee must be built according to standards accepted in writing by the Board's authorized representative. Lessor may prohibit the use of its streets during designated hours on specified days. Notice of such prohibition shall be given to the Lessee in advance.

(5) Lessee may obtain rights from the owners of nearby lands whereon Lessee could locate well(s) which will be directionally drilled to bottom hole location(s) beneath the leased premises, and in such event, surface operations on such hereby lands shall not be subject to restrictions imposed by Lessor hereunder; however, such well(s) so directionally drilled to a bottom hole location(s) beneath

the leased premises shall, for all other purposes hereunder, be treated as drilling or production operations conducted entirely upon the leased premises.

G. FORFEITURE [Ed.Code 85.67(a)]. This lease is subject to forfeiture by the Board by an order entered upon the minutes of the Board reciting the facts constituting a default and declaring the forfeiture. This lease may be forfeited for one or more of the following reasons:

- (1) Lessee fails or refuses to make the payment of any sum due, either as rental, royalty on production, or other payment, within thirty (30) days after the same becomes due.
- (2) Lessee's owner or authorized agent makes any false return or false report concerning production, royalty, drilling, or mining.
- (3) Lessee fails or refuses to drill any offset well or wells in good faith, as required by this lease.
- (4) Lessee or its agent refuses the proper authority access to the records and other data pertaining to operations under this lease.
- (5) Lessee or its authorized agent fails or refuses to give correct information to the proper authorities.
- (6) Lessee or its authorized agent fails or refuses to furnish the log of any well within thirty (30) days after production is found in paying quantities.
- (7) Any material terms of this lease are violated.

Lessor agrees that it shall provide Lessee by certified mail, return receipt requested written notice stating the existence and nature of any breach of this agreement which may subject it to forfeiture, and shall allow Lessee sixty (60) days from the date of receipt of such notice to cure said breach.

H. REINSTATEMENT AFTER FORFEITURE [Ed. Code 85.67(c)]. Upon proper showing by Lessee, within thirty (30) days after the declaration of forfeiture, this lease may be reinstated at the discretion of the Board on such terms as it may prescribe.

I. REMEDIES OF LESSOR [Ed. Code 85.67(d)]. The Board may have suit instituted for forfeiture through the Attorney General, but forfeiture is not the exclusive remedy. Suit for damages or specific performance, or both, may be instituted.

J. FIRST LIEN [Ed. Code 85.67(e)]. The State shall have a first lien upon all oil and/or gas produced upon the leased premises and upon all rigs, tanks, vats, pipelines, telephone lines, machinery, and appliances used in the production and handling of oil and/or gas produced therefrom, to secure any amount due from Lessee.

K. ASSIGNMENTS [Ed. Code 85.65(b)]. All rights purchased may be assigned subject to approval of the Board of Regents or its authorized representative. All assignments shall be filed in the General Land Office as prescribed by rule, accompanied by ten cents (\$.10) per acre for each acre assigned and the filing fee as prescribed by rule. An assignment shall not be effective unless filed as required by rule. An assignment shall not relieve the Assignor of any liabilities or obligations incurred prior to the assignment. Lessee acknowledges that the responsibility for obtaining approval and filing assignments with the General Land Office in conformity to its rules is solely that of Lessee.

L. RELINQUISHMENTS [Ed. Code 85.65(c)]. All rights to all or any part of a leased tract may be relinquished to the State at any time by recording a release instrument in the county or counties

in which the tract is located. Releases must also be filed with the chairman of the board of regents and the general land office, accompanied by the filing fee prescribed by rule. A release shall not relieve the owner of any obligations or liabilities incurred prior to the release.

M. ROYALTY IN-KIND [Ed. Code 85.66(d)]. The Lessor may, at its discretion, require that payment of royalty, as stipulated herein, be in-kind. Such in-kind deliveries shall be for reasonable periods of time of at least thirty (30) days, upon reasonable notice.

N. SALE OF GAS FOR USE OUTSIDE STATE OF TEXAS [Nat. Res. Code 52.293]. This agreement is subject to the provisions of Senate Bill No. 3, Acts of the 64th Legislature, Regular Session, 1975, Section 1 of which requires the following to be included in the lease form:

"From and after the effective date of this Act, it shall be unlawful for any one of the persons, agencies, or entities set forth in Section 2 of this Act to execute an oil, gas and mineral lease on any lands on which they are otherwise authorized and empowered by law to execute such a lease unless such lease shall include the following terms and conditions:

None of the natural gas or casinghead gas, including both associated and nonassociated gas, produced from the mineral estate subject to this lease shall be sold or contracted for sale to any person, corporation, or other entity for ultimate use outside of the State of Texas unless and until the Railroad Commission of Texas shall find, after notice and hearing pursuant to Title 102 of the Revised Civil Statutes of Texas, 1925, as amended, that:

- (a) the person, agency, or entity which executed the lease in question does not require said 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 said natural gas or casinghead gas to meet its existing needs for fuel;
- (c) no public or private school in this State, of elementary, secondary, or higher educational level, requires said natural gas or casinghead gas to meet its existing needs for fuel;
- (d) no facility of the State of Texas or of any county, municipality, or other political subdivision in this state requires said natural gas or casinghead gas to meet its existing needs for fuel;
- (e) no producer of food and fiber requires said 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 the State of Texas and who relies on natural gas or casinghead gas to provide in whole or in part his existing needs for fuel or raw material requires said natural gas or casinghead gas to meet such need."

O. STATUTORY AUTHORITY. This agreement is subject to the provisions of Subchapter D of Chapter 85, Subtitle D, Title 3, Texas Education Code, as amended and subject to all valid rules, regulations, and orders of any duly constituted State or federal regulatory agency having jurisdiction hereof.

II. GENERAL PROVISIONS

A. ROYALTY. Lessee agrees to pay or cause to be paid during the term hereof:

(1) As a royalty on oil, which is defined as including hydrocarbons produced in liquid form at the mouth of the well, and also all condensate, distillate, and other liquid hydrocarbons from oil or gas run through a separator or other equipment, twenty-five percent (25%) of the value of the gross production. Such value shall be "market price" defined herein as the price prevailing for the field where produced on the date of purchase for oil of like grade and gravity;

(2) As royalty on all gas, which is defined as all hydrocarbons and gaseous substances not defined as oil in Paragraph (1) above, produced from any well and sold by Lessee, or used by Lessee, the following shall be payable at twenty-five percent (25%) of the value of the gross production. Such value shall be determined on the basis of the "market price", as defined in A(1) above, for gas of a similar quality.

(3) On sulphur, one-fourth (1/4) of the value of the gross production thereof for the lease premises, such value shall be "market price" defined herein as the price prevailing for the general area where produced on the date of purchase for sulphur of like quality, or Three dollars and 50/100 (\$3.50) per long ton, whichever is greater.

(4) On all production sold by Lessee for benefit of Lessor pursuant to its royalty interest, Lessee, its agents and/or assigns, shall be and remain jointly and severally liable to Lessor for all payment due Lessor from such sale to purchasers pending actual payment to Lessee. Nonpayment by any such purchaser of production will not relieve Lessee of its obligation to pay Lessor for its royalty interest in production sold.

(5) If, at the expiration of the primary term or at any time thereafter, there is located on the leased premises a production unit or units, including a pooled unit or units, (as defined in Section III(D)) capable of producing gas in paying quantities and such gas is not otherwise produced for lack of a suitable market and this lease as to such production unit is not otherwise being maintained in force and effect, Lessee shall pay as royalty One Thousand Two Hundred and No/100 Dollars (\$1,200.00) for each production unit capable of producing gas in paying quantities; within sixty (60) days after Lessee shuts in such production unit or ceases to produce gas therefrom or within sixty (60) days after this lease ceases to be otherwise maintained in force and effect; and if such payment is made, this lease, as to said production unit or units shall be considered to be a lease producing in paying quantities and such shut in gas well royalty payment shall extend the term of this lease for a period of one (1) year from the end of the primary term or, if after the primary term, from the first day of the month next succeeding the month in which such production unit was shut in; and thereafter, if no suitable market for such gas exists, Lessee may extend this lease as to such production unit or units for two (2) additional and successive periods of one (1) year each by the payment of a like sum of money each year as above provided. In no event shall this lease continue in force and effect as to any production unit or units (as defined in Section III(B)) which are shut-in for more than three (3) consecutive years at the expiration of which this lease as to such production unit or units is herein declared to be null and void.

(6) 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.

(7) The term "market price" as herein above defined and utilized further contemplates gross proceeds received pursuant to a bona fide contract entered into at arms' length between nonaffiliated parties of adverse economic interests. If a contract was not negotiated at arms' length, or was between affiliated parties, the presumption that market value is equal to gross proceeds shall not apply. In this situation, the Lessee has the burden to establish that amounts paid to the Lessee are based on market value.

B. PROPORTIONATE REDUCTION. In the event Lessor owns an interest in the oil and/or gas on, in or under the above described lands and/or a production or pooled unit less than the entire fee simple estate, whether or not this lease purports to cover the whole or a fractional interest therein, then the royalties to be paid Lessor shall be reduced in the proportion that Lessor's actual interest bears to the whole undivided fee and in accordance with the nature of the estate with which Lessor is seized.

C. LIQUID HYDROCARBON RECOVERY. Lessee agrees that before any gas produced from the leased premises, containing liquid hydrocarbons is sold, used, or processed in a plant, it will be run through an adequate oil and gas separator of conventional type or other equipment so that all liquid hydrocarbons recoverable from the gas by such means will be recovered. Upon written consent of the Lessor, the requirement that such gas be run through such a separator or other equipment may be waived upon such terms and conditions as provided by Lessor.

D. DRILLING REQUIREMENT. Notwithstanding anything to the contrary contained herein, this lease shall terminate and be rendered void unless Lessee has commenced drilling operations on the leased premises within 365 days of the execution of this lease. The term "commenced drilling operations" as used in this lease means actual spudding of a well. Upon compliance with the aforementioned drilling requirements, and in accordance with the provisions of Paragraph I(C), above, Lessee shall be excused from paying delay rentals upon acreage contained in the drilling unit, but shall be liable for such rentals on any acreage not dedicated to a well or wells on the first anniversary of this lease. Failure to pay rentals on the non-dedicated acreage shall result in an immediate termination of this lease as to such acreage not contained in a drilling unit.

E. CONTINUOUS DRILLING

(1) 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 within 120 days of the date of filing of the completion report with the Railroad Commission of Texas for the initial producer begin drilling a subsequent well and thereafter, within the same time frame, commence succeeding wells until the land is fully developed to allowable density. Failure to so drill and continue drilling shall constitute a breach and forfeiture of this lease as to acreage not contained in a production unit as herein defined. This continuous drilling requirement shall not apply as to any acreage in this lease of insufficient size to permit additional wells under the field rules established by The Texas Railroad Commission. Nothing herein shall preclude Lessee, as a reasonably prudent operator, from simultaneously drilling additional wells as may be reasonably necessary for proper development of the leased premises and in marketing the production therefrom.

(2) The Lessee shall, notwithstanding any other provision of this lease, adequately protect the oil and gas under the above described land from drainage from adjacent lands or leases, including Non-University System lands or University System lands leased at a lesser royalty. The Lessee shall drill as many wells as the facts justify for the effective protection against drainage from such adjacent lands or leases. Neither the bonus, annual rental, or royalties paid or to be paid hereunder, shall relieve Lessee from the obligations herein expressed.

F. REWORKING EXTENSION. In the event production of oil or gas on the leased premises, after once having been obtained, shall cease for any cause after the expiration of the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking operations within ninety (90) days thereafter, and such lease shall remain in full force and effect so long as such operations continue in good faith and in a workmanlike manner, without interruptions totaling more than ninety (90) days during any one such operation; and if such drilling or reworking operations result in the production of oil or gas, this lease shall remain in full force and effect so long as oil or gas is produced therefrom in paying quantities or payment of shut-in gas well royalties is made in accordance with Paragraph II(A)(5).

G. LOGS, PLATS AND ACCESS

(1) Lessee shall file at the General Land Office, for the Board of Regents of The Texas A&M University System, the logs of all wells drilled upon the above described premises, within thirty (30) days after completion in the case of producing wells, and within thirty (30) days after abandonment in the case of dry holes. Whenever the Lessee commences the drilling of any well or wells upon the above described premises, written notice shall be filed at the General Land Office, for the Board of Regents of The Texas A&M University System, accompanied by a plat of said premises showing the location of such well or wells.

(2) Lessee agrees to give any authorized representative of the Board access to all wells drilled on the leased premises at all reasonable hours, and upon request of Lessor, to furnish Lessor or its authorized representative with, or allow said representative to take from such wells, formation samples of cores and cuttings consecutively taken, and to furnish any records, memoranda, reports or other information relative to the operation of the leased premises. Copies of title opinions, abstracts, instruments relating to the determination of title, and executed copies of all oil or gas purchase contracts or agreements shall be provided to the Board's representative upon request.

H. WATER-BEARING STRATA. In drilling wells, all water-bearing strata shall be noted by Lessee in the log, and the Lessor reserves the right to require that all or any part of the casing shall be left in any non-productive well when Lessor deems it necessary or desirable to preserve or maintain said well or wells for water.

I. CASING, EQUIPMENT, AND LESSOR'S RIGHTS IN PRODUCING WELLS. If this lease shall terminate or be forfeited for any cause, or should Lessee elect to abandon a well or wells, the Lessee shall in no event be permitted to remove the casing or any part of the equipment of any such producing well or wells located upon the premises, and Lessor shall be entitled to take over the operation thereof at no cost.

J. UNDERGROUND STORAGE. It is expressly agreed and understood that Lessee shall not use the herein leased premises for underground storage of natural gas, crude petroleum or other hydrocarbons without the express advance written consent of Lessor.

K. AUTHORITY OF AGENTS. In all cases the authority of a manager or agent to act for the Lessee herein must be filed at the General Land Office for the Board.

L. DESIGNATION OF AUTHORIZED REPRESENTATIVE OF BOARD OF REGENTS. For purposes of this lease, the Board of Regents hereby appoints the Chancellor or his designee as the authorized representative of the Board/Lessor as referred to herein.

M. INDEMNIFICATION, INSURANCE AND BONDS

(1) Lessee hereby agrees to pay Lessor for all damages to crops, trees, buildings, streets, fixtures, utility lines (above and below ground), personal property, productivity of soil, livestock, and any and all other things damaged as a result of Lessee's or its agents' actions in carrying out any operations under the terms of this lease. Lessee further agrees to indemnify and hold Lessor harmless for any and all damages to third persons and the property of third persons resulting from such operations.

(2) All operators shall maintain or cause to be maintained public liability insurance and insurance coverage on their employees, agents and contractors (or require such insurance to be maintained.), in addition to required worker's compensation insurance, in at least the following amounts:

Comprehensive General Liability Insurance:

Public Liability (Bodily Injury). Insurance with limits of not less than Three Hundred Thousand and No/100 (\$300,000.00) for each person, and Five Hundred Thousand and No/100 (\$500,000.00) for each occurrence and Five Hundred Thousand and No/100 Dollars (\$500,000.00) in the aggregate;

Public Liability (Property Damage). Insurance with limits of not less than Three Hundred Thousand and No/100 Dollars (\$300,000.00) for each occurrence and Five Hundred Thousand and No/100 Dollars (\$500,000.00) in the aggregate.

Excess Liability Insurance:

An Excess Liability policy with a limit of liability of at least One Million and No/100 Dollar (\$1,000,000.00) coverage in excess of the above required general liability policy.

Certificate of Insurance:

As proof of compliance with this section a certificate of insurance shall be filed with the Lessor setting out the insurance coverage required under this section. Such certificate shall state that ten (10) days prior written notice of cancellation or material change shall be submitted to the Lessor by the insurance carrier. Such certificate shall also show the coverage for property damage liability of damages arising from blasting or explosion; collapse or structural injury; underground property damage; damage to underground resources and equipment; and hazard and blowout or cratering of any well.

N. FORCE MAJEURE. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations, from producing oil or gas therefrom by reason of scarcity of or inability to obtain or to use equipment or material, any Federal or State law or any order, rule or regulation of governmental authority, or by operation of force majeure, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended and Lessee shall not be liable in damages for failure to comply therewith; and this lease shall be extended while and so long as Lessee is prevented by any such cause from conducting drilling or reworking operations or from producing oil or gas from the leased premises; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

O. BINDING EFFECT. The covenants, conditions, and agreements contained herein shall extend to and be binding upon the heirs, executors, administrators, successors, or assigns of the Lessee herein.

III. SPECIAL PROVISIONS

A. SITE APPROVAL.

(1) Locations of all wells, structures, roads, tank batteries, pipelines, telephone line, and all other facilities erected or moved onto a site by Lessee must be approved in advance by Lessor or its authorized representative. Such request for approval shall be in writing setting out the precise location of any proposed facility and including diagrammatic descriptions of the facility and the surrounding area. Upon request by Lessor, Lessee shall provide any additional drawings or other data Lessor requires to assess a location. Approval shall not be unreasonably withheld and approval, rejection, or requirement for changes must be provided within three (3) university working days from the date all requested data was submitted.

(2) By payment of the bonus amount described in this lease, Lessee acknowledges that certain surface acreage of the leased premises are not subject to drilling or production operations of any kind, and that any additional costs incurred by Lessee as a result of such restrictions shall be borne solely by Lessee.

B. DESIGNATION OF PRODUCTION UNITS. Within ninety (90) days after completion of any well on the leased premises which is not pooled under the provisions of Paragraph III(D), Lessee shall designate in writing, and file same of record with the County Clerk of Brazos County, Texas, a designation of production unit which includes a description of that part of the leased premises to be allotted to such well for production purposes, and the description shall specify and be limited to the producing formation according to the following formula:

(1) For a well classified as an oil well by the Railroad Commission of Texas, no more than 40 acres, unless additional acreage is specifically authorized as a result of action by the Railroad Commission of Texas;

(2) For a well classified as a gas well by the Railroad Commission of Texas, no more than 320 acres plus 10% tolerance unless additional acreage is specifically authorized by field rules promulgated by the Railroad Commission of Texas or as a result of action by the Railroad Commission of Texas;

and upon such filing being made the portion of the leased premises described therein shall be and remain a "production unit" for all purposes contained herein. In each instance, where applicable, production units must be identical to proration units.

C. PUGH CLAUSE. Notwithstanding anything to the contrary herein, this lease shall terminate at the expiration of its primary term except for each producing well located thereon or on lands pooled therewith in accordance with the terms hereof, and the acreage allotted to such well or wells for Production Units. Lessee agrees to execute and deliver to Lessor all documents necessary to effect an appropriate release of this lease as to such undrilled units and acreage. At the expiration of the primary term, this lease shall expire as to all rights below 100 feet below the deepest producing formation in any well and/or production unit located thereon. **Provided, however, that, if this lease has been continuously maintained in force and effect in accordance with its terms, on the tenth anniversary date of this lease, if Lessee has not obtained production in paying quantities from any formation or formations above the deepest producing formation of any well as indicated by Lessee in its designation of each production unit, this lease shall expire as to all rights in such non-produced formation or formations.**

D. POOLING.

(1) Pooling or Unitization of all or any part of the leased premises with an off-premises well, defined herein to mean a well located on and completed under land not covered by this lease, is not permitted without the consent of The Board or its authorized representative. Such consent shall not be forthcoming unless the land covered by this lease shall comprise not less than one-half (1/2) of the total acreage contained in such pooled unit for an off-premises well, and Lessee shall have no right or power to the pool or combine any of the land covered by this lease into such pooled unit containing less than one-half (1/2) of the acreage unless The Board or its authorized representative specifically finds it to be in the best interest of Lessee to permit such pooling.

(2) Production from or operations on a pooled unit or units embracing a portion of the leased premises will maintain this Lease in force only as to the acreage embraced in said unit or units.

E. SEISMIC SURVEYING. All seismic activities shall be approved in advance by the Board's authorized representative, and any changes or requirements must be complied with by the Lessee. Failure to so comply will result in immediate revocation of the permit. Lessee shall be responsible for all damages to property, real and personal, and injuries to persons and livestock resulting from any

operations or activities conducted on the property. The Lessor may designate routes to be utilized in all seismic surveying. Deviation from said routes by a Lessee shall result in immediate revocation of the permit.

F. DRILLING AND PRODUCTION OPERATIONS

(1) Any violation of any valid law or of any valid rule, regulation or requirement of any state or federal regulatory body having jurisdiction with reference to drilling, completing, equipping, operating, producing, maintaining, or abandoning oil or gas wells or related appurtenances, equipment or facilities, or with reference to firewalls, fire protection, blowout protection or safety of persons or property shall be a violation of this lease agreement.

(2) Within thirty (30) days after completion of any well, Lessee shall file with Lessor a final report which shall be a copy of the appropriate Railroad Commission forms.

(3) In the event of the loss of control of any well the operator shall immediately take all reasonable steps to regain control of such well, and shall notify Lessor as soon as practicable. All wells and production facilities shall be completely enclosed by a six (6) foot high chain link fence with three (3) turned out barbed wire strands at the top.

(4) All operators shall make adequate provisions for the disposal of salt water or other impurities which may be produced along with the oil or gas in a manner which prevents the contamination of the surface or subsurface water supply or the destruction of vegetation. No operator or any person engaged in the operation of any loading rack, storage or other facility or equipment used in the production, storage, transportation, sale or shipment of crude oil or other flammable petroleum product shall allow any such substance to spill over, overflow, leak, drain out, escape or accumulate in any sewer or about the premises, or on any surface, or in any open surface ditch or any other exposed surface conduit, in any manner or amount which creates a potential fire hazard, or which may pollute any surface or subsurface water or damage any publicly owned land.

(5) All surface area utilized by an operator shall be kept clear of high grass, weeds and combustible trash or other rubbish or debris that would, if allowed to accumulate, result in a fire hazard.

(6) Printed signs with at least five (5) inch letters reading, "DANGER, NO SMOKING OR OPEN FLAMES ALLOWED" or similar words shall be posted in conspicuous places on each well, storage tank or battery of tanks. The signs shall include the production unit number and emergency notification telephone number of the nearest fire department. Well and lease designations required by the Railroad Commission of Texas or any other governmental authority having jurisdiction shall also be displayed.

(7) Whenever any well is permanently abandoned, it shall be the obligation of the operator to plug such well in accordance with the laws of the State of Texas, the rules of the Railroad Commission of Texas, and/or any other agency having jurisdiction in connection with the plugging operation and to provide Lessor with a notice of intent to plug and abandon which will include the abandonment program and request for release of permit. Such plugging obligation is subject to the rights of Lessor in Paragraph II(I) included hereinabove.

(8) Any expense incurred by Lessor due to a request for and exception under this section shall be paid by the operator requesting such exception.


G. SITE RESERVATION. There is however, expressly reserved unto Lessor, (in addition to all surface rights and use thereof) the right to select drill site locations on the above described property for use by Lessor or any third party selected by Lessor in drilling for oil and gas lying under other tracts of land not subject to this lease and whether or not owned by Lessor. Such sites may be selected by

Lessor at any time during the term of this lease, (primary or extended) at such locations deemed appropriate by Lessor provided such locations are not in direct conflict with Lessee's own drill sites. Lessor shall provide Lessee with a plat of selected surface acreage, not to exceed five (5) acres per location, prior to making use of such locations for drilling purposes. Lessor is entitled, under this reservation, to sell or lease to other drilling contractors or producers the right to utilize such location(s) as a drill site for off-property directional drilling. Such activity shall be in compliance with all requirements of the Railroad Commission of Texas.

IN TESTIMONY WHEREOF, witness the signatures of the parties hereto, Lessor acting by and through the Chancellor of The Texas A&M University System, duly authorized thereunto by the Board of Regents of The Texas A&M University System, this 11th day of December, A.D., 1990.

LESSOR:

THE TEXAS A&M UNIVERSITY SYSTEM
Dr. Perry L. Adkisson, Chancellor


By: 
James B. Bond
Deputy Chancellor

LESSEE:

ULTRAMAR OIL AND GAS LIMITED

By: 
Edward S. Voisinet
Vice President

ATTEST:


W.G. Salmon, Secretary

THE STATE OF TEXAS

COUNTY OF BRAZOS

BEFORE ME, the undersigned authority, a Notary Public in and for Brazos County, Texas, on this day personally appeared James B. Bond, Deputy Chancellor of The Texas A&M University System, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as the act and deed of the Board of Regents of The Texas A&M University System for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 11th day of December, A.D. 1990.

Nancy Moore
Notary Public, State of Texas

THE STATE OF TEXAS

COUNTY OF Harris

BEFORE ME, the undersigned authority, on this day personally appeared Edward S. Voisinet, Vice President of Ultramar Oil and Gas Limited known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said Corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 14th day of December, A.D., 1990.



Leslie L. Richards
Notary Public, State of Texas

DEED WITHOUT WARRANTY

THE STATE OF TEXAS I
COUNTY OF DALLAS I

KNOW ALL MEN BY THESE PRESENTS:

THIS INDENTURE, made this 30th day of April, 1962, between the UNITED STATES OF AMERICA, acting by and through the Secretary of Health, Education, and Welfare by the Regional Director, Region VII, Department of Health, Education, and Welfare, under and pursuant to the powers and authority contained in the Federal Property and Administrative Services Act of 1949, Public Law 152, 81st Congress (63 Stat. 377), as amended (40 U.S.C.A. 471 et seq.), hereinafter referred to as the Act, and Reorganization Plan No. 1 of 1953, Public Law 13, 83rd Congress, GRANTOR, and the State of Texas acting by and through The Board of Directors of the Agricultural and Mechanical College of Texas, an educational instrumentality duly organized and existing under the laws of the State of Texas, under and pursuant to the powers and authority contained in the Acts of the Legislature of Texas in Section 36, Article IV, of Senate Bill No. 1 of the First Called Session of the 57th Legislature, GRANTEE,

WITNESSETH:

1. WHEREAS, certain real and related personal property hereinafter fully described was heretofore declared surplus, and in accordance with the provisions of the aforesaid Act, was assigned by the Administrator of General Services to the Secretary of Health, Education, and Welfare for disposal upon his recommendation that said property was needed for educational and research purposes; and

2. WHEREAS, it is the desire of the Board of Directors of the Agricultural and Mechanical College of Texas, the governing authority of the Agricultural and Mechanical College of Texas, to purchase said property at a public benefit allowance to be utilized in accordance with its application dated August 31, 1961, and amendments to said application dated January 15, 1962, January 17, 1962, and which application and amendments are hereby made a part hereof by reference; and

CERTIFIED TO BE A TRUE COPY

L. Daniel W. ...
Division of Surplus Property Utilization

3. WHEREAS, notice was given to the Administrator of General Services of intention to transfer said property to the State of Texas for the use and benefit of the Agricultural and Mechanical College of Texas in accordance with the provisions of Section 203(k)(1) of the Act, and he has advised in writing that no objection is interposed to said disposal; and

4. WHEREAS, the total fair value of the property hereby conveyed is \$3,651,090.00, enumerated and described in four parcels as follows:

Land	\$ 360,300.00
Schedule A, Part 1	3,060,900.00
Schedule A, Part 2	225,600.00
Schedule A, Part 3	<u>4,290.00</u>
Total	\$3,651,090.00

NOW THEREFORE, the GRANTOR, for and in consideration of the Premises and the sum of Three million six hundred fifty-one thousand and ninety dollars (\$3,651,090.00) to be paid by the GRANTEE by earning a Public Benefit Allowance of one hundred percent for said sum by observance and performance by the GRANTEE, its successors and assigns, of the covenants, conditions, reservations and restrictions hereinafter contained does by these presents, bargain, sell, grant, and convey, but without warranty, express or implied, and under and subject to the covenants, conditions, reservations, restrictions, and exceptions hereinafter set forth, unto the GRANTEE, its successors and assigns, the property more particularly described and set forth in the hereinafter attached Schedule A, Part 1, Schedule A, Part 2, and Schedule A, Part 3, which are made a part hereof by reference as fully as though incorporated herein, together with the following described real property, all situate, lying and being in the County of Brazos, State of Texas, to-wit:

BEING 1991.39 acres of fee-owned land described as follows:

BEING portions of the James Curtis, Jr., Survey A-12, the John Williams Survey A-237, and the Thomas F. McKinney Survey A-33, Brazos County, Texas, and more particularly described as follows:

BEGIN at the southernmost corner of the said John Williams Survey and the easternmost corner of the James Curtis, Jr., Survey, situated in the northwesterly line of the Thomas F. McKinney Survey, same being in the southeasterly boundary

line of the former Bryan Air Force Base, and said point of beginning; being the most easterly corner of a 10.40 acre acquisition tract, BA-16, formerly owned by Sam Fachorn, et ux;

THENCE south $47^{\circ} 20'$ W 517.2 feet with the southeasterly boundary of Tract BA-16 and the southeasterly line of the former Bryan Air Force Base, to the most southerly corner of said Tract BA-16, and also being the most easterly corner of a 11.0 tract, identified BA-17, acquired from Charles Todaro, et ux;

THENCE south $45^{\circ} 30'$ W 550 feet, more or less, with the southeasterly line of former Bryan Air Force Base, being the southeasterly line of Tract BA-17, to the most southerly corner of said Tract BA-17, said point being the most easterly corner of a 6.80 acre tract, identified BA-18, acquired from Sam Piccolo;

THENCE along the southeasterly line of said Tract BA-18, being the southeasterly line of the former Bryan Air Force Base, as follows: South $47^{\circ} 20'$ W 327.4 feet to a point of tangency; thence 30.3 feet along the arc of a curve to the left, the radius of which is 5754.65 feet, and the chord of which bears south $47^{\circ} 11'$ W 30.3 feet to the most southerly corner of said Tract BA-18, being the most easterly corner of a 42.5 acre tract, identified BA-19, acquired from Sam N. Fachorn, et ux;

THENCE with the southeasterly line of Tract BA-19, the southeasterly line of the former Bryan Air Force Base, as follows: Continuing along the arc of said curve to the left 274.4 feet to a point of tangency; thence south $44^{\circ} 18'$ W 1730.0 feet to a point; thence south $57^{\circ} 50'$ W 97.9 feet to a point; thence south $48^{\circ} 36'$ W 1271.6 feet to a point; thence south $15^{\circ} 13'$ 486.2 feet to a point, being the most southerly corner of said Tract BA-19;

THENCE south $13^{\circ} 44'$ W with a southeasterly line of a 90.8 acre tract of land, identified BA-25, acquired from Joe Viola, et ux, being along the southeasterly line of the former Bryan Air Force Base, 61.0 feet to the most easterly corner of a 20.5 acre tract, identified BA-23, acquired from Mary Viola, et vir;

THENCE south $13^{\circ} 44'$ W with the southeasterly line of said Tract BA-23, a southeasterly line of the former Bryan Air Force Base, 969.8 feet to the most southerly corner of said Tract BA-23;

THENCE north $66^{\circ} 2'$ W with the southwesterly line of said Tract BA-23, a southwesterly line of said former Bryan Air Force Base, 1265.9 feet to the most westerly corner of said Tract BA-23, being in the southeasterly line of a 63.4 acre tract, identified BA-24, acquired from Tony J. Messina, et ux;

THENCE south $50^{\circ} 55'$ W with the southeasterly line of said Tract BA-24, being a southeasterly line of the former Bryan Air Force Base, 932.4 feet, more or less, to the most northerly corner of a 1.26 acre tract of land, identified as Tract 52, acquired from Joe Viola, et ux;

THENCE south with the east line of said Tract 52, being an east line of the former Bryan Air Force Base, 548 feet to the intersection of this line with an east line of an 35.38 acre tract, identified as Tract 53, acquired from Mat B. Allen, Jr., et al;

THENCE south with the east line of said Tract 53, being an east line of the former Bryan Air Force Base, 607 feet to the southeast corner of said Tract 53;

THENCE west with the south line of said Tract 53, being a south line of the former Bryan Air Force Base, 1500 feet to the southwest corner of said Tract 53, being the northeast corner of a 40.70 acre tract, identified as Tract 56, acquired from N. B. Allen, Jr. et al;

THENCE west with the south line of said Tract 56, being a south line of the former Bryan Air Force Base, 650 feet, more or less, to a point on top of a steep bank, same being the northeast bank of the Brazos River, and also the southwest corner of said Tract 56;

THENCE upstream with the meanders of the top of said steep bank in a northwesterly direction, being the west line of said Tract 56 and a west line of the former Bryan Air Force Base, approximately 1450 feet to a point for the northwest corner of said Tract 56, being the southeast corner of a 2.50 acre tract, identified as Tract 57, acquired from John Regmund, et ux;

THENCE upstream with the meanders of the top of said steep bank in a northwesterly direction with the southwesterly line of said Tract 57, being a southwesterly line of former Bryan Air Force Base, approximately 125 feet to the southwest corner of said Tract 57;

THENCE north $44^{\circ} 24'$ E 880 feet, to a point;

THENCE north 110 feet more or less, to a point in the southwesterly line of a 101.70 acre tract of land, identified as Tract BA-26, acquired from Sam Piccolo, et ux;

THENCE north $45^{\circ} 0'$ W with the southwesterly line of said Tract BA-26, being a southwesterly line of the former Bryan Air Force Base, 1758.2 feet to a point on the southeasterly right-of-way line of the former Pitts-Bridge Road, being the most westerly corner of said Tract BA-26;

THENCE north $45^{\circ} 21'$ E with the northwesterly line of said Tract BA-26, being a northwesterly line of the former Bryan Air Force Base, 1034.1 feet to the most southerly corner of a 66.9 acre tract of land, identified as BA-28, acquired from Willie Kuder, et ux;

THENCE north $45^{\circ} 24'$ W with the southwesterly line of said Tract BA-28, being a southwesterly line of the former Bryan Air Force Base, 1230.1 feet to the most westerly corner of said Tract BA-28, being the most southerly corner of a 75 acre tract, identified as BA-33, acquired from John Regmund, et ux;

THENCE north 45° W with the southwesterly line of said Tract BA-33, being a southwesterly line of former Bryan Air Force Base, 1513.32 feet to the most westerly corner of said Tract BA-33, being the southwest corner of a 118.50 acre tract of land, identified as BA-34, acquired from Madison Bradley, et al;

THENCE north $45^{\circ} 24'$ W with the southwest line of said Tract BA-34, being a southwest line of the former Bryan Air Force Base, 852.8 feet to the most westerly corner of said Tract BA-34, being the most southerly corner of a 20.20 acre tract of land, identified as BA-41, acquired from Leila Law Boatwright, Estate;

THENCE along the southwesterly boundary of said Tract BA-41, being a southwesterly boundary of the former Bryan Air Force Base, as follows: North $45^{\circ} 24'$ W 690.6 feet to a point; thence north $32^{\circ} 57'$ W 123.3 feet to the most westerly corner of said Tract BA-41, being the most southerly corner of a 12.60 acre tract, identified as BA-40, acquired from Robert Person, et al;

THENCE north $32^{\circ} 57'$ W with the southwesterly line of said Tract BA-40, being a southwesterly line of the former Bryan Air Force Base, 395.1 feet for the most westerly corner of said Tract BA-40, being the most westerly corner of the former Bryan Air Force Base, said point being the southeasterly right-of-way line of a country road;

THENCE north $44^{\circ} 30'$ E 850 feet, more or less, with the northwesterly line of said Tract BA-40, being a northwesterly line of the former Bryan Air Force Base, to the northerly boundary right-of-way of Bryan-Mosley Ferry Road, being the most southerly corner of a 1.70 acre tract of land, identified as BA-50, acquired from Anton Ragmund;

THENCE south $77^{\circ} 46'$ W along said northerly right-of-way line with the southerly line of said Tract BA-50, being a southerly line of former Bryan Air Force Base, 54.7 feet to the most westerly corner of said Tract BA-50;

THENCE north $44^{\circ} 30'$ E with the northwesterly line of said Tract BA-50, being a northwesterly line of the former Bryan Air Force Base, 2422.4 feet to a point on the southerly right-of-way line of Texas State Highway No. 21, for the most northerly corner of this tract;

THENCE north $77^{\circ} 69'$ E with the northerly line of said Tract BA-50, the north line of the former Bryan Air Force Base, and the southerly right-of-way line of Texas Highway 21, 54.6 feet to a northerly corner of Tract BA-34;

THENCE north $77^{\circ} 49'$ E along a north line of said Tract BA-34, being a north line of the former Bryan Air Force Base, and the southerly right-of-way line of said Highway 21, 350 feet to the most westerly corner of a 15.60 acre tract of land, identified BA-37, acquired from Odessia B. Oldham, et al;

THENCE north $77^{\circ} 49'$ E with the northerly line of said Tract BA-37, being the northerly line of the former Bryan Air Force Base, and the southerly right-of-way line of State Highway 21, 508.2 feet to the most northerly corner of said Tract BA-37, being the most westerly corner of a 15.80 acre tract of land, identified as BA-36, acquired from Isaac Bradley, Estate;

THENCE north $80^{\circ} 45'$ E with the north line of said Tract BA-36, being the north line of the former Bryan Air Force Base and the southerly right-of-way line of State Highway 21, 544 feet to the most northerly corner of this tract, which is the most westerly corner of a 15.80 acre tract of land, identified as BA-35, and acquired from Samuel Demart, et al;

THENCE north $77^{\circ} 49'$ E with the north line of said Tract BA-35, being the north line of the former Bryan Air Force Base, and the southerly right-of-way line of State Highway 21, 1049.5 feet for the northeast corner of said Tract BA-35, being the most northerly northwest corner of a 30.00 acre tract of land, identified as BA-7, acquired from Frank J. Kocman;

THENCE north 77° 49' E with the north line of said Tract BA-7, being the north line of former Bryan Air Force Base, and the southerly right-of-way line of State Highway 21, 600 feet, more or less, to the northeast corner of this tract, being the northwest corner of a 52.00 acre tract, identified as BA-6, acquired from Ophelia Uhyrek, et al;

THENCE north 77° 49' E along the north line of said Tract BA-6, being the north line of the former Bryan Air Force Base, and the southerly right-of-way line of State Highway 21, 2000 feet, more or less, to the intersection of this line with the boundary line between the James Curtis, Jr. Survey No. A-12 and the John Williams Survey No. A-237, said intersection being the most westerly corner of a 32.50 acre tract of land, identified as BA-5, and acquired from R. L. Smith, Estate;

THENCE north 77° 49' E along the northerly line of said Tract BA-3, being the northerly line of the former Bryan Air Force Base, 2533.2 feet for the northeast corner of said Tract BA-5, and being the most northerly northwest corner of a 77.50 acre tract of land, identified as BA-1, and acquired from Charles Merka, et ux;

THENCE north 77° 49' E with the northerly line of said Tract BA-1, being the north line of the former Bryan Air Force Base, and the southerly right-of-way line of State Highway 21, 317.3 feet to the northeast corner of said Tract BA-1, being the northwest corner of a 0.40 acre tract of land, identified as Tract BA-49, and acquired from Fred A. Wahrman, et ux;

THENCE north 77° 49' E with the north line of said Tract BA-49, being the north line of the former Bryan Air Force Base, and southerly right-of-way line of State Highway 21, 172.7 feet for the northeast corner of said Tract BA-49;

THENCE south with the east line of said Tract BA-49, being an east line of the former Bryan Air Force Base, 205.1 feet to a point on the northeasterly line of said Tract BA-1;

THENCE south 45° 0' E with the northeasterly line of said Tract BA-1, being the northeasterly line of the former Bryan Air Force Base, 1354.0 feet to a point on the northwesterly line of the former right-of-way for the Bryan-Moseley Ferry Road;

THENCE south 44° 25' W 11.4 feet along said northwesterly right-of-way to a point;

THENCE crossing said Bryan-Moseley Ferry Road and along the southwesterly right-of-way line of a country road, being the northeasterly boundary line of said Tract BA-1 and the north-easterly boundary of the former Bryan Air Force Base as follows: South 45° 12' E 1011.8 feet to a point; thence south 44° 25' E 1641.8 feet to a point; thence south 45° 2' E 959.5 feet to a point on the northerly right-of-way line of a country road; said point being the most easterly corner of said Tract BA-1 and the most easterly corner of the former Bryan Air Force Base;

THENCE south 42° 29' W with the southeasterly line of said Tract BA-1, being a southeasterly line of the former Bryan Air Force Base, 506.6 feet to the most southerly corner of said Tract BA-1, being the most easterly corner of a 77.90 acre tract of land, identified as BA-2, acquired from Joe Varisco, et ux;

THENCE along the south boundary line of said Tract BA-2, being the southeasterly boundary line of the former Bryan Air Force Base, and the northwesterly right-of-way line of a county road as follows: South $44^{\circ} 40'$ W 1013.8 feet to a point; thence south $45^{\circ} 52'$ W 850.1 feet to the most southerly corner of said Tract BA-2, said point being the place of beginning and containing 1991.26 acres of land, more or less.

IT IS EXPRESSLY UNDERSTOOD and AGREED that two tracts of land acquired by Declarations of Taking in Civil Action No. 824 in the District Court of the United States for the Southern District of Texas, Houston Division, are hereby conveyed, which tracts, identified in said Civil Action No. 824 as Tract BA-1A and Tract BA-5A, are described as follows:

TRACT BA-1A

BEING a tract of land situated in the County of Brazos, State of Texas, being part of the John Williams Survey (A-237), and being more particularly described as follows, all bearings being referred to true north:

BEGINNING at the most easterly corner of the Mary A. Smith 150.0 acre tract;

THENCE south $45^{\circ} 01'$ east, 47.7 feet to a point on the northerly line of the right-of-way for Texas State Highway No. 21;

THENCE south $77^{\circ} 49'$ west, 90.7 feet along the northerly right-of-way line for said Texas State Highway No. 21 to a point;

THENCE north $46^{\circ} 08'$ east, 76.3 feet along the southeasterly line of the said Mary A. Smith 150.0 acre tract to the point of beginning, containing 0.04 acre, more or less.

TRACT BA-5A

BEING a tract of land situated in the County of Brazos, State of Texas, being part of the John Williams Survey (A-237), and being more particularly described as follows, all bearings being referred to true north:

BEGINNING at the most northerly corner of the Charles Merka 77.5 acre tract;

THENCE south $46^{\circ} 08'$ west, 76.3 feet along the northwesterly line of the said Charles Merka 77.5 acre tract to a point on the northerly line of the right-of-way for Texas State Highway No. 21;

THENCE south 77° 49' west, 8.3 feet along the northerly right-of-way line for said Texas State Highway No. 21 to a point;

THENCE north 00° 04' east, 117.6 feet to a point;

THENCE south 45° 01' east, 89.0 feet to the point of beginning, containing 0.09 acre, more or less.

The total acreage described above aggregates 1991.39 acres.

IT IS THE INTENTION and UNDERSTANDING of the GRANTOR that the foregoing descriptions describe the same land that was acquired by the United States of America as follows:

(a) 1095.55 of the 1991.39 acres, constituting

TRACTS

BA-1, BA-1A, BA-2, BA-3, BA-4, BA-5, BA-5A, BA-6, BA-7, BA-8, BA-11, BA-11A, BA-12, BA-13, BA-14, BA-15, BA-17, BA-18, BA-24, BA-30, BA-31, BA-32, BA-33, BA-34, BA-36, BA-37, BA-38, BA-40, BA-41, BA-42, BA-45, BA-49, BA-35, BA-43, BA-46, and BA-9, were acquired by Declarations of Taking in Civil Action No. 824 in the District Court of the United States for the Southern District of Texas, Houston Division; and

(b) 895.84 of the 1991.39 acres were acquired by warranty deeds, and are described as follows:

<u>Acquisition</u> <u>Tract No.</u>	<u>Acreage</u>	<u>Deed Date</u>	<u>Recording Data</u>
BA-10	53.50	5-24-43	Vol. 113, Page 227
BA-16	10.40	7-19-43	Vol. 113, Page 482
BA-19	42.50	5-5-43	Vol. 113, Page 61
BA-20	98.00	2-16-43	Book 112, Page 294
BA-21	99.20	2-8-43	Vol. 112, Page 137
BA-22	100.90	2-11-43	Vol. 112, Page 353
BA-23	20.5	3-3-43	Vol. 112, Page 298
		6-19-43	Vol. 113, Page 364
BA-25	90.80	3-3-43	Vol. 112, Page 297
BA-26	101.70	3-3-43	Vol. 112, Page 295
BA-27	62.00	5-6-43	Vol. 113, Page 59
BA-28	66.90	3-29-43	Vol. 112, Page 465
BA-29	45.30	4-10-43	Vol. 112, Page 502
BA-39	20.90	3-29-43	Vol. 112, Page 464
BA-44	1.70	7-19-43	Vol. 113, Page 469
BA-50	1.70	4-9-43	Vol. 112, Page 403
52	1.26	7-28-52	Vol. 155, Page 144
53	35.38	11-17-52	Book 156, Page 599
56	40.70	3-9-54	Vol. 162, Page 570
57	2.5	11-10-53	Vol. 161, Page 493

THE GRANTOR'S interest hereby conveyed in the above-described tracts acquired by Declaration of Taking ((a) above) is the fee title SUBJECT to EXISTING EASEMENTS for PUBLIC ROADS and HIGHWAYS, PUBLIC UTILITIES, RAILROADS and PIPELINES.

THE GRANTOR'S interest hereby conveyed in the above-described tracts acquired by Warranty Deed ((b) above) is the fee title SUBJECT to EXISTING EASEMENTS for PUBLIC ROADS and HIGHWAYS, PUBLIC UTILITIES, RAILROADS and PIPELINES, and ALSO to the following SPECIFIC RESERVATIONS, CONDITIONS and COVENANTS:

EXCEPTED from the conveyance of the above-referenced TRACTS BA-16 and BA-19 is an undivided, 1/16th interest (same being 1/2 of the usual 1/8 royalty) in and to all of the oil, gas, and other minerals in and under, or that may be produced from the land; which is the same RESERVATION in a deed from the Federal Land Bank of Houston to Ross Bosno, recorded in Volume 100, Page 480, of the Deed Records of Brazos County, Texas, to which deed reference is here made for fuller description. Said TRACTS BA-16 and BA-19 are described as follows:

TRACT BA-16

A tract of land situated in the County of Brazos, State of Texas, and being part of the James Curtis, Jr., Survey (A-12), and being more particularly described as follows, all bearings being referred to true north:

BEGINNING at the most northerly corner of the Charles Todaro 10.5 acre tract, said point being on the south-easterly line of the Frank Hubacek 53.5 acre tract;

THENCE north $44^{\circ} 47'$ east, 517.2 feet along said south-easterly line of said Frank Hubacek 53.5 acre tract to a point on the northeasterly line of the aforesaid James Curtis, Jr., Survey (A-12), said point being in the center line of a county road;

THENCE south $43^{\circ} 49'$ east, 884.1 feet along said north-easterly survey line and said center line of said county road to a point on the northwesterly line of the right-of-way for a county road;

THENCE south $47^{\circ} 20'$ west, 517.2 feet along said north-westerly right-of-way line for said county road to a point;

THENCE north $43^{\circ} 49'$ west, 861.0 feet along the northeasterly line of the aforesaid Charles Todaro 10.5 acre tract to the point of beginning, containing 10.4 acres, more or less.

TRACT BA-19

A tract of land situated in the County of Brazos, State of Texas, being part of the James Curtis, Jr., Survey (A-12), and part of the Thomas F. McKinney Survey (A-33), and being more particularly described as follows, all bearings being referred to true north:

BEGINNING at the most southerly corner of the Antonio Cascio 100.9 acre tract, said corner being on the north-easterly line of the Joe Viola 60-foot lane;

THENCE north $45^{\circ} 10'$ east, 3263.3 feet along the south-easterly lines of the said Antonio Cascio 100.9 acre tract, the Ignazio Prociono 99.2 acre tract, and the Santo Di Mario 98.0 acre tract to a point;

THENCE north $45^{\circ} 13'$ west, 428.1 feet along a northeasterly line of the said Santo Di Mario 98.0 acre tract to a point;

THENCE north $44^{\circ} 47'$ east, 759.2 feet along a southeasterly line of the said Santo Di Mario 98.0 acre tract, and the southeasterly lines of the Lena Scapanati 16.1 acre tract and the Rosa Morill 16.1 acre tract to a point on the south-easterly line of the Joe Piccolo 16.1 acre tract;

THENCE south $45^{\circ} 49'$ east, 821.1 feet along the southwesterly line of the Sam Piccolo 6.8 acre tract to a point on a curve on the northwesterly right-of-way line for a county road;

THENCE along the said northwesterly right-of-way line for the said county road as follows: 274.4 feet along the arc of a curve to the left, the radius of which is 5754.65 feet and the chord of which bears south $45^{\circ} 40'$ west, 274.4 feet to a point of tangency;

THENCE south $44^{\circ} 18'$ west, 1730.0 feet to a point;

THENCE south $57^{\circ} 50'$ west, 97.9 feet to a point;

THENCE south $48^{\circ} 36'$ west, 1271.6 feet to a point;

THENCE south $15^{\circ} 13'$ west, 486.2 feet to a point;

THENCE departing from said northwesterly right-of-way line for said county road north $65^{\circ} 55'$ west, 596.6 feet along the north-easterly line of the aforesaid Joe Viola 60-foot lane to the point of beginning, and containing 42.5 acres, more or less.

IT IS FURTHER EXPRESSLY UNDERSTOOD and AGREED that the above-referenced TRACT BA-20 was acquired SUBJECT to the rights of the public to that portion of the Pitts-Bridge Road, which formerly traversed this land; and this tract is conveyed with that RESERVATION. Said TRACT BA-20 is described as follows:

TRACT BA-20

A tract of land situated in the County of Brazos, State of Texas, being part of the James Curtis, Jr., Survey (A-12) and

being more particularly described as follows, all bearings being referred to true north:

BEGINNING at the most easterly corner of the Ignazio Proscione 99.2 acre tract, said point being on the northwesterly line of the Sam W. Fachorn 42.5 acre tract;

THENCE north $44^{\circ} 38'$ west, 4212.1 feet along the north-easterly line of the said Ignazio Proscione 99.2 acre tract to a point on the center line of the Pitts-Bridge Road;

THENCE north $44^{\circ} 38'$ east, 1043.8 feet along the center line of the said Pitts-Bridge Road to a point;

THENCE departing from center line of said Pitts-Bridge Road, south $44^{\circ} 38'$ east, 3791.6 feet along the southwesterly line of the Lena Scapaneti 16.1 acre tract to a point, said point being on the aforesaid northwesterly line of the Sam W. Fachorn 42.5 acre tract;

THENCE along the northwesterly line of said Sam W. Fachorn 42.5 acre tract as follows: South $44^{\circ} 47'$ west, 308.7 feet to a point; south $45^{\circ} 13'$ east, 428.1 feet to a point; south $45^{\circ} 10'$ west, 739.2 feet to the point of beginning and containing 96.0 acres, more or less.

IT IS EXPRESSLY UNDERSTOOD and AGREED that the above-referenced TRACT BA-26 was acquired and is SUBJECT to a utility easement granted the City of Bryan by easement deed which is recorded in Book 98, Page 175, of the Deed Records of Brazos County, Texas, to which reference is made for fuller description; and this tract is conveyed with that RESERVATION. Said Tract BA-26 is described as follows:

TRACT BA-26

A tract of land situated in the County of Brazos, State of Texas, being part of the James Curtis, Jr., Survey (A-12), and being more particularly described as follows, all bearings being referred to true north:

BEGINNING at the most westerly corner of the Joe Viola 90.8 acre tract;

THENCE south $47^{\circ} 21'$ east, 297.5 feet along a southwesterly line of the said Joe Viola 90.8 acre tract to a point;

THENCE south $44^{\circ} 24'$ west 679.5 feet along a northwesterly boundary of said Joe Viola 90.8 acre tract and its extension to a point on the southwesterly boundary of the former Bryan Airfield;

THENCE along said southwesterly boundary line of said former Bryan Airfield as follows: North $45^{\circ} 00'$ west, 1868.2 feet to a point on the southeasterly right-of-way line for Pitts-Bridge Road;

THENCE north 45° 21' east, 1034.1 feet along the said southeasterly right-of-way line for said Pitts-Bridge Road to a point;

THENCE departing from the southeasterly right-of-way line for said Pitts-Bridge Road north 45° 24' west, 30.0 feet to a point in the center line of the said Pitts-Bridge Road, said point being on the southwesterly boundary of said former Bryan Airfield;

THENCE departing from said former Bryan Airfield along the center line of the said Pitts-Bridge Road as follows: North 45° 11' east, 1246.1 feet to a point;

THENCE north 47° 30' east, 300.8 feet to a point;

THENCE north 51° 45' east, 52.6 feet to a point;

THENCE departing from said center line of said Pitts-Bridge Road south 47° 43' east, 1589.6 feet along the southwesterly line of the Joe Messina Lane to a point on the northeasterly line of the aforesaid Joe Viola 90.8 acre tract;

THENCE south 45° 40' west, 2041.0 feet along the said northwesterly line of the said Joe Viola 90.8 acre tract to the point of beginning, and containing 101.7 acres, more or less.

IT IS FURTHER UNDERSTOOD and AGREED that the above-referenced TRACT BA-50 was acquired and is SUBJECT to the rights of Bryan and Central Texas Interurban Railway Company under that certain right-of-way deed dated May 28, 1913, recorded in Book 44, Page 223, of the Deed Records of Brazos County, Texas; and said Tract BA-50 is further SUBJECT to a utility easement granted the City of Bryan, Texas, which easement deed, dated April 19, 1937, is recorded in Book 98, Page 124, of the Deed Records of Brazos County, Texas, to which reference is made; and this tract is conveyed SUBJECT to these two reservations Tract BA-50 is described as follows:

TRACT BA-50

A tract of land situated in the County of Brazos, State of Texas, being part of the James Curtis, Jr., Survey (A-12); and being more particularly described as follows, all bearings being referred to true north:

BEGINNING at the intersection of the southerly line of the right-of-way for Texas State Highway No. 21 and a northwesterly line of the Madison Bradley 119.5 acre tract;

THENCE south 44° 30' west, 2422.3 feet along a northwesterly line of said Madison Bradley 119.5 acre tract, the northwesterly line of the Mike Bowser 9.5 acre tract, and the northwesterly line of the George W. Persons 12.6 acre tract to a point on the northerly line of the right-of-way for the Bryan-Moseley Ferry Road;

THENCE south $77^{\circ} 46'$ west, 54.7 feet along said northerly right-of-way line to a point;

THENCE, departing from said northerly right-of-way line, north $44^{\circ} 30'$ east, 2422.4 feet to a point on the southerly right-of-way line for aforesaid Texas State Highway No. 21;

THENCE north $77^{\circ} 49'$ east, 54.6 feet along said southerly right-of-way line to the point of beginning, containing 1.7 acres, more or less.

IT IS UNDERSTOOD and AGREED that the above-referenced TRACT BA-56 was acquired and is SUBJECT to the rights of the public and adjoining land owners in access to the public roads, and the right of water flowage through drainage ditches across a portion of the tract as a covenant running with the land in a deed from M. F. Dansby to Ross Benevanti and Paul Stalloni, dated November 4, 1911, and recorded in Volume 37, Page 293, Deed Records of Brazos County, Texas; in a deed from M. F. Dansby to Joe S. Salidina, dated November 4, 1911, recorded in Volume 39, Page 195, Deed Records of Brazos County, Texas; and in deed from Joe S. Salidina et ux to N. D. Allen, dated September 2, 1944, recorded in Volume 117, Page 238, Deed Records of Brazos County, Texas; and this tract is conveyed SUBJECT to these reservations. Tract BA-56 is described as follows:

TRACT BA-56

A tract of land situated in the County of Brazos, State of Texas, being part of the James Curtis, Jr., Survey (A-12) and being more particularly described as follows:

BEGINNING at the southeast corner of Tract No. BA-26 and being in the northwest line of the N. B. Allen, Jr., property, same being also a corner on the boundary line of Bryan Air Force Base;

THENCE along the boundary line between the said N. B. Allen, Jr., and Bryan Air Force Base properties as follows: North $44^{\circ} 24'$ east, 440.2 feet to a point for the northernmost corner of said N. B. Allen, Jr., property;

THENCE south $45^{\circ} 32'$ east, 703.9 feet to a point for the northeast corner of said N. B. Allen, Jr., property;

THENCE south 1606.5 feet to a point for the southeast corner of said N. B. Allen, Jr., property;

THENCE departing from said boundary line west, 650 feet, more or less, to a point on top of a steep bank, same being the northeast bank of Brazos River and also the southwest corner of said N. B. Allen, Jr., property;

THENCE upstream with the meanders of the top of said steep bank in a northwesterly direction approximately 1450 feet to a point for the northwest corner of said W. B. Allen, Jr., property and the southeast corner of the John Regmund property;

THENCE along the common line between the said W. B. Allen, Jr., and the John Regmund properties north 44° 24' east, 945 feet, more or less, to the point of beginning and containing 40.7 acres, more or less.

IT IS UNDERSTOOD and AGREED that all of the Government-owned improvements located in and upon the above-described 1991.39 acres of land are hereby conveyed with the EXCEPTION of the following enumerated and described building

BUILDINGS EXCEPTED

<u>NUMBER</u>	<u>KNOWN AS</u>	<u>FORMER USE</u>
1.	T-40	Administration
2.	T-41, T-42, T-45 & T-503	Storage Sheds
3.	T-43 & T-44	Open Squadron
4.	T-58	Synthetic General Training Storage
5.	T-205, T-209, T-216, T-220 T-224 & T-232	Squadron Headquarters
6.	T-206, T-207, T-208, T-210, T-211, T-212, T-213, T-214, T-215, T-221, T-222, T-223, T-225, T-226, T-227, T-228, T-229, T-230, & T-231	Dormitories
7.	T-233, T-234, & T-235	Recreation
8.	217	Latrine and Showers
9.	T-246, T-247, T-248, T-249 T-250 & T-251	Officers Quarters
10.	T-255, T-256, T-257, T-258, T-259, T-260, T-268, T-269, T-270, T-277, T-278, T-279	Dormitories
11.	T-261, T-262, T-263 & T-264	Latrines
12.	T-48 & T-70	Administration
13.	T-49	Personal Equipment Storage
14.	T-66	Utility Vault
15.	T-17	Photo Lab
16.	S-15 & T-16	Post Exchange & Warehouse
17.	T-301 & T-307	Squadron Headquarters
18.	T-317 & T-328	Administrative Supply

<u>NUMBER</u> (Cont'd)	<u>KNOWN AS</u>	<u>FORMER USE</u>
19.	T-303, T-304, T-305, T-306, T-308, T-309, T-310, T-311, T-312, T-318, T-319, T-320, T-321, T-322, T-323, T-324, T-325, T-326, T-327, T-329, and T-330	Dormitories
20.	T-333 and T-335	Latrines
21.	T-332 and T-334	Recreation Lounges
22.	T-74 and T-75	Squadron Operations
23.	T-73	Parachute Storage Shed
24.	T-76	Storage Shed
25.	T-86	Administration
26.	T-87 and T-88	Field Maintenance Shops
27.	T-401, T-409, T-416	Squadron Headquarters
28.	T-402, T-403, T-405, T-406, T-407, T-408, T-413, T-414, and T-415	Dormitories
29.	T-417 and T-418	Recreation Lounges
30.	T-471, T-472, T-480, T-481, and T-482	Cadet Quarters
31.	T-485	Latrine
32.	T-493	Radio
33.	S-586	Traffic Check House
34.	S-23	AP Headquarters
35.	S-24	Storeroom
36.	S-900, S-901, S-902, S-903, S-904, S-905, S-906, S-907, S-908, S-909, S-910, S-911, S-912, S-913, S-914, S-915, S-916, S-917, S-918, S-919, S-920, S-921	Four-Family Housing Units

IT IS EXPRESSLY UNDERSTOOD and AGREED that the above-numbered buildings are EXCEPTED from this conveyance to be offered at public sale for off-site removal from the subject land; and the GRANTOR does hereby reserve unto itself, its successors in function and assigns, for a period of one (1) year from the date of sale of each building the right of ingress and egress in and upon the land to remove said building and/or buildings from said land.

IT IS FURTHER UNDERSTOOD and AGREED that Building P-775, the Service Station, together with the right of ingress and egress over the existing streets and roads to said building is EXCEPTED from this conveyance, and hereby RESERVED to the Ada Oil Company, its successors or assigns, or the legal owner of said Building to be determined.

SUBJECT to all easements, rights of way, and servitudes of record, together with all and singular the tenements, hereditaments and appurtenances thereto belonging or in any wise appertaining and the reversion and reversions, except as hereinafter limited, remainder and remainders, rents, issues and profits and also all the estate, right, title, interest, property, possession, claim and demand whatsoever, in law as well as in equity of the said GRANTOR, of, in and to the herein described property for every part and parcel thereof with the appurtenances, except as hereinafter expressly reserved.

TO HAVE AND TO HOLD, the foregoing described property together with all and singular the rights, privileges and appurtenances thereto in anywise belonging unto the said GRANTEE, its successors and assigns forever.

BE IT FURTHER KNOWN BY THESE PRESENTS:

THE GRANTOR for and in consideration of the Premises herein, and other good and valuable considerations to be paid by the GRANTEE by earning a Public Benefit Allowance of one hundred percent (100%) by the observance and performance by the GRANTEE, its successors and assigns, of the covenants, conditions, reservations and restrictions hereinafter contained does by these presents bargain, sell, grant and convey, but without warranty, express or implied, and under and subject to the covenants, conditions, reservations, restrictions, and exceptions hereinafter set forth, unto the GRANTEE, its successors and assigns, the following described property and property rights situate, lying and being in said County of Brazos, State of Texas, to-wit:

BEING 121.84 acres in Easements consisting of the following tracts:

1.

BEING those certain Utility Easements which were acquired by Declarations of Taking in Civil Action No. 1941 in the District Court of the United States for the Southern District of Texas, Houston Division, in the following tracts:

<u>TRACT NO.</u>	<u>ACREAGE</u>
BA-OR-1A	0.57
BA-OR-3	0.67
BA-OR-4	0.15

The estate acquired and hereby conveyed in these tracts is a perpetual easement in, over, and across the above tracts for the location, construction, operation, maintenance, repair, and patrol of electrical transmission, telephone and telegraph lines. Descriptions of these tracts are as follows:

TRACT BA-OR-1A

A tract of land 30 feet in width situated in the County of Brazos, State of Texas, being part of the James Curtis, Jr., Survey (A-12), containing 0.57 of an acre, more or less, being bounded on the southerly end by the northeasterly line of the Ernest Bradley 15.8 acre tract and on the easterly end by a southwesterly line of the Frank Kooman 102.0 acre tract, and being 15 feet on either side of the following described center line, all bearings being referred to true north:

From the most southerly corner of the Madison Bradley 20.0 acre tract, north $44^{\circ} 51'$ west, 1060 feet to the point of beginning, said point being on the northeasterly line of the said Ernest Bradley 15.8 acre tract;

THENCE north $12^{\circ} 11'$ west, 6.0 feet to a point;

THENCE north $77^{\circ} 49'$ east, 823.0 feet to a point on a southwesterly line of the said Frank Kooman 102.0 acre tract.

TRACT BA-OR-5

A tract of land 30 feet in width situated in the County of Brazos, State of Texas, being part of the James Curtis, Jr., Survey (A-12), containing 0.67 of an acre, more or less, being bounded on the southerly end by the southwesterly line of the Ernest Bradley 15.8 acre tract and on the northerly end by the northeasterly line of the said Ernest Bradley 15.8 acre tract, and being 15 feet on either side of the following described center line, all bearings being referred to true north:

From the most southerly corner of said Ernest Bradley 15.8 acre tract north $44^{\circ} 51'$ west, 250 feet to the point of beginning; said point being on the southwesterly line of the said Ernest Bradley 15.8 acre tract;

THENCE north 12° 11' west, 974.0 feet to a point on the northeasterly line of the said Ernest Bradley 15.8 acre tract.

TRACT BA-OR-4

A tract of land 30 feet in width situated in the County of Brazos, State of Texas, being part of the James Curtis, Jr. Survey (A-12), containing 0.15 of an acre, more or less, being bounded on the southerly end by the northerly line of the right-of-way for Texas State Highway No. 21 and on the northerly end by the southwesterly line of the Ernest Bradley 15.8 acre tract, and being 15 feet on either side of the following described center line, all bearings being referred to true north:

From the most southerly corner of the said Ernest Bradley 15.8 acre tract, south 77° 49' west, 130 feet to the point of beginning; said point being on the northerly line of the right-of-way for said Texas State Highway No. 21;

THENCE north 12° 11' west, 220.0 feet to a point on the southwesterly line of the said Ernest Bradley 15.8 acre tract.

2.

BEING those certain Easements for a railroad right-of-way which were acquired by Declarations of Taking in Civil Action No. 8447 in the District Court of the United States for the Southern District of Texas, Houston Division, over the following tracts:

<u>TRACT NO.</u>	<u>ACREAGE</u>
BA-RR-1	2.05
BA-RR-2	1.05
BA-RR-3	1.19

The estate acquired and hereby conveyed in the above tracts of land is a perpetual easement in, on, under, over, and across said tracts, together with any and all improvements thereon and all appurtenances thereto for the construction, maintenance, operation, and patrol of a railroad spur. Descriptions of these tracts are as follows:

TRACT BA-RR-1

A perpetual easement in, over, upon and across all that certain tract of land situated in the John Williams Survey, Abstract No. 237 in Brazos County, Texas, being out of a

tract of 43.5 acres conveyed to Henry Regmund and wife, Barbara Regmund, by F. J. Regmund, et al, by deed dated December 31, 1909, recorded in Volume 34, Page 517, Deed Records of Brazos County, Texas, being a 50-foot strip of land for a railroad right-of-way spur to serve the Air Corps Advanced Single Engine School near Brysn, Texas, and being 25 feet on each side of the center line of said railroad spur track, said 50-foot strip or tract of land being more particularly described as follows:

Commencing at a point where the International-Great Northern Railroad Company's south property line intersects the west line of Public Road, the center line of which crosses the center line of said Railroad Company main line tract at chainage Station 890 + 70 I.C.C., said point being 50 feet distant southerly at right angles from the center line of said main line track;

THENCE north $86^{\circ} 31'$ west along said Railroad Company's south property line, 50 feet from and parallel with the center line of said main line track, a distance of 364 feet to the point of beginning.

THENCE south $86^{\circ} 45'$ west a distance of 7 feet to a point, said point being the P. C. of a curve to the left having a radius of 1248.57 feet, and being 25 feet distant southerly at right angles from the center line of said proposed spur track;

THENCE southwesterly on said curve to the left, 25 feet from and parallel with the center line of said proposed spur track, a distance of 1366.6 feet to the P. T. of said curve;

THENCE south 24° west on a tangent to said curve, 25 feet from and parallel with the center line of said proposed spur track, a distance of 526.27 feet to a point in the southerly line of said Henry and Barbara Regmund tract of 43.5 acres, said point being north $44^{\circ} 55'$ west a distance of 151.2 feet from the southeasterly corner of said Henry and Barbara Regmund 43.5 acre tract;

THENCE north $44^{\circ} 55'$ west along said Henry and Barbara Regmund southerly line, at 26.8 feet cross the center line of said proposed spur track, at 53.6 feet point for corner which is 25 feet distant westerly at right angles from the center line of said proposed spur track;

THENCE north 24° east 25 feet from and parallel with said center line, a distance of 507 feet to the P. C. of a curve to the right having a radius of 1298.57 feet;

THENCE northeasterly on said curve to the right, 25 feet from and parallel with the center line of said proposed spur track, a distance of 1177.25 feet to a point in said Railroad Company's south property line, said point being 50 feet distant southerly at right angles from the center line of said main line track;

THENCE south $86^{\circ} 31'$ east along said Railroad Company's south property line, 50 feet from and parallel with the center line of said main line track, at 111 feet cross the center line of said proposed spur track, at 245 feet the point of beginning, containing 2.05 acres, more or less.

TRACT BA-RR-2

A perpetual easement in, over, upon, and across all that certain tract of land situated in the John Williams Survey, Abstract No. 237, in Brazos County, Texas, being out of a tract of 82.5 acres of land conveyed to Herman F. Wehrman by J. H. Wehrman, et al, by deed dated October 24, 1927, and recorded in Volume 71, page 34, of the Deed Records of Brazos County, Texas, being a 50-foot strip of land for right-of-way of railroad spur to serve the Air Corps Advanced Single Engine School near Bryson, Texas, and being 25 feet on each side of the center line of said railroad spur track; said 50-foot strip or tract of land being more particularly described as follows:

Commencing at a point where the northeasterly line of said Herman F. Wehrman 82.5 acre tract intersects the north right-of-way line of State Highway No. 21;

THENCE north $44^{\circ} 55'$ west along the Herman F. Wehrman northeasterly line, a distance of 2077.2 feet to the point of beginning, said point being 25 feet distant easterly at right angles from the center line of said proposed spur track;

THENCE south 24° west 25 feet from and parallel with the center line of said proposed spur track, a distance of 911 feet to a point in the southwesterly line of said Herman F. Wehrman 82.5 acre tract, said point being in the center line of farm road;

THENCE north $44^{\circ} 55'$ west along the center line of said farm road and southwesterly line of Herman F. Wehrman 82.5 acre tract, at 26.8 feet cross the center line of said proposed spur track, at 53.6 feet point for corner which is 25 feet distant westerly at right angles from the center line of said proposed spur track;

THENCE north 24° east 25 feet from and parallel with the center line of said proposed spur track, a distance of 911 feet to a point in the northeasterly line of said Herman F. Wehrman 82.5 acre tract;

THENCE south $44^{\circ} 55'$ east along the northeasterly line of said Herman F. Wehrman 82.5 acre tract, at 26.8 feet cross the center line of said proposed spur track, at 53.8 feet the point of beginning, containing 1.05 acres, more or less.

TRACT BA-ER-3

A perpetual easement in, over, upon and across all that certain tract of land situated in the John Williams Survey, Abstract No. 237, in Brazos County, Texas, being out of a tract of 81 acres of land conveyed to Fred A. Wehrman by J. H. Wehrman et ux. by deed dated October 24, 1927, and recorded in Volume 71, page 35, of the Brazos County Deed Records, being a 50-foot strip of land for right-of-way of railroad spur to serve the Air Corps Advanced Single Engine School near Bryan, Texas, and being 25 feet on each side of the center line of said railroad spur track; said 50-foot strip or tract of land being more particularly described as follows:

Commencing at a point where the northeasterly line of the Fred A. Wehrman 81 acre tract intersects the north right-of-way line of State Highway No. 21;

THENCE north $44^{\circ} 55'$ west along the northeasterly line of said Fred A. Wehrman 81 acre tract, a distance of 1190.2 feet to the point of beginning, said point being 25 feet distant easterly at right angles from the center line of said proposed spur track;

THENCE south 24° west 25 feet from and parallel with said center line, a distance of 156.01 feet to the P. C. of a curve to the left having a radius of 1885.08 feet;

THENCE southerly on said curve to the left 25 feet from and parallel with the center line of said proposed spur track, a distance of 789.04 feet to the P. T. of said curve;

THENCE south, on a tangent to said curve, 25 feet from and parallel with the center line of said spur track, a distance of 97.05 feet to a point in the southwesterly line of said Fred A. Wehrman 81 acre tract;

THENCE north 45° west, along the southwesterly line of said Fred A. Wehrman 81 acre tract, at 35.3 feet cross the center line of said proposed spur track, at 70.6 feet point for corner, which is 25 feet distant westerly at right angles from the center line of said proposed spur track;

THENCE north 25 feet from and parallel with said center line a distance of 47.05 feet to the P. C. of a curve to the right having a radius of 1935.08 feet;

THENCE northerly on said curve to the right, 25 feet from and parallel with the center line of said proposed spur track, a distance of 809 feet to the P. T. of said curve;

THENCE north 24° east 25 feet from and parallel with said center line, a distance of 175.29 feet to a point in the northeasterly line of said Fred A. Wehrman 81 acre tract;

THENCE south $44^{\circ} 55'$ east along the northeasterly line of said Fred A. Wehrman 81 acre tract, at 26.8 feet cross the center line of said proposed spur track at 53.6 feet the point of beginning, containing 1.19 acres, more or less.

3.

BEING that certain Drainage Easement which was acquired over Tract 55-E, containing 1.40 acres, by deed dated October 19, 1942, and recorded in Volume 158, Page 315, of the Deed Records of Brazos County, Texas. The estate acquired and hereby conveyed in this tract is an easement for the location and maintenance of a drainage ditch or canal across this tract, with the right of ingress and egress for the purpose of maintaining such drainage ditch or canal, so long as the United States Army shall own the land now constituting what is locally designated as "Bryan Airfield". IT APPEARS that this easement will revert to the former owner by the sale of this property to the GRANTEE herein; however, the purpose of including it in this conveyance is to convey the interest, if any, the United States of America might have in this drainage ditch. Tract 55-E is described as follows:

Part of the James Curtis, Jr., Survey, Abstract No. 12, in Brazos County, Texas, and being approximately thirty-two (32) acres remaining out of a tract originally containing seventy-four and one-tenth ($74\frac{1}{10}$) acres, and described as "First Tract" in deed to Sam N. Fachorn by Ross Bonano, dated December 2, 1939, and recorded in Volume 101, Page 542, of the Brazos County Deed Records and more particularly described as follows:

BEGINNING at a point in the northwest line of the Sam N. Fachorn tract, said point bearing south $48^{\circ} 36'$ west 684.1 feet from the north corner;

THENCE along the meanders of the present channel in a south and southeasterly direction to a point in the east line in the Sam N. Fachorn tract; said point bearing south 5° 58' east, 1134.07 feet from the north corner of said tract;

THENCE along the east line of said tract 769.41 feet to the end of said tract;

The above described easement is 40 feet wide across the tract with the meanders of the present channel being the center line and then narrowing to 20 feet wide along the County road and the east line of the Sam N. Fachorn property;

AND containing 1.40 acres of land.

4.

BEING those certain Avigation Easements which were acquired by Declarations of Taking in Civil Action No. 8599 in the District Court of the United States for the Southern District of Texas, Houston Division, in the following tracts;

<u>TRACT NO.</u>	<u>ACREAGE</u>
58-E	1.20
59-E	5.38
60-E	16.90
61-E	15.80
62-E	7.90
68-E	0.62

The estate acquired and hereby conveyed in Tracts 58-E, 59-E, and 60-E is as follows:

The continuing perpetual right to cut to ground level, remove, and prohibit the growth of such trees, bushes, shrubs, or any other perennial growth or undergrowth which could in the future infringe upon, or extend into, or above the Glide Angle Plane and/or the Transitional Plane, described as follows:

RUNWAY APPROACH ZONE

The runway approach zone is described as follows: Beginning at a point in the line of prolongation of the center line of the North-South Runway of the Bryan Air Force Base level with and 1000 feet distant from the end of said runway;

THENCE to the right forming an interior angle of $90^{\circ} 00' 00''$ with the line of prolongation of the center line of the runway, 750 feet to a point;

THENCE to the left forming an interior angle of $97^{\circ} 07' 30''$ with the last mentioned line, 10,077.82 feet to a point;

THENCE to the left forming an interior angle of $82^{\circ} 52' 30''$ with the last mentioned line, 4000 feet to a point;

THENCE to the left forming an interior angle of $82^{\circ} 52' 30''$ with the last mentioned line 10,077.82 feet to a point 750 feet from the point of beginning;

THENCE to the left forming an interior angle of $97^{\circ} 07' 30''$ with said last mentioned line, 750 feet to the point of beginning.

GLIDE ANGLE PLANE

The glide angle plane is a trapezoidal plane extending over the runway approach zone starting at an elevation equivalent to the center line elevation at the end of the runway and sloping upward from the narrower end at a rate of 1 foot vertically for each 500 feet horizontally.

TRANSITIONAL PLANES

The transitional planes extend upward and outward (a) from the inside lines of the transitional zones, along the runway and prolongations thereof above defined, and (b) from the outside boundaries of the glide angle planes sloping upward at a rate of 1 foot vertically for each 7 feet horizontally, measured at right angles to the center line of the runway involved.

The estate acquired and hereby conveyed in Tracts 61-E, 62-E, and 68-E is: The continuing perpetual right to cut to ground level, remove, and prohibit the growth of such trees, bushes, shrubs, or any other perennial growth or undergrowth which could in the future infringe upon, or extend into, or above the Glide Angle Plane, as described above.

There was also acquired and hereby conveyed in Tracts 58-E, 59-E, 60-E, 61-E, 62-E, and 68-E the right to prohibit the future construction of buildings, or other structures from infringing upon, or extending into or above the Glide Angle Plane and/or Transitional Plane, as described above.

The descriptions of Tracts 58-E, 59-E, 60-E, 61-E, 62-E, and 68-E are:

TRACT 58-E

A tract of land situated in the County of Brazos, State of Texas, being part of the James Curtis, Jr. Survey (A-12), and being more particularly described as follows:

From the center line of the north end of the westernmost north-south runway of Bryan Air Force Base north $10^{\circ} 00'$ east, 3590 feet to the point of beginning, said point being the west corner of this tract, and being also in the southwest line of the Frank Kocman Estate property;

THENCE along the north line of this tract east, 300 feet to a point in the westerly line of a 30.8 acre tract of land known as Tract BA-OR-2 of Bryan Air Force Base, Avigation Easement for same obtained from Frank Kocman, Estate, dated 28 September, 1943, said point being also the east corner of this tract;

THENCE along the westerly line of said Tract BA-OR-2 of Bryan Air Force Base south $09^{\circ} 00'$ east, 360 feet to a point in the northeast line of the Madison Bradley property, same being the south corner of said Frank Kocman Estate property;

THENCE along the common line between said Frank Kocman Estate and Madison Bradley properties north $44^{\circ} 51'$ west, 500 feet to the point of beginning and containing 1.20 acres, more or less.

TRACT 59-E

A tract of land situated in the County of Brazos, State of Texas, being part of the James Curtis, Jr. Survey (A-12), and being more particularly described as follows:

From the center line of the north end of the westernmost north-south runway of Bryan Air Force Base north $25^{\circ} 50'$ east, 2570 feet to the point of beginning, said point being the intersection of the west line of Tract No. BA-OR-2 Avigation Easement of Bryan Air Force Base with the northerly right-of-way line of State Highway No. 21, same being the southeast corner of this tract and the southwest corner of said Tract No. BA-OR-2 of Bryan Air Force Base, same being a 30.8 acre tract of land, Avigation Easement obtained from Frank Kocman, Estate, dated 28 September, 1943;

THENCE along the northwesterly right-of-way line of said state highway south $77^{\circ} 49'$ west, 570 feet to a point, same being the southwest corner of said Frank Kocman, Estate property and the southeast corner of the Frank J. Kocman property;

THENCE along the common line between said Frank Kocman, Estate and Frank J. Kocman properties north $45^{\circ} 00'$ west, 190 feet to a point in the southeast line of the Ernest Bradley, Estate, same being the westernmost corner of said Frank Kocman, Estate property and the northernmost corner of said Frank J. Kocman property;

THENCE along the common line between said Frank Kocman, Estate property on the right and the Ernest Bradley Estate and the Madison Bradley properties on the left north $45^{\circ} 09'$ east, 807.8 feet to a point in the westerly line of said Tract BA-OR-2 of Bryan Air Force Base for the northernmost corner of this tract;

THENCE along the westerly line of said Tract BA-OR-2 south 09° 00' east 560 feet to the point of beginning, containing 5.38 acres, more or less.

TRACT 61-E

A tract of land situated in the County of Brazos, State of Texas, being part of the James Curtis, Jr. Survey (A-12), and being more particularly described as follows:

From the center line of the north end of the westernmost north-south runway of Bryan Air Force Base north 08° 27' east, 2170 feet to the point of beginning, said point being the southernmost corner of the Ernest Bradley, Estate property, and the easternmost corner of the Oscar Johnson property, same being also in the northwest line of the Frank J. Kocman property;

THENCE along the common line between said Ernest Bradley, Estate and the Oscar Johnson properties north 45° 00' west, 1324 feet to a point in the southeast line of the Mrs. Joe J. Frazzino property for the westernmost corner of said Ernest Bradley, Estate property and the northernmost corner of said Oscar Johnson property;

THENCE along the common line between said Ernest Bradley, Estate property on the right and said Mrs. Joe J. Frazzino and the J. Kalinax properties on the left north 45° 00' east, 523 feet to a point for the northernmost corner of said Ernest Bradley, Estate property and the westernmost corner of the Madison Bradley property;

THENCE along the common line between said Ernest Bradley, Estate and Madison Bradley properties south 45° 00' east, 1308 feet to a point in the northwest line of the Frank Kocman Estate property for the easternmost corner of said Ernest Bradley, Estate property and the southernmost corner of said Madison Bradley property;

THENCE along the common line between said Ernest Bradley, Estate property on the right and the Frank Kocman, Estate and the Frank J. Kocman properties on the left south 45° 09' west, 523 feet to the point of beginning and containing 15.80 acres, more or less.

TRACT 62-E

A tract of land situated in the County of Brazos, State of Texas, being part of the James Curtis, Jr. Survey (A-12), and being more particularly described as follows:

From the center line of the north end of the westernmost north-south runway of Bryan Air Force Base north 02° 04' east, 2010 feet to the point of beginning, said point being the southwest corner of the Oscar Johnson property and the southeast corner of the Zula Bradley Jones Property;

THENCE along the common line between said Oscar Johnson and the Zula Bradley Jones properties north 45° 00' west, 1200 feet to a point in the south-east line of the Mrs. Joe J. Frazzino property for the westernmost corner of said Oscar Johnson property and the northernmost corner of the said Zula Bradley Jones property;

THENCE along the common line between said Oscar Johnson and the Mrs. Joe J. Frazzino properties north 45° 00' east, 268 feet to a point for the northernmost corner of said Oscar Johnson property and the westernmost corner of the Ernest Bradley, Estate property;

THENCE along the common line between said Oscar Johnson and Ernest Bradley, Estate properties south 45° 00' east, 1324 feet to a point in the northwest line of the Frank J. Kocman property for the easternmost corner of said Oscar Johnson property and the southernmost corner of said Ernest Bradley, Estate property;

THENCE along the common line between said Oscar Johnson and Frank J. Kocman properties south 45° 09' west, 75 feet to a point in the north right-of-way line of State Highway No. 21 for the southeast corner of said Oscar Johnson property and the westernmost corner of said Frank J. Kocman property;

THENCE along the north right-of-way line of said State Highway south 77° 49' west, 180 feet to the point of beginning and containing 7.90 acres, more or less.

TRACT 68-E

A tract of land situated in the County of Brazos, State of Texas, being part of the James Curtis, Jr. Survey (A-12), and being more particularly described as follows:

From the center line of the north end of the westernmost north-south runway of Bryan Air Force Base north 07° 53' east, 2080 feet to the point of beginning, said point being the intersection of the northwest line of the Frank J. Kocman property with the north right-of-way line of State Highway No. 21, same being in the southwest line of the Oscar Johnson property, and being also the southwest corner of said Frank J. Kocman property;

THENCE along the common line between said Frank J. Kocman property on the right and the Oscar Johnson and the Ernest Bradley, Estate properties on the left north 45° 09' east, 280 feet to a point for the northernmost corner of said Frank J. Kocman property and the westernmost corner of the Frank Kocman Estate;

THENCE along the common line between said Frank J. Kocman and the Frank Kocman, Estate properties south 45° 00' east, 190 feet to a point in the north right-of-way line of said State Highway No. 21, same being the easternmost corner of said Frank J. Kocman property;

THENCE along the northerly right-of-way line of said state highway south 77° 49' west, 350 feet to the point of beginning and containing 0.62 acre, more or less.

TRACT 60-E

A tract of land situated in the County of Brazos, State of Texas, being part of the James Curtis, Jr. Survey (A-12), and being more particularly described as follows:

From the center line of the north end of the westernmost north-south runway of Bryan Air Force Base north 15° 15' east, 2625 feet to the point of beginning, said point being the southernmost corner of the Madison Bradley property and the easternmost corner of the Ernest Bradley Estate property, and being also in the northwest line of the Frank Kocman Estate property;

THENCE along the common line between said Madison Bradley and Ernest Bradley, Estate properties north 45° 00' west, 1277.7 feet to the westernmost corner of said Madison Bradley property and the northernmost corner of said Ernest Bradley Estate property, same being in the southeast line of the J. Kalinec property;

THENCE along the common line between said Madison Bradley and J. Walenic properties north 45° 00' east, 145 feet to a point for the northeast corner of this tract;

THENCE along the north line of this tract east, 775 feet to a point in the northeast line of said Madison Bradley Property, same being the south-west line of the Frank Kocman, Estate property, for the northeast corner of this tract;

THENCE along the common line between said Madison Bradley property on the right and said Frank Kocman Estate, property and Tract BA-OR-2 of Bryan Air Force Base, (Avigation Easement for same obtained from Frank Kocman, Estate, dated 28 September 1943), on the left south 44° 51' east, 767.5 feet to a reentrant corner of said Tract BA-OR-2 of Bryan Air Force Base, same being also the easternmost corner of said Madison Bradley property;

THENCE along the common line between said Madison Bradley property on the right and said Tract BA-OR-2 of Bryan Air Force Base and the Frank Kocman Estate properties on the left south 45° 09' west, 683.2 feet to the point of beginning and containing 16.90 acres, more or less.

5.

Clearance Easements were acquired and hereby conveyed over Tracts 63-E, 64-E, and 65-E by the following deeds:

<u>TRACT NO.</u>	<u>ACREAGE</u>	<u>DEED DATE</u>	<u>RECORDING DATA</u>
63-E	7.90	3-19-54	Page 568, Vol. 167
64-E	10.50	4-4-55	Page 346, Vol. 168
65-E	12.40	5-23-55	Page 56, Vol. 169

Tracts 63-E, 64-E, and 65-E are described as follows:

TRACT 63-E

A tract of land situated in the County of Brazos, State of Texas, being part of the James Curtis, Jr. Survey (A-12), and being more particularly described as follows:

From the center line of the north end of the westernmost north-south runway of Bryan Air Force Base north $07^{\circ} 04'$ east, 2010 feet to the point of beginning, said point being the southeast corner of the Zula Bradley Jones property and the southwest corner of the Oscar Johnson property, same being also in the north right-of-way line of State Highway 21;

THENCE along the north right-of-way line of said State Highway south $77^{\circ} 49'$ west, 383 feet to a point for the southwest corner of said Zula Bradley Jones property and the southeast corner of the Lily E. Smith property;

THENCE along the common line between said Zula Bradley Jones and the Lily E. Smith properties north $45^{\circ} 00'$ west, 990 feet to a point in the southeast line of the Mrs. Joe J. Frazzino property for the westernmost corner of said Zula Bradley Jones property and the northernmost corner of said Lily E. Smith property;

THENCE along the common line between said Zula Bradley Jones and the Mrs. Joe J. Frazzino properties north $45^{\circ} 00'$ east, 330 feet to a point for the northernmost corner of said Zula Bradley Jones property and the westernmost corner of said Oscar Johnson property;

THENCE along the common line between said Zula Bradley Jones and the Oscar Johnson properties south $45^{\circ} 00'$ east, 1200 feet to the point of beginning and containing 7.90 acres, more or less.

TRACT 64-E

A tract of land situated in the County of Brazos, State of Texas, being part of the James Curtis, Jr. Survey (A-12), and being more particularly described as follows:

From the center line of the north end of the westernmost north-south runway of Bryan Air Force Base north $06^{\circ} 30'$ west, 1945 feet to the point of beginning, said point being the southeast corner of the Lily E. Smith property and the southwest corner of the Zula Bradley Jones property, said point being also in the north right-of-way line of State Highway No. 21;

THENCE along the north right-of-way line of said State Highway south $77^{\circ} 49'$ west, 910 feet to a point for the southwest corner of this tract;

THENCE along the west line of this tract north, 725 feet to a point in the southeast line of the Mrs. Joe J. Frazzino property for the northwest corner of this tract;

THENCE along the common line between said Lily E. Smith and Mrs. Joe J. Frazzino properties north $45^{\circ} 00'$ east, 265 feet to a point for the northernmost corner of said Lily E. Smith property and the westernmost corner of the Zula Bradley Jones property;

THENCE along the common line between said Lily E. Smith and the Zula Bradley Jones properties south $45^{\circ} 00'$ east, 990 feet to the point of beginning and containing 10.50 acres, more or less.

TRACT 65-E

A tract of land situated in the County of Brazos, State of Texas, being part of the James Curtis, Jr. Survey (A-12), and being more particularly described as follows:

From the center line of the north end of the westernmost north-south runway of Bryan Air Force Base north $07^{\circ} 10'$ west, 3,265 feet to the point of beginning, said point being the easternmost corner of the Mrs. Joe J. Frazzino property and the southernmost corner of the J. Kalinec property, said point being also in the northwest line of the Ernest Bradley, Estate property;

THENCE along the common line between said Mrs. Joe J. Frazzino property on the right and said Ernest Bradley, Estate, the Oscar Johnson, the Zula Bradley Jones, and the Lily E. Smith properties on the left, south $45^{\circ} 00'$ west, 1,150 feet to a point for the southernmost corner of this tract;

THENCE along the west line of this tract north 1,050 feet to a point for the northwest corner of this tract;

THENCE along the north line of this tract east, 570 feet to a point in the northeast line of said Mrs. Joe J. Frazzino property, same being also the southwest line of the J. Kalinec property, for the northeast corner of this tract;

THENCE along the common line between said Mrs. Joe J. Frazzino and J. Kalinec properties south $45^{\circ} 00'$ east, 365 feet to the point of beginning and containing 12.40 acres, more or less.

6.

By deed dated December 11, 1954, recorded in Volume 166, Page 494, Deed Records of Brazos County, Texas, the GRANTOR acquired an easement in acquisition Tract 66-E, containing 1.50 acres. The estate acquired and hereby conveyed to the GRANTEE is: A perpetual and assignable easement and right-of-way for the free and unobstructed passage of aircraft in, through, and across the air space above the Glide Angle Plane, hereinafter described, over so much of the following described parcel of land in Brazos County, State of Texas, and lies within the Runway Approach Zone, hereinafter more particularly described, for the north-south runway of the Bryan Air Force Base, to-wit:

GLIDE ANGLE PLANE

The glide angle plane is a trapezoidal plane extending over the runway approach zone starting at an elevation equivalent to the center line elevation at the end of the runway and sloping upward from the narrower end at a rate of one foot vertically for each 50 feet horizontally.

RUNWAY APPROACH ZONE

The runway approach zone is described as follows: Beginning at a point in the line of prolongation of the center line of the North-South Runway of the Bryan Air Force Base, level with and 1,000 feet distant from the north end of said runway;

THENCE to the right forming an interior angle of $90^{\circ} 00' 00''$ with the line of prolongation of the center line of the runway, 750 feet to a point;

THENCE to the left forming an interior angle of $97^{\circ} 07' 30''$ with the last mentioned line, 10,077.82 feet to a point;

THENCE to the left forming an interior angle of $82^{\circ} 52' 30''$ with the last mentioned line, 4,000 feet to a point;

THENCE to the left forming an interior angle of $82^{\circ} 52' 30''$ with the last mentioned line, 10,077.82 feet to a point 750 feet from the point of beginning;

THENCE to the left forming an interior angle of $97^{\circ} 07' 30''$ with the last said mentioned line, 750 feet to the point of beginning.

Tract 66-E is described as follows:

TRACT 66-E

A tract of land situated in the County of Brazos, State of Texas, being part of the James Curtis, Jr. Survey (A-12), and being more particularly described as follows:

From the center line of the north end of the westernmost north-south runway of Bryan Air Force Base north $07^{\circ} 10'$ west 3265 feet to the point of beginning, said point being the southernmost corner of the J. Kalinec property and the easternmost corner of the Mrs. Joe J. Frazzino property and being also in the northwest line of the Ernest Bradley Estate property;

THENCE along the common line between said J. Kalinec and the Mrs. Joe J. Frazzino properties north $45^{\circ} 00'$ west, 365 feet to a point for the westernmost corner of this tract;

THENCE along the north line of this tract east, 530 feet to a point in the southeast line of said J. Kalinec property, same being also the northwest line of the Madison Bradley property, for the easternmost corner of this tract;

THENCE along the common line between said J. Kalinec property on the right and said Madison Bradley and the Ernest Bradley Estate properties on the left south $45^{\circ} 00'$ west, 381 feet to the point of beginning, containing 1.50 acres, more or less.

IT IS EXPRESSLY UNDERSTOOD and AGREED that the GRANTOR did acquire a permit for the construction, operation, and maintenance of a railroad spur track across State Highway No. 21 from the State of Texas, identified as acquisition Tract 51-P; that Article IV of the permit requires the GRANTOR to remove the said track across the highway and to restore the premises in the event of abandonment of the airfield and the track is no longer needed by the GRANTOR for national defense; and that the obligations of the GRANTOR, as well as the rights of the GRANTOR on this permit, are hereby conveyed to the GRANTEE, its successors and assigns.

SUBJECT to all easements, rights-of way, and servitudes of record; together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in any wise appertaining and the reversion and reversions, except as hereinafter limited, remainder and remainders, rents, issues and profits and also all the estate, right, title, interest, property, possession, claim and demand whatsoever in law as well as in equity of the said GRANTOR, of, in, and to the herein described property for every part and parcel thereof with the appurtenances, except as hereinafter expressly reserved.

TO HAVE AND TO HOLD the foregoing described property together with all and singular the rights, privileges, and appurtenances thereto in any wise belonging, unto The State of Texas, acting by and through the Board of Directors of the Agricultural and Mechanical College of Texas, its successors in function and assigns, in fee simple; PROVIDED, HOWEVER, that this deed is made and accepted upon each of the following conditions subsequent which shall be binding upon and enforceable against said GRANTEE, its successors or assigns, and each of them as follows:

1. That for a period of twenty (20) years from the date of this deed the above-described property herein conveyed, shall be utilized continuously for educational and research purposes in accordance with the plan set forth in the above-referenced application and amendments and for no other purpose.

2. That during the aforesaid period of twenty (20) years the GRANTEE will resell, rent, lease, mortgage, encumber, or otherwise dispose of the above-described property, or any part thereof or interest therein, only as the Department of Health, Education, and Welfare or its successor in function, in accordance with existing regulations, may authorize in writing.

3. That one (1) year from the date of this deed, and annually thereafter for the aforesaid period of twenty (20) years, unless the Department of Health, Education, and Welfare or his successor in function otherwise directs, the GRANTEE, its successors or assigns, will file with the Department of Health, Education, and Welfare or its successor in function, reports on the operation and maintenance of the above-described property, and will furnish as requested, such other pertinent data evidencing continuous use of the property for the purposes specified in the above-referenced application and amendments.

In the event of a breach of any of the conditions set forth above whether caused by the legal or other inability of the GRANTEE, its successors or assigns, to perform any of the obligations herein set forth, all right, title, and interest in and to the herein described property shall, at the GRANTOR'S option, revert to and become the property of the United States of America, which shall have an immediate right of entry thereon, and the GRANTEE, its successors and assigns, shall forfeit all right, title, and interest in and to the above-described property and in any and all of the tenements, hereditaments and appurtenances thereunto belonging.

PROVIDED, HOWEVER, that the failure of the Department of Health, Education, and Welfare, or its successor in function, to insist in any one or more instances upon complete performance of any of the said conditions shall not be construed as a waiver or a relinquishment of the future performance of any of such conditions, but the GRANTEE'S obligations with respect to such future performance shall continue in full force and effect.

PROVIDED FURTHER, that in the event the United States of America fails to exercise its option to re-enter the above-described property for any such breach of said conditions within twenty-one (21) years from the date of this conveyance, the conditions set forth above, together with all rights of the United States of America to re-enter as herein provided, shall, as of that date terminate and be extinguished.

In the event title to the above-described premises is reverted to the United States of America for non-compliance or voluntarily reconveyed in lieu of reverter, the GRANTEE, at the option of the Department of Health, Education, and Welfare, or its successor in function, shall be responsible and be required to reimburse the United States of America for the decreased value of the above-described property not due to reasonable wear and tear, the common enemy, acts of God, and alterations and conversions made by the GRANTEE to adapt the property to the use for which the property was acquired. The United States of America shall, in addition thereto, be reimbursed for such damages, including such costs as may be incurred in recovering title to or possession of the property as it may sustain as the result of non-compliance.

The GRANTEE may secure abrogation of the conditions designated 1, 2, and 3 herein by:

First. Obtaining the consent of the Department of Health, Education, and Welfare, or its successor in function; and

Second. Payment to the United States of America of the public benefit allowance granted to the GRANTEE of One Hundred Percent (100%) from the fair value of Three million six hundred fifty-one thousand and ninety Dollars (\$3,651,090.00), less a credit at the rate of five percent (5%) for each twelve (12) months during which the property has been kept, maintained, and utilized in accordance with the purpose set forth in the above-referenced application and amendments.

The GRANTEE by the acceptance of this deed, covenants and agrees, for itself, its successors and assigns, that in the event the property conveyed hereby is sold, leased, mortgaged, encumbered, or otherwise disposed of,

or is used for purposes other than those set forth in the above-identified application or amendments without the consent of the Department of Health, Education, and Welfare, all revenues or the reasonable value, as determined by the Department of Health, Education, and Welfare, of benefits to the GRANTEE, its successors and assigns deriving directly or indirectly from such sale, lease, mortgage, encumbrance, disposal or use (or the reasonable value as determined by the Department of Health, Education, and Welfare of any other unauthorized use) shall be considered to have been received and held in trust by the GRANTEE, its successors and assigns, for the United States of America and shall be subject to the direction and control of the Department of Health, Education, and Welfare.

The GRANTEE by the acceptance of this deed, further covenants and agrees, for itself, its successors and assigns, that if the GRANTEE, its successors and assigns, shall cause any of said improvements to be insured against loss, damage or destruction and any such loss, damage or destruction shall occur during the period the GRANTEE, its successors or assigns, holds title to said property subject to said conditions 1, 2, and 3 said insurance and all moneys payable to the GRANTEE, its successors or assigns, thereunder shall be held in trust by the GRANTEE, its successors or assigns, and shall be promptly used by the GRANTEE, its successors or assigns, for the purpose of repairing such improvements and restoring the same to their former condition, or, if not so used, shall be paid over to the Treasurer of the United States in an amount not exceeding the unamortized public benefit allowance of the buildings, structures or improvements lost, damaged, or destroyed.

The GRANTEE further covenants and agrees, for itself, its successors and assigns, that during the aforesaid period of twenty (20) years all revenues or the reasonable value, as determined by the Department of Health, Education, and Welfare, of benefits to the GRANTEE its successors or assigns, deriving directly or indirectly from any and all mineral leases or royalties, or from the extraction of petroleum, gas, hydrocarbons, minerals, or other ores or substances from the property hereby conveyed shall be held in trust

by the GRANTEE, its successors or assigns for the United States of America and shall be subject to the direction and control of the Department of Health, Education, and Welfare; and the GRANTEE, further covenants and agrees, for itself, its successors and assigns that the United States of America, or its assigns, may at its option, at any time during the aforesaid period of twenty (20) years, re-enter and effect reverter of all right, title, and interest in and to the subsurface rights and interests in the property hereby conveyed; and the GRANTEE further covenants and agrees, for itself, its successors and assigns, that upon the exercise of the above-mentioned option by the United States of America, or its assigns, the GRANTEE, its successors and assigns, will execute and deliver to the United States of America, or its assigns, any and all instruments determined by the United States of America, or its assigns, to be necessary, in accordance with the law of the State of Texas, to effect such retransfer of title and to retransfer to the United States of America, its assigns, lessees, agents or any other person acting pursuant to its permission and authority, the exclusive right at any time to enter upon said property to search for, extract, work, remove and in any manner transport to market or otherwise dispose of petroleum, minerals, gas, hydrocarbons, minerals or other ores or substances, including the right to operate any instrumentalities necessary or convenient for locating, extracting or removing any of the aforesaid substances, together with the right to use water from said lands in operating the same, the right of ingress, egress and regress over said land for said purposes and the right to all other things necessary or convenient in connection with any of the foregoing purposes, not inconsistent with the educational use for which the said property is conveyed.

The GRANTEE, by acceptance of this deed, covenants and agrees, for itself, its successors and assigns, that the United States of America shall have the right during any period of emergency declared by the President of the United States or by the Congress of the United States to the full, unrestricted possession, control and use of the property hereby conveyed, or any portion thereof, including any additions or improvements thereto made subsequent to this conveyance. Prior to the expiration or termination of the period of restricted use by the GRANTEE, such use may be either

exclusive or non-exclusive and shall not impose any obligation upon the United States of America to pay rent or any other fees or charges during the period of emergency, except that the United States of America shall (i) bear the entire cost of maintenance of such portion of the property used by it exclusively or over which it may have exclusive possession or control, (ii) pay the fair share, commensurate with the use, of the cost of maintenance of such of the property as it may use non-exclusively or over which it may have non-exclusive possession or control, (iii) pay a fair rental for the use of improvements or additions to the premises made by the GRANTEE without Government aid, and (iv) be responsible for any damage to the surplus real property, improvement and/or personalty, caused by its use, reasonable wear and tear, the common enemy and Acts of God excepted.

IN WITNESS WHEREOF, the GRANTOR and the GRANTEE have caused these presents to be executed as of the day and year first above written.

UNITED STATES OF AMERICA
Acting by and through the Secretary of
Health, Education, and Welfare

BY: J. H. Bond
J. H. Bond, Regional Director
Region VII, Department of Health,
Education, and Welfare, Dallas, Texas

ACKNOWLEDGMENT

THE STATE OF TEXAS I
COUNTY OF DALLAS I

BEFORE ME, a Notary Public in and for said County, State of Texas, on this day personally appeared J. H. Bond, Regional Director, Region VII, Department of Health, Education, and Welfare, acting for the UNITED STATES OF AMERICA and the Secretary of Health, Education, and Welfare, known to me to be the person whose name is subscribed in the foregoing instrument and acknowledged to me that he executed the same voluntarily for the purposes and considerations therein expressed and with full authority and as the act and deed of the UNITED STATES OF AMERICA and the Secretary of Health, Education, and Welfare.

Given under my hand and seal of office this 2nd day of April, 19 62.

W. Lawrence Pearson
Notary Public in and for Dallas
County, Texas

My Commission Expires:

1st day of June, 1963

ACCEPTANCE

THE STATE OF TEXAS |
COUNTY OF BRAZOS |

BY THE ACCEPTANCE of this instrument, the State of Texas, acting by and through the Board of Directors of the Agricultural and Mechanical College of Texas, for itself, its successors in function and assigns, hereby accepts and agrees to all of the terms, conditions, restrictions, and reservations contained herein.

IN WITNESS WHEREOF, The Board of Directors of the Agricultural and Mechanical College of Texas, of the County of Brazos, State of Texas aforesaid has caused these presents to be signed by James E. Rudder, President of the Agricultural and Mechanical College of Texas, or whoever his successor in function be, thereunto authorized by Resolution of said Board of Directors passed and adopted in a meeting held the 28th day of August, 1961, a copy of which is hereto annexed, and its seal hereunto affixed the 30th day of April, 1962.

THE STATE OF TEXAS
Acting by and through the Board of
Directors of the Agricultural and
Mechanical College of Texas

BY: James E. Rudder
James E. Rudder, President

ACKNOWLEDGMENT

THE STATE OF TEXAS |
COUNTY OF BRAZOS |

BEFORE ME, a Notary Public in and for said County of Brazos, State of Texas, on this day personally appeared James E. Rudder, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same voluntarily and as the act and deed of the State of Texas acting by and through the Board of Directors of the Agricultural and Mechanical College of Texas, an educational instrumentality of the State of Texas, organized and existing under the laws thereof, and as President of said College, and for the purposes and considerations therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 30th day of April, 1962.

15/ H. A. Rudder, Notary
Notary Public in and for
Brazos County

My Commission Expires:
3 day of June, 1962

M-94337

Oil & Gas Lease

12-6-90

①

MINUTES

OF THE MEETING OF THE

BOARD OF REGENTS

OF

THE TEXAS A&M UNIVERSITY SYSTEM

HELD AT

COLLEGE STATION, TEXAS

DECEMBER 5-6, 1990

XC: *Stubbins*
Honea
Money
Wakefield

336-90

SALE OF OIL, GAS AND SULPHUR LEASE
580.13 ACRES, BRAZOS COUNTY, VARISCO PROPERTY
TEXAS A&M UNIVERSITY

151
11-20-120

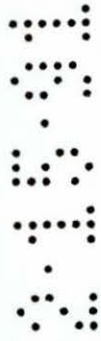
On motion of Mr. Möbley, seconded by Mr. Clayton and by a unanimous vote, the following minute order was adopted:

A satisfactory bid having been received for the lease of oil, gas and sulphur on 580.13 mineral acres, more or less, in Brazos County, Texas, said lease is hereby awarded to Texaco USA, who was the highest bidder at the auction sale held in Room 315, System Administration Building, at 10:00 a.m., December 6, 1990, said bid being for a total of \$96,881.71 amounting to \$167.00 per mineral acre, said land being described as:

Being 580.13 acres, more or less, out of the Stephen Jones, A-27, and John H. Jones, A-26, Surveys in Brazos County, Texas, comprising a portion of the campus of Texas A&M University that includes the Texas A&M Animal Science Teaching and Research Center, in which The Texas A&M University System owns a fifty percent (50%) mineral interest.

Upon receipt of one hundred percent (100%) (\$96,881.71) of the bonus payment by cashier's or certified check, the Chancellor of The Texas A&M University System is hereby authorized, empowered, and directed to execute the lease and do any and all other things necessary in connection with said lease as required by law.

The action of the Deputy Chancellor of The Texas A&M University System in advertising for sale at public auction and holding said public auction sale, is hereby ratified, confirmed, and approved.



101

M-94337

②

Minutes, Board of Regents

12-6-90

2025

1

Texas A&M University
Prairie View A&M University
Tarleton State University
Texas A&M University at Galveston
Corpus Christi State University
Laredo State University
Texas A&I University
West Texas State University



Texas Agricultural Experiment Station
Texas Agricultural Extension Service
Texas Animal Damage Control Service
Texas Engineering Experiment Station
Texas Engineering Extension Service
Texas Forest Service
Texas Transportation Institute
Texas Veterinary Medical Diagnostic Laboratory

THE TEXAS A&M UNIVERSITY SYSTEM

COLLEGE STATION, TEXAS 77843-1116

Office of General Counsel
300 System Administration Bldg.

January 8, 1991

Telephone (409) 845-3511
Telecopier (409) 845-9750

Mr. Thomas H. Taylor
Controller
Texas A&M University
Campus

Re: Texaco Producing Inc., Executed Oil and Gas Lease for the
580.13 Acre Varisco Property, Brazos County, Texas

Dear Mr. Taylor:

Attached please find a copy of the executed oil and gas lease between The Board of Regents of The Texas A&M University System and Texaco Producing Inc. for the 580.13 acre Varisco property. The Texas A&M University System has one-half (1/2) of the mineral rights and the executive rights to the property. The bonus consideration for the oil and gas lease was deposited in account number 000-033-7 at the First American Bank in Bryan, Texas.

Please have one-half (1/2) of the \$96,881.71 from Texaco Producing Inc. (being \$48,440.86) deposited in the Special Mineral Fund #95 and a copy of the lease sent to Mr. Carl Liberty at the General Land Office in Austin. Also any accrued interest from the \$48,440.86 should be deposited in Special Mineral Fund Income #96.

Also please have a check delivered to Mr. Eddie D. Gose, J.D., Assistant General Counsel, made payable to Pauline Davis Morgan and Marlene Davis Barxnette, in the amount of \$48,440.85 plus any accrued interest from that amount. This represents the remaining one-half (1/2) of the bonus for the 580.13 acres (Varisco property).

If you have any questions, please feel free to contact me at 845-5566.

Very truly yours,

Kenneth Wakefield
Land and Mineral
Specialist

INVESTMENTS DEPOSIT REQUEST VOUCHER

a. TRANS CODE | d. AGENCY NAME | b. _____
 054 | TEXAS A&M UNIVERSITY | e. VOUCHER AMOUNT
 c. VOUCHER NO | f. DATE | 897,244.99
 | JANUARY 9, 1990 | g. AGENCY VOUCHER NO

h. FUND NO	i. AGEN NO	j. PM	k. FY	l. COST CENTER	m. COMP OBJ	n. AGENC OBJ	o. AMOUNT	p. FUND AMOUNT	COMPTROLLER ID POST REFERENCE
095	710		91	03547	3320		890,619.06	890,619.06	FY 90 - FY 91
096	710		91	03546	3848		6,625.93	6,625.93	LEGAL AUTHOR- ITY: SB 222, 71ST LEGIS. REG SESSION ART 3, PG 75 RIDER #2.
(TO DEPOSIT SPECIAL MINERAL FUND 95 LEASE RECEIPTS WIRE TRANSFERRED TO THE TEXAS STATE TREASURY ON JANUARY 10, 1990. THE INCOME TO BE DEPOSITED IN SPECIAL MINERAL FUND 96.)									

s. TYPE OF REMITTANCE | q. 897,244.99 | r. 897,244.99 |
 CASH
 CHECKS
 US TREAS CK/LTR OF CR
 STATE WARRANTS
 u. DETAIL BLOCK AMOUNTS
 TOTAL TOTAL \$ 897,244.99

ACCEPTED SUBJECT TO VERIFICATION AND COLLECTION | AGENCY NAME TEXAS A&M UNIVERSITY
 | BY MANAGER OF ACCTG SERVICES
 STATE TREASURY DEPARTMENT | *Joe Hewitt* DATE 1-9-91

If you have any problems with or changes to this Deposit Request Voucher, please contact Anjel Vaughn at 409 845-8107.

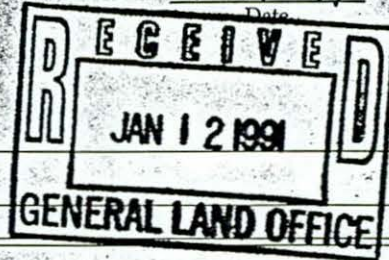
Texas A&M University

Fiscal Department

To: Carl Liberty

From: _____

1-11-91



Referred for the purpose indicated:

- Answer, sending me copy.
- Furnish data for my reply.
- Prepare reply for my signature.
- Take care of this.
- Note and return.
- Note and see me.
- Note and file.
- Note and pass on.
- For your information.
- To be signed.
- Your comments.
- Your recommendation.

Remarks:

Enclosed are copies of leases and a Deposit Request Voucher for TAMU Special Mineral Funds. Please note the Texaco transmittal letter from Kenneth Wakefield.

334,373.75**	- PHT Partners
507,804.45 +	- Ultramar Oil
48,440.86 +	- Texaco
003	
890,619.06 *	Total Deposited.

Please contact me at 409 845-8107 if you need additional information.

Signed: Anjel Vaughn

③ 94337

Bonus Payment

1/9/90

M-94337

FOR YOUR PERSONAL RECORDS

OIL AND GAS DIVISION ORDER

TO: Ultramar Oil and Gas Limited
16825 Northchase Drive, Suite 1200
Houston, Texas 77060

Date: 5/5/92
Lease No.: _____
Prop. No.: 81285

Effective from 7:00 a.m. April 20, 1992.

The undersigned, and each of them, represent, guarantee and warrant that they, respectively, are the legal owners, in the proportions set out on Exhibit "A" attached hereto, of proceeds from the sale of the oil and gas produced and to be produced from the Riverside #5, Riverside Campus Prospect in Brazos County, State of Texas, covering lands described as follows, to-wit:

320.0 acres, more or less, being a part of the James Curtis, Jr. Survey A-12, Brazos County, Texas.

Until further notice you are authorized, for your own account, to receive all oil and gas produced from said lands or lands pooled or unitized therewith into your possession as your property, and you are authorized to credit or cause to be credited to the undersigned, as owners under said lease and the lands above described, the respective interests in proceeds from the sale thereof as shown opposite the name of the undersigned on Exhibit "A" attached hereto.

This division order is subject to the conditions and provisions hereinafter set forth:

1. The payment for all oil, distillate, condensate and other liquid hydrocarbons received by you hereunder shall be made to the respective owners and in the proportions set forth on said Exhibit "A" at the price or prices posted by you on date of receipt, or if no price is posted by you, said owners shall be paid at the price or prices received by you at the well; the payment for gas shall be made in the same manner as hereinafter provided at the price received by you at the well, or if oil or gas is used by you off the leased premises, payment shall be made for the value thereof at the well after deducting said owner's pro rata share of any costs of transportation to the point of sale, as well as any costs incurred in compressing, treating, transporting and/or dehydrating the gas to effect such sale.

2. Settlements shall be made monthly by your check mailed to the undersigned parties at the respective addresses as shown, less any taxes required by law to be deducted and paid by you; provided, that no payment need to be made more often than semi-annually to or for the account of any individual owner until the sum due on account of such interest shall total at least twenty-five dollars (\$25.00).

3. Quantities are to be computed from regularly compiled tank tables, or meters of a positive displacement type, or orifice type meters, at your option, or by the method or methods provided in such contract or contracts of sale of such oil and gas between you and the third party buyer or buyers. Qualities shall be determined by the practices prevailing in the area, or as provided in said contracts of sale and in accordance with the rules and regulations of the governmental agency, Board or Commission having recognized jurisdiction or control over the production and handling of oil and gas in the area.

4. No change in or division of the ownership of any interest affected hereby, however accomplished, shall be binding on you until thirty (30) days after you shall have been furnished by certified United States mail with the original or a certified copy of the recorded instrument or instruments evidencing same. Should the lands hereinabove described, or any part thereof, be placed in, or become subject to, a unit or units, or any

revisions thereof, created either voluntarily, or by virtue of the rights accorded the lessee in the lease and so exercised, or by government order or regulation, the parties hereto agree that this division order shall, at your option, extend to the payment of proceeds from that portion of oil or gas from said unit or units which is allocated to these lands.

5. You are hereby relieved of any responsibility for determining if and when any of the interests set forth on said Exhibit "A" shall or should revert to or be owned by other parties as a result of the completion or discharge of money or other payments from said interests. The undersigned whose interests are affected by such money or other payments, if any, agree to give you notice in writing by certified letter addressed to you when any such money or other payments have been completed or discharged or when any division of interest set forth shall, for any reason, become effective or ineffective. In the event such notice shall not be received, Ultramar Oil and Gas Limited shall be held harmless in the event of, and is hereby released from, any and all damage or loss which may arise out of any payment.

6. Each of the undersigned hereby warrants and guarantees the title to the interest or interests credited to such party, as set forth on said Exhibit "A". In the event any adverse claim of title to such interest or interests, or any part thereof, is asserted in any manner, each of the undersigned owners whose interest or right or claim of interest may be involved in or affected by such adverse claim will immediately so notify you and agree to furnish you with evidence of title satisfactory to you or to furnish upon demand indemnity against such adverse claim or claims satisfactory to you, and you may withhold the proceeds accruing to the interest so adversely claimed, without any obligation to pay interest on the amount so withheld, until such evidence or such indemnity, satisfactory to you, is furnished or until final ascertainment or other final settlement of such dispute or claim is determined, satisfactory to you, and said undersigned agrees to indemnify you and hold you harmless for any cost, loss, expense, or liability suffered by you arising from or out of such adverse claim. In the event that any cost of interpleader or other court costs shall be sustained by you in connection with any such adverse claim, you shall be entitled to deduct from the proceeds which are in dispute any such costs so expended.

7. Each of the undersigned who is the owner of a royalty interest (landowner's royalty) in the lands and properties hereinabove described, by executing this division order, hereby agrees that the lease or leases described or referred to in this division order (whether specifically set out herein or described in a declaration of pool or other unitization instrument herein referred to), insofar as the same affects or affect the royalty interest of the undersigned, is or are in full force and effect and the same is or are hereby ratified and confirmed; and, in consideration of the premises, each undersigned royalty owner does hereby further LEASE, LET and DEMISE the above described land insofar as it is covered and affected by such lease or leases unto the record owners and holders of said lease or leases, subject to and in accordance with each and all of the terms and conditions as set forth and contained in the applicable lease or leases, as the same may have been amended. Each royalty owner, by executing this division order, hereby agrees that the unit, if any, described or referred to in this division order and the lease or leases described and referred to in the instrument or instruments creating said unit, insofar as the same affects or affect the royalty interest of the undersigned, are in full force and effect, that said unit has been properly created, and the same are hereby ratified and confirmed; and each undersigned royalty owner does hereby further agree that all land included in said unit shall be treated for all purposes (except the payment of royalties on the production had from said unit) as if it were covered by each of said leases so included therein, and production of gas on any part of the acreage included in said unit shall be treated as production had from the land covered by each such lease. Each undersigned royalty owner does hereby further agree that, from and after the effective date of this division order, and in lieu of the royalty specified in said lease or leases affecting his royalty interest, he shall receive from all gas production had from said unit only the unitized royalty interest or portion as set forth above opposite his name, and settlement for the aforesaid royalty interests shall be made on the basis of the weighted average of the net proceeds derived from all sales of such production at the well and upon the volume

computations made by the purchasers thereof; provided, however, in the event at any time, or from time to time, any working interest owner runs gas condensate in lieu of selling same at the well, then settlement therefor for such period or periods shall be on the basis of his manner and method of measuring in effect at the time and place of taking and at the then current price adopted or posted by him for condensate of like grade and gravity in the field which will be included in determining the weighted average.

8. The provisions hereof shall be binding upon and inure to the benefits of all parties who execute this instrument, their respective successors, heirs, administrators and assigns, whether or not all owners listed execute same. A counterpart hereof may be executed by any party or parties, in which event each executed counterpart shall be considered an original, and all signed counterparts shall be construed together as one instrument.

EACH INDIVIDUAL OWNER'S SIGNATURE MUST BE WITNESSED BY TWO PERSONS. EACH CORPORATE SIGNATURE MUST BE ATTESTED BY THE DULY AUTHORIZED SECRETARY AND THE CORPORATE SEAL AFFIXED.

WITNESSES OR ATTEST:

OWNER SIGNATURE:

Mailing Address:

Tax ID or SS#: _____

EXHIBIT "A"

TO DIVISION ORDER
COVERING PRODUCTION FROM THE
RIVERSIDE #5 WELL,
RIVERSIDE CAMPUS PROSPECT,
BRAZOS COUNTY, TEXAS

<u>Owner No.</u>	<u>Owner Name and Address</u>	<u>Division of Interest</u>
18795-2	Texas A&M University Commissioner of General Land Office at Austin Designated as Payee for the Benefit of Texas A&M 1700 North Congress Avenue Austin, Texas 78701	.2500000
18351	Flairtex Resources, Inc. 16102 Tahoe Avenue Houston, Texas 77040 .	.0055000 ORRI
19744	KSM Profit Sharing Plan Kathryn S. MacAskie, Trustee 16102 Tahoe Avenue Houston, Texas 77040	.0045000 ORRI

OIL AND GAS DIVISION ORDER

M-94337

TO: Ultramar Oil and Gas Limited
16825 Northchase Drive, Suite 1200
Houston, Texas 77060

Date: 2/06/92
Lease No.: _____
Prop. No.: 81284

Effective from 7:00 a.m. First Production.

The undersigned, and each of them, represent, guarantee and warrant that they, respectively, are the legal owners, in the proportions set out on Exhibit "A" attached hereto, of proceeds from the sale of the oil and gas produced and to be produced from the Riverside Campus #4, Riverside Campus Prospect in Brazos County, Texas, covering lands described as follows, to-wit:

400 acres, more or less, out of the James Curtis, Jr., Survey, A-12, Brazos County, Texas.

Until further notice you are authorized, for your own account, to receive all oil and gas produced from said lands or lands pooled or unitized therewith into your possession as your property, and you are authorized to credit or cause to be credited to the undersigned, as owners under said lease and the lands above described, the respective interests in proceeds from the sale thereof as shown opposite the name of the undersigned on Exhibit "A" attached hereto.

This division order is subject to the conditions and provisions hereinafter set forth:

1. The payment for all oil, distillate, condensate and other liquid hydrocarbons received by you hereunder shall be made to the respective owners and in the proportions set forth on said Exhibit "A" at the price or prices posted by you on date of receipt, or if no price is posted by you, said owners shall be paid at the price or prices received by you at the well; the payment for gas shall be made in the same manner as hereinafter provided at the price received by you at the well, or if oil or gas is used by you off the leased premises, payment shall be made for the value thereof at the well after deducting said owner's pro rata share of any costs of transportation to the point of sale, as well as any costs incurred in compressing, treating, transporting and/or dehydrating the gas to effect such sale.

2. Settlements shall be made monthly by your check mailed to the undersigned parties at the respective addresses as shown, less any taxes required by law to be deducted and paid by you; provided, that no payment need to be made more often than semi-annually to or for the account of any individual owner until the sum due on account of such interest shall total at least twenty-five dollars (\$25.00).

3. Quantities are to be computed from regularly compiled tank tables, or meters of a positive displacement type, or orifice type meters, at your option, or by the method or methods provided in such contract or contracts of sale of such oil and gas between you and the third party buyer or buyers. Qualities shall be determined by the practices prevailing in the area, or as provided in said contracts of sale and in accordance with the rules and regulations of the governmental agency, Board or Commission having recognized jurisdiction or control over the production and handling of oil and gas in the area.

4. No change in or division of the ownership of any interest affected hereby, however accomplished, shall be binding on you until thirty (30) days after you shall have been furnished by certified United States mail with the original or a certified copy of the recorded instrument or instruments evidencing same. Should the lands hereinabove described, or any part

thereof, be placed in, or become subject to, a unit or units, or any revisions thereof, created either voluntarily, or by virtue of the rights accorded the lessee in the lease and so exercised, or by government order or regulation, the parties hereto agree that this division order shall, at your option, extend to the payment of proceeds from that portion of oil or gas from said unit or units which is allocated to these lands.

5. You are hereby relieved of any responsibility for determining if and when any of the interests set forth on said Exhibit "A" shall or should revert to or be owned by other parties as a result of the completion or discharge of money or other payments from said interests. The undersigned whose interests are affected by such money or other payments, if any, agree to give you notice in writing by certified letter addressed to you when any such money or other payments have been completed or discharged or when any division of interest set forth shall, for any reason, become effective or ineffective. In the event such notice shall not be received, Ultramar Oil and Gas Limited shall be held harmless in the event of, and is hereby released from, any and all damage or loss which may arise out of any payment.

6. Each of the undersigned hereby warrants and guarantees the title to the interest or interests credited to such party, as set forth on said Exhibit "A". In the event any adverse claim of title to such interest or interests, or any part thereof, is asserted in any manner, each of the undersigned owners whose interest or right or claim of interest may be involved in or affected by such adverse claim will immediately so notify you and agree to furnish you with evidence of title satisfactory to you or to furnish upon demand indemnity against such adverse claim or claims satisfactory to you, and you may withhold the proceeds accruing to the interest so adversely claimed, without any obligation to pay interest on the amount so withheld, until such evidence or such indemnity, satisfactory to you, is furnished or until final ascertainment or other final settlement of such dispute or claim is determined, satisfactory to you, and said undersigned agrees to indemnify you and hold you harmless for any cost, loss, expense, or liability suffered by you arising from or out of such adverse claim. In the event that any cost of interpleader or other court costs shall be sustained by you in connection with any such adverse claim, you shall be entitled to deduct from the proceeds which are in dispute any such costs so expended.

7. Each of the undersigned who is the owner of a royalty interest (landowner's royalty) in the lands and properties hereinabove described, by executing this division order, hereby agrees that the lease or leases described or referred to in this division order (whether specifically set out herein or described in a declaration of pool or other unitization instrument herein referred to), insofar as the same affects or affect the royalty interest of the undersigned, is or are in full force and effect and the same is or are hereby ratified and confirmed; and, in consideration of the premises, each undersigned royalty owner does hereby further LEASE, LET and DEMISE the above described land insofar as it is covered and affected by such lease or leases unto the record owners and holders of said lease or leases, subject to and in accordance with each and all of the terms and conditions as set forth and contained in the applicable lease or leases, as the same may have been amended. Each royalty owner, by executing this division order, hereby agrees that the unit, if any, described or referred to in this division order and the lease or leases described and referred to in the instrument or instruments creating said unit, insofar as the same affects or affect the royalty interest of the undersigned, are in full force and effect, that said unit has been properly created, and the same are hereby ratified and confirmed; and each undersigned royalty owner does hereby further agree that all land included in said unit shall be treated for all purposes (except the payment of royalties on the production had from said unit) as if it were covered by each of said leases so included therein, and production of gas on any part of the acreage included in said unit shall be treated as production had from the land covered by each such lease. Each undersigned royalty owner does hereby further agree that, from and after the effective date of this division order, and in lieu of the royalty specified in said lease or leases affecting his royalty interest, he shall receive from all gas production had from said unit only the unitized royalty interest or portion as set forth above opposite his name, and settlement for the aforesaid royalty interests shall be made on the basis of the weighted average of the net proceeds

derived from all sales of such production at the well and upon the volume computations made by the purchasers thereof; provided, however, in the event at any time, or from time to time, any working interest owner runs gas condensate in lieu of selling same at the well, then settlement therefor for such period of periods shall be on the basis of his manner and method of measuring in effect at the time and place of taking and at the then current price adopted or posted by him for condensate of like grade and gravity in the field which will be included in determining the weighted average.

8. The provisions hereof shall be binding upon and inure to the benefits of all parties who execute this instrument, their respective successors, heirs, administrators and assigns, whether or not all owners listed execute same. A counterpart hereof may be executed by any party or parties, in which event each executed counterpart shall be considered an original, and all signed counterparts shall be construed together as one instrument.

EACH INDIVIDUAL OWNER'S SIGNATURE MUST BE WITNESSED BY TWO PERSONS. EACH CORPORATE SIGNATURE MUST BE ATTESTED BY THE DULY AUTHORIZED SECRETARY AND THE CORPORATE SEAL AFFIXED.

WITNESSES OR ATTEST:

OWNER SIGNATURE:

Mailing Address:

Tax ID or SS#: _____

EXHIBIT "A"

TO DIVISION ORDER
COVERING PRODUCTION FROM THE
RIVERSIDE CAMPUS #4
RIVERSIDE CAMPUS PROSPECT
BRAZOS COUNTY, TEXAS

<u>Owner No.</u>	<u>Owner Name and Address</u>	<u>Division of Interest</u>
18795-2	Texas A&M University (Commissioner of General Land Office at Austin; Designated as Payee for the benefit of Texas A&M) 1700 N. Congress Avenue Austin, TX 78701	
	1/4 less 1/16 x 25.35/360	= .01320312
	1/4 x 334.65/360	= <u>.23239584</u>
		.24559896 RI
13332	Farm Credit Bank of Texas P. O. Box 15919 Austin, TX 78791	
	1/16 x 25.35/360	= .00440104 RI
18351	Flairtex Resources, Inc. 16102 Tahoe Avenue Houston, TX 77040	
		.0100000 ORRI
99902	Ultramar Oil and Gas Limited 16825 Northchase Dr., Suite 1200 Houston, TX 77060	
		.7400000 WI
		<hr/>
		<u>1.0000000</u>



PROPERTY NUMBER: 026132 PRODUCT(S):CRUDE OIL,GAS

PROPERTY NAME: FAZZINO-PENICKA UNIT #1 COUNTY/PARISH: BRAZOS

OPERATOR: UNION PACIFIC RESOURCES STATE: TEXAS

LEGAL DESCRIPTION: 233.02 ACRES - J. CURTIS JR. A-12 AND H. MITCHELL
A-180 SURVEYS. UNIT 10/24/91, VOL. 1362, PAGE 132.

STATE OF TEXAS
% COMMISSION GEN. LAND OFFICE
1700 N CONGRESS AVENUE
STEPHEN F. AUSTIN BLDG.
AUSTIN TX 78701

005772101001

100 200

THIS IS YOUR COPY. PLEASE RETAIN FOR YOUR RECORDS.

IMPORTANT: YOU MUST PROVIDE YOUR SOCIAL SECURITY OR TAX ID NUMBER. YOUR SIGNATURE AND THOSE OF TWO WITNESSES MUST ALSO BE PROVIDED. YOUR SIGNATURE CONFIRMS THE INTEREST IDENTIFIED BELOW TO OWNER #0057721-01 DOI ID# 001, AND BINDS YOU TO THE TERMS ON THE REVERSE SIDE OF THIS DOCUMENT. FURTHER, YOU HEREBY CERTIFY UNDER PENALTIES OF PERJURY, AS REQUIRED BY THE INTERNAL REVENUE CODE, THAT THE NUMBER SHOWN ON THIS FORM IS YOUR CORRECT TAX ID NUMBER. PLEASE RETURN THE EXECUTED DIVISION ORDER TO UNION PACIFIC RESOURCES CO. P.O. BOX 2993, FORT WORTH, TEXAS 76113-2993. THIS DIVISION ORDER SHALL BE EFFECTIVE AS OF 7:00 A.M. ON THE FIRST DAY OF NOVEMBER 1991.

OWNER SIGNATURE(S)/CORPORATE TITLE

SIGNATURE OF WITNESS #1

SOCIAL SECURITY OR TAX ID #

SIGNATURE OF WITNESS #2

NEW ADDRESS (IF CHANGED)

OWNER NUMBER	DOI/IL	OWNER NAME	INTEREST TYPE	INTEREST PAID BY UPRC
0057721 01	001	STATE OF TEXAS	RI	0.010823
2251690 01	001	JOSEPHINE S. FAZZINO	RI	0.121563
1536001 01	002	UNION PACIFIC RESOURCES CO.	WI	0.037779

INTEREST TYPE LEGEND:

WI - WORKING INTEREST OR - OVERRIDING ROYALTY RI - ROYALTY INTEREST
PP - PRODUCTION PAYMENT TP - TOTAL PRODUCTION

UNION PACIFIC RESOURCES COMPANY

File No.

TO: Union Pacific Resources Company.
P.O.Box 2993
Fort Worth, Texas 76113-2993

1. **OIL**: Oil shall include crude oil, condensate and other liquid hydrocarbons marketed in conjunction with the production of oil and gas. The price of all oil marketed shall be a posted per barrel field price for similar oil for the field where produced or as established under applicable contract, less A) trucking, barging or pipeline expenses, if any, to the point of delivery designated by the purchaser; B) the cost of any treatment necessary to render such oil merchantable; C) any proper deduction for water, dirt, sediment and other impurities; and D) corrections for temperature and gravity made in accordance with established rules prevailing at the time and place of delivery. All oil marketed under the terms of this division order shall become the property of the purchaser to whom it is marketed by Union Pacific Resources Co. (UPRC) when delivered to such purchaser or when delivered into any pipeline or to any person, firm or corporation designated by such purchaser to receive or transport said oil for its account.
2. **GAS**: Gas shall include natural gas, gas liquids, casinghead gas, associated gaseous hydrocarbons and plant by-products marketed in conjunction with the production of oil and gas. The settlement for all gas produced and marketed from the property shall be made on the basis of measurements in accordance with industry standards and shall be priced in accordance with the applicable gas sales contract or processing agreement, less any fair and reasonable charges for, but not limited to, A) compression, B) processing, C) making it merchantable, and D) transportation, if sold or taken off the property.
3. **COMMINGLING**: If production from the property is commingled with production from other properties, a portion of the total shall be allocated to the property on the basis of lease meter readings or any other method generally accepted in the industry.
4. **UNITIZATION**: In the event the production from the property is pooled, unitized or communitized with one or more other properties by voluntary agreement, declaration, operation of law, or by action of a governmental authority with jurisdiction, the oil and/or gas allocated to the property from the total oil and/or gas produced and marketed from the pooled, unitized or communitized area shall be deemed for all purposes to have been actually produced from the property.
5. **TITLES**: If any dispute or question arises concerning title to the interest of the owner(s) in the property or the proceeds from the sale of production therefrom, UPRC shall be furnished, at its request, such evidence of title as it may require. Until such evidence of title is furnished and such dispute or question is resolved to the satisfaction of UPRC, or until satisfactory indemnity is furnished to UPRC, UPRC is authorized to withhold proceeds due the owner(s) of the disputed or questioned interest. If any action or suit is filed in any state or federal court or administrative body affecting an owner(s) interest or proceeds due, owner(s) shall immediately provide written notice to UPRC stating the court or administrative body in which the action is filed and the title of the action.
6. **CHANGE OF OWNERSHIP**: Owner(s), their heirs, representatives, successors or assigns, shall timely notify UPRC, at the address above, of each change in the person or entity entitled to receive payment hereunder. No transfer of ownership or change in the person or entity entitled to receive payment, however effected, shall be binding upon UPRC until it has received, at no expense to UPRC: A) a properly recorded instrument or instruments evidencing such transfer or change; B) such further evidence as UPRC may require; and C) a properly executed division order/transfer order executed by all parties in interest. Furthermore, owner(s) relieve UPRC from the responsibility and liability for determining when and whether such owner's interest shall change or revert to or otherwise become owned by another party. Owner(s) shall indemnify UPRC and hold UPRC harmless from any and all claims, causes of action, damages or losses including, but not limited to, court costs and reasonable attorney's fees which may arise or result to any owner in the event of a change of ownership for which timely and sufficient notice is not received by UPRC. The accounting for all such transfers or changes of interests shall be as of 7:00 AM on the first day of the calendar month following the month in which notice is received by UPRC.
7. **WARRANTIES**: Owner(s) hereby warrants and agrees to forever defend the title to such owner's interest including that owner's share in proceeds from sales. The operator and other working interest owners severally represent that all oil and/or gas produced and marketed from the property has been or will be produced in compliance with all applicable federal, state and local laws, rules and regulations.
8. **TAXES AND ASSESSMENTS**: UPRC shall deduct, as required by applicable law, from any proceeds due an owner, any or all production, severance, ad valorem, excise, sales, and other or dissimilar taxes. Any charges or assessments or any interest or penalties in connection therewith, now or hereafter levied, assessed or placed on such proceeds or an owners interest by a governmental authority will also be deducted.
9. **SETTLEMENT**: Settlement shall be made monthly to owner(s). If the proceeds payable to an owner in any one month amount to less than twenty-five dollars (\$25.00), UPRC may, at its option, accrue such proceeds and proceeds of subsequent months, until the amounts accrued total twenty-five dollars (\$25.00).
10. **EXECUTION**: This document shall be binding upon all signatory parties, their heirs, representatives, successors or assigns.



Union Pacific Resources

A Subsidiary of Union Pacific Corporation

DIVISION ORDER

94337

DATE: 03/27/92

LV

PROPERTY NUMBER: 026132 PRODUCT(S): CRUDE OIL, GAS

PROPERTY NAME: FAZZINO-PENICKA UNIT #1

COUNTY/PARISH: BRAZOS

OPERATOR: UNION PACIFIC RESOURCES

STATE: TEXAS

LEGAL DESCRIPTION: 233.02 ACRES - J. CURTIS JR. A-12 AND H. MITCHELL A-180 SURVEYS. UNIT 10/24/91, VOL. 1362, PAGE 132.

STATE OF TEXAS
% COMMISSION GEN. LAND OFFICE
1700 N CONGRESS AVENUE
STEPHEN F. AUSTIN BLDG.
AUSTIN TX 78701

005772101001

100 200

IMPORTANT: YOU MUST PROVIDE YOUR SOCIAL SECURITY OR TAX ID NUMBER. YOUR SIGNATURE AND THOSE OF TWO WITNESSES MUST ALSO BE PROVIDED. YOUR SIGNATURE CONFIRMS THE INTEREST IDENTIFIED BELOW TO OWNER #0057721-01 DOI ID# 001, AND BINDS YOU TO THE TERMS ON THE REVERSE SIDE OF THIS DOCUMENT. FURTHER, YOU HEREBY CERTIFY UNDER PENALTIES OF PERJURY, AS REQUIRED BY THE INTERNAL REVENUE CODE, THAT THE NUMBER SHOWN ON THIS FORM IS YOUR CORRECT TAX ID NUMBER. PLEASE RETURN THE EXECUTED DIVISION ORDER TO UNION PACIFIC RESOURCES CO. P.O. BOX 2993, FORT WORTH, TEXAS 76113-2993. THIS DIVISION ORDER SHALL BE EFFECTIVE AS OF 7:00 A.M. ON THE FIRST DAY OF NOVEMBER 1991.

OWNER SIGNATURE(S)/CORPORATE TITLE

SIGNATURE OF WITNESS #1

SOCIAL SECURITY OR TAX ID #

SIGNATURE OF WITNESS #2

NEW ADDRESS (IF CHANGED)

OWNER NUMBER	DOI/ID	OWNER NAME	INTEREST TYPE	INTEREST PAID BY UPRC
0057721 01	001	STATE OF TEXAS	RI	0.010823

INTEREST TYPE LEGEND:

WI - WORKING INTEREST OR - OVERRIDING ROYALTY RI - ROYALTY INTEREST
PP - PRODUCTION PAYMENT TP - TOTAL PRODUCTION

UNION PACIFIC RESOURCES COMPANY

TO: Union Pacific Resources Company.
P.O.Box 2993
Fort Worth, Texas 76113-2993

1. **OIL**: Oil shall include crude oil, condensate and other liquid hydrocarbons marketed in conjunction with the production of oil and gas. The price of all oil marketed shall be a posted per barrel field price for similar oil for the field where produced or as established under applicable contract, less: A) trucking, barging or pipeline expenses, if any, to the point of delivery designated by the purchaser; B) the cost of any treatment necessary to render such oil merchantable; C) any proper deduction for water, dirt, sediment and other impurities; and D) corrections for temperature and gravity made in accordance with established rules prevailing at the time and place of delivery. All oil marketed under the terms of this division order shall become the property of the purchaser to whom it is marketed by Union Pacific Resources Co. (UPRC) when delivered to such purchaser or when delivered into any pipeline or to any person, firm or corporation designated by such purchaser to receive or transport said oil for its account.
2. **GAS**: Gas shall include natural gas, gas liquids, casinghead gas, associated gaseous hydrocarbons and plant by-products marketed in conjunction with the production of oil and gas. The settlement for all gas produced and marketed from the property shall be made on the basis of measurements in accordance with industry standards and shall be priced in accordance with the applicable gas sales contract or processing agreement, less any fair and reasonable charges for, but not limited to, A) compression, B) processing, C) making it merchantable, and D) transportation, if sold or taken off the property.
3. **COMMINGLING**: If production from the property is commingled with production from other properties, a portion of the total shall be allocated to the property on the basis of lease meter readings or any other method generally accepted in the industry.
4. **UNITIZATION**: In the event the production from the property is pooled, unitized or communitized with one or more other properties by voluntary agreement, declaration, operation of law, or by action of a governmental authority with jurisdiction, the oil and/or gas allocated to the property from the total oil and/or gas produced and marketed from the pooled, unitized or communitized area shall be deemed for all purposes to have been actually produced from the property.
5. **TITLES**: If any dispute or question arises concerning title to the interest of the owner(s) in the property or the proceeds from the sale of production therefrom, UPRC shall be furnished, at its request, such evidence of title as it may require. Until such evidence of title is furnished and such dispute or question is resolved to the satisfaction of UPRC, or until satisfactory indemnity is furnished to UPRC, UPRC is authorized to withhold proceeds due the owner(s) of the disputed or questioned interest. If any action or suit is filed in any state or federal court or administrative body affecting an owner(s) interest or proceeds due, owner(s) shall immediately provide written notice to UPRC stating the court or administrative body in which the action is filed and the title of the action.
6. **CHANGE OF OWNERSHIP**: Owner(s), their heirs, representatives, successors or assigns, shall timely notify UPRC, at the address above, of each change in the person or entity entitled to receive payment hereunder. No transfer of ownership or change in the person or entity entitled to receive payment, however effected, shall be binding upon UPRC until it has received, at no expense to UPRC: A) a properly recorded instrument or instruments evidencing such transfer or change; B) such further evidence as UPRC may require; and C) a properly executed division order/transfer order executed by all parties in interest. Furthermore, owner(s) relieve UPRC from the responsibility and liability for determining when and whether such owner's interest shall change or revert to or otherwise become owned by another party. Owner(s) shall indemnify UPRC and hold UPRC harmless from any and all claims, causes of action, damages or losses including, but not limited to, court costs and reasonable attorney's fees which may arise or result to any owner in the event of a change of ownership for which timely and sufficient notice is not received by UPRC. The accounting for all such transfers or changes of interests shall be as of 7:00 AM on the first day of the calendar month following the month in which notice is received by UPRC.
7. **WARRANTIES**: Owner(s) hereby warrants and agrees to forever defend the title to such owner's interest including that owner's share in proceeds from sales. The operator and other working interest owners severally represent that all oil and/or gas produced and marketed from the property has been or will be produced in compliance with all applicable federal, state and local laws, rules and regulations.
8. **TAXES AND ASSESSMENTS**: UPRC shall deduct, as required by applicable law, from any proceeds due an owner, any or all production, severance, ad valorem, excise, sales, and other or dissimilar taxes. Any charges or assessments or any interest or penalties in connection therewith, now or hereafter levied, assessed or placed on such proceeds or an owners interest by a governmental authority will also be deducted.
9. **SETTLEMENT**: Settlement shall be made monthly to owner(s). If the proceeds payable to an owner in any one month amount to less than twenty-five dollars (\$25.00), UPRC may, at its option, accrue such proceeds and proceeds of subsequent months, until the amounts accrued total twenty-five dollars (\$25.00).
10. **EXECUTION**: This document shall be binding upon all signatory parties, their heirs, representatives, successors or assigns.

File No.

Property, Production, Operations and Revenue Commissioner

M-94337
REF. M-95036
OIL AND GAS DIVISION ORDER

FOR YOUR PERSONAL
RECORDS

TO: Ultramar Oil and Gas Limited
16825 Northchase Drive, Suite 1200
Houston, Texas 77060

Date: Dec. 23, 1992
Lease No.: _____
Prop. No.: 81286

Effective from 7:00 a.m. First Production.

The undersigned, and each of them, represent, guarantee and warrant that they, respectively, are the legal owners, in the proportions set out on Exhibit "A" attached hereto, of proceeds from the sale of the oil and gas produced and to be produced from the Riverside #6, Riverside Prospect, in Brazos County, Texas, covering lands described as follows, to-wit:

460.721 acres more or less out of the John Williams Survey, A-237, James Curtis Survey A-12, and the Thomas F. McKinney Survey, A-33, Brazos County, Texas being more fully described in the Designation of Pooled Unit dated November 18, 1992, filed of record under File No. 506315.

Until further notice you are authorized, for your own account, to receive all oil and gas produced from said lands or lands pooled or unitized therewith into your possession as your property, and you are authorized to credit or cause to be credited to the undersigned, as owners under said lease and the lands above described, the respective interests in proceeds from the sale thereof as shown opposite the name of the undersigned on Exhibit "A" attached hereto.

This division order is subject to the conditions and provisions hereinafter set forth:

1. The payment for all oil, distillate, condensate and other liquid hydrocarbons received by you hereunder shall be made to the respective owners and in the proportions set forth on said Exhibit "A" at the price or prices posted by you on date of receipt, or if no price is posted by you, said owners shall be paid at the price or prices received by you at the well; the payment for gas shall be made in the same manner as hereinafter provided at the price received by you at the well, or if oil or gas is used by you off the leased premises, payment shall be made for the value thereof at the well after deducting said owner's pro rata share of any costs of transportation to the point of sale, as well as any costs incurred in compressing, treating, transporting and/or dehydrating the gas to effect such sale.

2. Settlements shall be made monthly by your check mailed to the undersigned parties at the respective addresses as shown, less any taxes required by law to be deducted and paid by you; provided, that no payment need to be made more often than semi-annually to or for the account of any individual owner until the sum due on account of such interest shall total at least twenty-five dollars (\$25.00).

3. Quantities are to be computed from regularly compiled tank tables, or meters of a positive displacement type, or orifice type meters, at your option, or by the method or methods provided in such contract or contracts of sale of such oil and gas between you and the third party buyer or buyers. Qualities shall be determined by the practices prevailing in the area, or as provided in said contracts of sale and in accordance with the rules and regulations of the governmental agency, Board or Commission having recognized jurisdiction or control over the production and handling of oil and gas in the area.

4. No change in or division of the ownership of any interest affected hereby, however accomplished, shall be binding on you until thirty (30) days after you shall have been furnished by

certified United States mail with the original or a certified copy of the recorded instrument or instruments evidencing same. Should the lands hereinabove described, or any part thereof, be placed in, or become subject to, a unit or units, or any revisions thereof, created either voluntarily, or by virtue of the rights accorded the lessee in the lease and so exercised, or by government order or regulation, the parties hereto agree that this division order shall, at your option, extend to the payment of proceeds from that portion of oil or gas from said unit or units which is allocated to these lands.

5. You are hereby relieved of any responsibility for determining if and when any of the interests set forth on said Exhibit "A" shall or should revert to or be owned by other parties as a result of the completion or discharge of money or other payments from said interests. The undersigned whose interests are affected by such money or other payments, if any, agree to give you notice in writing by certified letter addressed to you when any such money or other payments have been completed or discharged or when any division of interest set forth shall, for any reason, become effective or ineffective. In the event such notice shall not be received, Ultramar Oil and Gas Limited shall be held harmless in the event of, and is hereby released from, any and all damage or loss which may arise out of any payment.

6. Each of the undersigned hereby warrants and guarantees the title to the interest or interests credited to such party, as set forth on said Exhibit "A". In the event any adverse claim of title to such interest or interests, or any part thereof, is asserted in any manner, each of the undersigned owners whose interest or right or claim of interest may be involved in or affected by such adverse claim will immediately so notify you and agree to furnish you with evidence of title satisfactory to you or to furnish upon demand indemnity against such adverse claim or claims satisfactory to you, and you may withhold the proceeds accruing to the interest so adversely claimed, without any obligation to pay interest on the amount so withheld, until such evidence or such indemnity, satisfactory to you, is furnished or until final ascertainment or other final settlement of such dispute or claim is determined, satisfactory to you, and said undersigned agrees to indemnify you and hold you harmless for any cost, loss, expense, or liability suffered by you arising from or out of such adverse claim. In the event that any cost of interpleader or other court costs shall be sustained by you in connection with any such adverse claim, you shall be entitled to deduct from the proceeds which are in dispute any such costs so expended.

7. Each of the undersigned who is the owner of a royalty interest (landowner's royalty) in the lands and properties hereinabove described, by executing this division order, hereby agrees that the lease or leases described or referred to in this division order (whether specifically set out herein or described in a declaration of pool or other unitization instrument herein referred to), insofar as the same affects or affect the royalty interest of the undersigned, is or are in full force and effect and the same is or are hereby ratified and confirmed; and, in consideration of the premises, each undersigned royalty owner does hereby further LEASE, LET and DEMISE the above described land insofar as it is covered and affected by such lease or leases unto the record owners and holders of said lease or leases, subject to and in accordance with each and all of the terms and conditions as set forth and contained in the applicable lease or leases, as the same may have been amended. Each royalty owner, by executing this division order, hereby agrees that the unit, if any, described or referred to in this division order and the lease or leases described and referred to in the instrument or instruments creating said unit, insofar as the same affects or affect the royalty interest of the undersigned, are in full force and effect, that said unit has been properly created, and the same are hereby ratified and confirmed; and each undersigned royalty owner does hereby further agree that all land included in said unit shall be treated for all purposes (except the payment of royalties on the production had from said unit) as if it were covered by each of said leases so included therein, and production of gas on any part of the acreage included in said unit shall be treated as production had from the land covered by each such lease. Each undersigned

royalty owner does hereby further agree that, from and after the effective date of this division order, and in lieu of the royalty specified in said lease or leases affecting his royalty interest, he shall receive from all gas production had from said unit only the unitized royalty interest or portion as set forth above opposite his name, and settlement for the aforesaid royalty interests shall be made on the basis of the weighted average of the net proceeds derived from all sales of such production at the well and upon the volume computations made by the purchasers thereof; provided, however, in the event at any time, or from time to time, any working interest owner runs gas condensate in lieu of selling same at the well, then settlement therefor for such period of periods shall be on the basis of his manner and method of measuring in effect at the time and place of taking and at the then current price adopted or posted by him for condensate of like grade and gravity in the field which will be included in determining the weighted average.

8. The provisions hereof shall be binding upon and inure to the benefits of all parties who execute this instrument, their respective successors, heirs, administrators and assigns, whether or not all owners listed execute same. A counterpart hereof may be executed by any party or parties, in which event each executed counterpart shall be considered an original, and all signed counterparts shall be construed together as one instrument.

EACH INDIVIDUAL OWNER'S SIGNATURE MUST BE WITNESSED BY TWO PERSONS. EACH CORPORATE SIGNATURE MUST BE ATTESTED BY THE DULY AUTHORIZED SECRETARY AND THE CORPORATE SEAL AFFIXED.

WITNESSES OR ATTEST:

OWNER SIGNATURE:

Mailing Address:

Tax ID or SS# _____

WITNESSES OR ATTEST:

OWNER SIGNATURE:

Mailing Address:

Tax ID or SS# _____

EXHIBIT "A"

TO DIVISION ORDER
COVERING PRODUCTION FROM THE
RIVERSIDE CAMPUS #6 WELL
RIVERSIDE CAMPUS PROSPECT,
BRAZOS COUNTY, TEXAS

Tract 9 HROW

Owner No. Owner Name and Address

Division of Interest

The State of Texas
Commissioner of General Land Office
at Austin
1700 North Congress Ave.
Austin, TX 78701

.00244182 RI



4

file No. 094337
Division order

Date Filed: _____
Jerry E. Patterson, Commissioner
By _____

EX-35

Texas A&M University
Prairie View A&M University
Spartan State University
Texas A&M University at Galveston
Corpus Christi State University
Laredo State University
Texas A&I University
West Texas State University



Texas Agricultural Experiment Station
Texas Agricultural Extension Service
Texas Animal Damage Control Service
Texas Engineering Experiment Station
Texas Engineering Extension Service
Texas Forest Service
Texas Transportation Institute
Texas Veterinary Medical Diagnostic Laboratory

94337

THE TEXAS A&M UNIVERSITY SYSTEM

COLLEGE STATION, TEXAS 77843-1120

System Real Estate Office

Telephone (409) 845-9612

June 11, 1992

RECEIVED

JUN 18 1992

LAND ADMINISTRATION

Ms. Laurie L. Beck
Division Order Supervisor
Ultramar Oil & Gas Limited
16825 Northchase, Suite 1200
Houston, Texas 77060-6080

RE: Oil Division Order No. 81280, Riverside No. 1 Well; No. 81282, Riverside No. 2 Well; No. 81282, Riverside No. 3; No. 81284, Riverside No. 4; 81285, Riverside No. 5, Brazos County, Texas; My File No. 520

Dear Laurie:

I am enclosing executed originals of Division Order No. 81280, Riverside No. 1 well; No. 81282, Riverside No. 2 well; No. 81282, Riverside No. 3; No. 81284, Riverside No. 4; 81285, Riverside No. 5, located on the TAMU Riverside Campus property in Brazos County, Texas. The Texas A&M University System is required by the law to comply with Section 91.402(c) and (d) of the Natural Resources Code, therefore, we have developed an approved division order form which meets all requirements of the State of Texas and The Texas A&M University System.

If you have any questions regarding the division order, please contact me at (409) 845-9612.

Yours truly,

Eddie D. Gose, J.D.
Assistant General Counsel
for Real Estate

EDG:gd
PF# EDG-520
Enclosure

cc: Richard L. Floyd
Executive Director
System Real Estate Office

6-9-94
Per Jesse Arellano:
These were filed in a different file
in the wrong mineral file.
I put these in this file.
JG



System Real Estate Office

OIL AND GAS DIVISION ORDER
In Compliance with
V.T.C.A., NATURAL RESOURCES CODE
Section 91.402(c) and (d)

TO: ULTRAMAR OIL AND GAS LIMITED
16825 Northchase Drive, Suite 1200
Houston, Texas 77060

NO.: 81284

EFFECTIVE: 7 a.m. First
Production

The undersigned severally and not jointly certifies it is the legal owner of the interest set out below of all the oil, gas and related liquid hydrocarbons produced from the property described below:

OPERATOR: ULTRAMAR OIL AND GAS LIMITED ("Payor")

PROPERTY NAME: TAMU Riverside Campus #4

COUNTY: Brazos

STATE: Texas

LEGAL DESCRIPTION:

360 acres, more or less, out of the James Curtis, Jr., Survey, A-12, Brazos County, Texas.

Credit To	Division of Interest	Post Office Address
<u>Royalty Interest</u> Texas A&M University	See Schedule Below	Revenue:
(Commissioner of the General Land Office at		State of Texas Commissioner of General

Austin, Texas, designated
 as Payee for the Benefit
 of Texas A&M University)
 Owner No. 18795-2

Land Office
 Stephen F. Austin Bldg.
 Austin, Texas 78701

Correspondence:
 The Texas A&M University
 System
 System Real Estate Office
 College Station, TX 77843-
 1120

PERCENTAGE INTEREST SCHEDULE FOR
 RIVERSIDE CAMPUS #4 TRACT
 (360 acres, more or less)

Royalty Owner	Mineral Interest	Lease Royalty	Production Unit	Interest In Oil & Gas Production
The Texas A&M University System	.98239584	.2500000	1.0000000	.24559896

THIS AGREEMENT DOES NOT AMEND ANY LEASE OR OPERATING
 AGREEMENT BETWEEN THE INTEREST OWNER AND THE LESSEE OR
 OPERATOR OR ANY OTHER CONTRACTS FOR THE PURCHASE OF OIL OR
 GAS.

The following provisions apply to the interest owner ("Owner") executing this
 agreement:

Terms of Sale: Owner will be paid in accordance with the division of interests
 set out above. The price paid by Payor shall be determined from definitions and
 explanations of royalty terms and provisions contained in that certain oil and gas lease



dated December 11, 1990, and recorded in Volume 1232, Page 123 of the Oil and Gas Records of Brazos County, Texas. Quantities shall be computed from regularly compiled tank tables, or meters of a positive displacement type, or orifice type meters, at Payor's option or by the method or methods provided in such contract or contracts of sale of oil and gas between Payor and third party buyer or buyers. Qualities shall be determined by practices prevailing in the area, or as provided in said contracts of sale or (in no event shall such methods result in payments less than those established in the royalty provisions of the oil and gas lease), in accordance with the rules and regulations of governmental agencies, Boards, or Commissions having recognized jurisdiction or control over the production and handling of oil and gas in the area.

Payment: From the effective date, payment is to be made monthly by Payor's check, based on this division of interest, for production during the 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 \$25 may be accrued before disbursement until the total amount equals \$25 or more, or until December 31 of each year, whichever occurs first. Owner agrees to refund to Payor any amounts attributable to an interest or part of an interest that Owner does not own.

Indemnity: Owner agrees to indemnify and hold Payor harmless from all liability, to the extent permitted by the laws of the State of Texas, resulting from payments made to Owner in accordance with this division of interest. Such indemnity includes but is not limited to attorney fees or judgments in connection with any suit that affects Owner's interest to which Payor is made a party and reimbursement to Payor for



payments made if Owner does not have merchantable title to the production sold under this oil and gas division order.

Dispute: Withholding of Funds: If a suit is filed that affects the interest of Owner, written notice shall be given to Payor by Owner together with a copy of the complaint or petition filed.

In the event of a title dispute or adverse claim that affects title to the division of interest credited herein, Payor is authorized to suspend 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: 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 in or division of ownership of any interest affected hereby, however accomplished, shall be binding on Payor until thirty (30) days after Payor has been furnished, by certified United States mail, the original or a certified copy of the recorded instrument or instruments evidencing such change of ownership.



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, Owner may have certain statutory rights regarding payments under the laws of the State of Texas.

SIGNATURE OF OWNER: THE TEXAS A&M UNIVERSITY SYSTEM
Herbert H. Richardson, Chancellor

By: _____

[Handwritten Signature]
JAMES B. BOND
Deputy Chancellor and
General Counsel

SIGNED this 9th day of June, 1992.

ADDRESS:

Executive Director
System Real Estate Office
College Station, TX 77843-1120

OWNER'S TAX I.D. NO.: 

WITNESS:

Wanda Taylor

R. L. [Signature]





System Real Estate Office

OIL AND GAS DIVISION ORDER
In Compliance with
V.T.C.A., NATURAL RESOURCES CODE
Section 91.402(c) and (d)

TO: ULTRAMAR OIL AND GAS LIMITED
16825 Northchase Drive, Suite 1200
Houston, Texas 77060

NO.: 81280

EFFECTIVE: 7 a.m. First
Production

The undersigned severally and not jointly certifies it is the legal owner of the interest set out below of all the oil, gas and related liquid hydrocarbons produced from the property described below:

OPERATOR: ULTRAMAR OIL AND GAS LIMITED ("Payor")

PROPERTY NAME: TAMU Riverside Campus #1

COUNTY: Brazos

STATE: Texas

LEGAL DESCRIPTION:

360.0 acres, more or less, out of the James Curtis, Jr., Survey, A-12, Brazos County, Texas.

Credit To	Division of Interest	Post Office Address
<u>Royalty Interest</u> Texas A&M University	See Schedule Below	Revenue:
(Commissioner of the General Land Office at		State of Texas Commissioner of General

Austin, Texas, designated
 as Payee for the Benefit
 of Texas A&M University)
 Owner No. 18795-2

Land Office
 Stephen F. Austin Bldg.
 Austin, Texas 78701

Correspondence:
 The Texas A&M University
 System
 System Real Estate Office
 College Station, TX 77843-
 1120

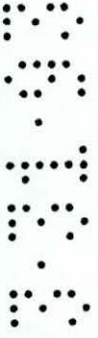
PERCENTAGE INTEREST SCHEDULE FOR
 RIVERSIDE CAMPUS #1 TRACT
 (360 acres, more or less)

Royalty Owner	Mineral Interest	Lease Royalty	Production Unit	Interest In Oil & Gas Production
The Texas A&M University System	1.0000000	.2500000	1.0000000	.2500000

THIS AGREEMENT DOES NOT AMEND ANY LEASE OR OPERATING
 AGREEMENT BETWEEN THE INTEREST OWNER AND THE LESSEE OR
 OPERATOR OR ANY OTHER CONTRACTS FOR THE PURCHASE OF OIL OR
 GAS.

The following provisions apply to the interest owner ("Owner") executing this agreement:

Terms of Sale: Owner will be paid in accordance with the division of interests set out above. The price paid by Payor shall be determined from definitions and explanations of royalty terms and provisions contained in that certain oil and gas lease



dated December 11, 1990, and recorded in Volume 1232, Page 123 of the Oil and Gas Records of Brazos County, Texas. Quantities shall be computed from regularly compiled tank tables, or meters of a positive displacement type, or orifice type meters, at Payor's option or by the method or methods provided in such contract or contracts of sale of oil and gas between Payor and third party buyer or buyers. Qualities shall be determined by practices prevailing in the area, or as provided in said contracts of sale (in no event shall such methods result in payments less than those established in the royalty provisions of the oil and gas lease), or in accordance with the rules and regulations of governmental agencies, Boards, or Commissions having recognized jurisdiction or control over the production and handling of oil and gas in the area.

Payment: From the effective date, payment is to be made monthly by Payor's check, based on this division of interest, for production during the 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 \$25 may be accrued before disbursement until the total amount equals \$25 or more, or until December 31 of each year, whichever occurs first. Owner agrees to refund to Payor any amounts attributable to an interest or part of an interest that Owner does not own.

Indemnity: Owner agrees to indemnify and hold Payor harmless from all liability, to the extent permitted by the laws of the State of Texas, resulting from payments made to Owner in accordance with this division of interest. Such indemnity includes but is not limited to attorney fees or judgments in connection with any suit that affects Owner's interest to which Payor is made a party and reimbursement to Payor for



payments made if Owner does not have merchantable title to the production sold under this oil and gas division order.

Dispute; Withholding of Funds: If a suit is filed that affects the interest of Owner, written notice shall be given to Payor by Owner together with a copy of the complaint or petition filed.

In the event of a title dispute or adverse claim that affects title to the division of interest credited herein, Payor is authorized to suspend 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: 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 in or division of ownership of any interest affected hereby, however accomplished, shall be binding on Payor until thirty (30) days after Payor has been furnished, by certified United States mail, the original or a certified copy of the recorded instrument or instruments evidencing such change of ownership.

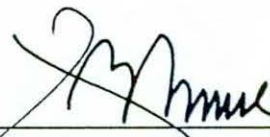


Any change of interest shall be made effective on the first day of the month following receipt of such notice by Payor.

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, Owner may have certain statutory rights regarding payments under the laws of the State of Texas.

SIGNATURE OF OWNER: THE TEXAS A&M UNIVERSITY SYSTEM
Herbert H. Richardson, Chancellor


By: 

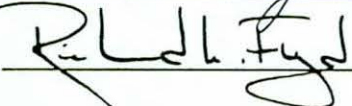
JAMES B. BOND
Deputy Chancellor and
General Counsel

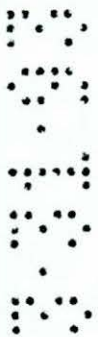
SIGNED this 9th of June, 1992.

ADDRESS:
Executive Director
System Real Estate Office
College Station, TX 77843-1120

OWNER'S TAX I.D. NO.: 

WITNESS:








System Real Estate Office

OIL AND GAS DIVISION ORDER
In Compliance with
V.T.C.A., NATURAL RESOURCES CODE
Section 91.402(c) and (d)

TO: **ULTRAMAR OIL AND GAS LIMITED**
16825 Northchase Drive, Suite 1200
Houston, Texas 77060

NO.: 81282

EFFECTIVE: 7 a.m. First
Production

The undersigned severally and not jointly certifies it is the legal owner of the interest set out below of all the oil, gas and related liquid hydrocarbons produced from the property described below:

OPERATOR: **ULTRAMAR OIL AND GAS LIMITED** ("Payor")

PROPERTY NAME: TAMU Riverside Campus #3

COUNTY: Brazos

STATE: Texas

LEGAL DESCRIPTION:

360 acres, more or less, out of the James Curtis, Jr., Survey, A-12, and the Thomas F. McKinney Survey, A-33, Brazos County, Texas.

Credit To	Division of Interest	Post Office Address
<u>Royalty Interest</u> Texas A&M University	See Schedule Below	Revenue:
(Commissioner of the General Land Office at		State of Texas Commissioner of General

Austin, Texas, designated
as Payee for the Benefit
of Texas A&M University)
Owner No. 18795-2

Land Office
Stephen F. Austin Bldg.
Austin, Texas 78701

Correspondence:
The Texas A&M University
System
System Real Estate Office
College Station, TX 77843-
1120

PERCENTAGE INTEREST SCHEDULE FOR
RIVERSIDE CAMPUS #3 TRACT
(360 acres, more or less)

Royalty Owner	Mineral Interest	Lease Royalty	Production Unit	Interest In Oil & Gas Production
The Texas A&M University System	.99641668	.2500000	1.0000000	.24910417

THIS AGREEMENT DOES NOT AMEND ANY LEASE OR OPERATING
AGREEMENT BETWEEN THE INTEREST OWNER AND THE LESSEE OR
OPERATOR OR ANY OTHER CONTRACTS FOR THE PURCHASE OF OIL OR
GAS.

The following provisions apply to the interest owner ("Owner") executing this agreement:

Terms of Sale: Owner will be paid in accordance with the division of interests set out above. The price paid by Payor shall be determined from definitions and explanations of royalty terms and provisions contained in that certain oil and gas lease



dated December 11, 1990, and recorded in Volume 1232, Page 123 of the Oil and Gas Records of Brazos County, Texas. Quantities shall be computed from regularly compiled tank tables, or meters of a positive displacement type, or orifice type meters, at Payor's option or by the method or methods provided in such contract or contracts of sale of oil and gas between Payor and third party buyer or buyers. Qualities shall be determined by practices prevailing in the area, or as provided in said contracts of sale (in no event shall such methods result in payments less than those established in the royalty provisions of the oil and gas lease), or in accordance with the rules and regulations of governmental agencies, Boards, or Commissions having recognized jurisdiction or control over the production and handling of oil and gas in the area.

Payment: From the effective date, payment is to be made monthly by Payor's check, based on this division of interest, for production during the 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 \$25 may be accrued before disbursement until the total amount equals \$25 or more, or until December 31 of each year, whichever occurs first. Owner agrees to refund to Payor any amounts attributable to an interest or part of an interest that Owner does not own.

Indemnity: Owner agrees to indemnify and hold Payor harmless from all liability, to the extent permitted by the laws of the State of Texas, resulting from payments made to Owner in accordance with this division of interest. Such indemnity includes but is not limited to attorney fees or judgments in connection with any suit that affects Owner's interest to which Payor is made a party and reimbursement to Payor for



payments made if Owner does not have merchantable title to the production sold under this oil and gas division order.

Dispute; Withholding of Funds: If a suit is filed that affects the interest of Owner, written notice shall be given to Payor by Owner together with a copy of the complaint or petition filed.

In the event of a title dispute or adverse claim that affects title to the division of interest credited herein, Payor is authorized to suspend 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: 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 in or division of ownership of any interest affected hereby, however accomplished, shall be binding on Payor until thirty (30) days after Payor has been furnished, by certified United States mail, the original or a certified copy of the recorded instrument or instruments evidencing such change of ownership.



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, Owner may have certain statutory rights regarding payments under the laws of the State of Texas.

SIGNATURE OF OWNER: THE TEXAS A&M UNIVERSITY SYSTEM
Herbert H. Richardson, Chancellor

By: _____

[Handwritten Signature]
JAMES B. BOND
Deputy Chancellor and
General Counsel

SIGNED this 9th day of June, 1992.

ADDRESS:

Executive Director
System Real Estate Office
College Station, TX 77843-1120

OWNER'S TAX I.D. NO.: _____

WITNESS:

Wanda Taylor

R. L. L. Floyd





System Real Estate Office

OIL AND GAS DIVISION ORDER
In Compliance with
V.T.C.A., NATURAL RESOURCES CODE
Section 91.402(c) and (d)

TO: ULTRAMAR OIL AND GAS LIMITED
16825 Northchase Drive, Suite 1200
Houston, Texas 77060

NO.: 81282

EFFECTIVE: 7 a.m. First
Production

The undersigned severally and not jointly certifies it is the legal owner of the interest set out below of all the oil, gas and related liquid hydrocarbons produced from the property described below:

OPERATOR: ULTRAMAR OIL AND GAS LIMITED ("Payor")

PROPERTY NAME: TAMU Riverside Campus #2

COUNTY: Brazos

STATE: Texas

LEGAL DESCRIPTION:

400 acres, more or less, out of the James Curtis, Jr., Survey, A-12, and the John Williams Survey, A-237, Brazos County, Texas.

Credit To	Division of Interest	Post Office Address
Royalty Interest		
Texas A&M University	See Schedule Below	Revenue:
(Commissioner of the		State of Texas

General Land Office at
Austin, Texas, designated
as Payee for the Benefit
of Texas A&M University)
Owner No. 18795-2

Commissioner of General
Land Office
Stephen F. Austin Bldg.
Austin, Texas 78701

Correspondence:
The Texas A&M University
System
System Real Estate Office
College Station, TX 77843-
1120

PERCENTAGE INTEREST SCHEDULE FOR
RIVERSIDE CAMPUS #2 TRACT
(400 acres, more or less)

Royalty Owner	Mineral Interest	Lease Royalty	Production Unit	Interest In Oil & Gas Production
The Texas A&M University System	1.0000000	.2500000	1.0000000	.2500000

THIS AGREEMENT DOES NOT AMEND ANY LEASE OR OPERATING
AGREEMENT BETWEEN THE INTEREST OWNER AND THE LESSEE OR
OPERATOR OR ANY OTHER CONTRACTS FOR THE PURCHASE OF OIL OR
GAS.

The following provisions apply to the interest owner ("Owner") executing this agreement:

Terms of Sale: Owner will be paid in accordance with the division of interests set out above. The price paid by Payor shall be determined from definitions and explanations of royalty terms and provisions contained in that certain oil and gas lease



dated December 11, 1990, and recorded in Volume 1232, Page 123 of the Oil and Gas Records of Brazos County, Texas. Quantities shall be computed from regularly compiled tank tables, or meters of a positive displacement type, or orifice type meters, at Payor's option or by the method or methods provided in such contract or contracts of sale of oil and gas between Payor and third party buyer or buyers. Qualities shall be determined by practices prevailing in the area, or as provided in said contracts of sale (in no event shall such methods result in payments less than those established in the royalty provisions of the oil and gas lease), or in accordance with the rules and regulations of governmental agencies, Boards, or Commissions having recognized jurisdiction or control over the production and handling of oil and gas in the area.

Payment: From the effective date, payment is to be made monthly by Payor's check, based on this division of interest, for production during the 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 \$25 may be accrued before disbursement until the total amount equals \$25 or more, or until December 31 of each year, whichever occurs first. Owner agrees to refund to Payor any amounts attributable to an interest or part of an interest that Owner does not own.

Indemnity: Owner agrees to indemnify and hold Payor harmless from all liability, to the extent permitted by the laws of the State of Texas, resulting from payments made to Owner in accordance with this division of interest. Such indemnity includes but is not limited to attorney fees or judgments in connection with any suit that affects Owner's interest to which Payor is made a party and reimbursement to Payor for



payments made if Owner does not have merchantable title to the production sold under this oil and gas division order.

Dispute; Withholding of Funds: If a suit is filed that affects the interest of Owner, written notice shall be given to Payor by Owner together with a copy of the complaint or petition filed.

In the event of a title dispute or adverse claim that affects title to the division of interest credited herein, Payor is authorized to suspend 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: 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 in or division of ownership of any interest affected hereby, however accomplished, shall be binding on Payor until thirty (30) days after Payor has been furnished, by certified United States mail, the original or a certified copy of the recorded instrument or instruments evidencing such change of ownership.



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, Owner may have certain statutory rights regarding payments under the laws of the State of Texas.

SIGNATURE OF OWNER: THE TEXAS A&M UNIVERSITY SYSTEM
Herbert H. Richardson, Chancellor

By: 

JAMES B. BOND
Deputy Chancellor and
General Counsel

SIGNED this 9th day of June, 1992.

ADDRESS:

Executive Director
System Real Estate Office
College Station, TX 77843-1120

OWNER'S TAX I.D. NO.: 

WITNESS:

Wanda Taylor
Richard L. Fyfe



Texas A&M University
Prairie View A&M University
Tarleton State University
Texas A&M University at Galveston
Corpus Christi State University
Laredo State University
Texas A&I University
West Texas State University



Texas Agricultural Experiment Station
Texas Agricultural Extension Service
Texas Animal Damage Control Service
Texas Engineering Experiment Station
Texas Engineering Extension Service
Texas Forest Service
Texas Transportation Institute
Texas Veterinary Medical Diagnostic Laboratory

THE TEXAS A&M UNIVERSITY SYSTEM

COLLEGE STATION, TEXAS 77843-1120

System Real Estate Office

January 21, 1993

Telephone (409) 845-9612

Ms. Laurie L. Beck
Division Order Supervisor
Ultramar Oil and Gas Limited
16825 Northchase Drive, Suite 1200
Houston, Texas 77060

JAN 21 1993

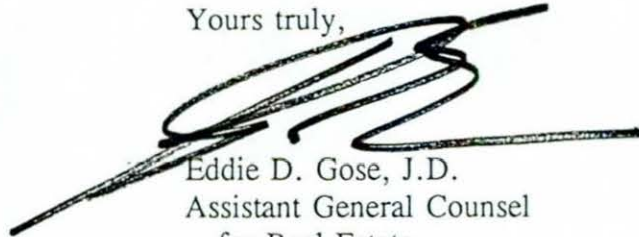
RE: Oil and Gas Division Order No. 81286 (TAMU Riverside Campus #6); Riverside Campus Prospect, Brazos County, Texas; Our File No. EDG-520

Dear Ms. Beck:

I am enclosing an executed original of Division Order No. 81286 (TAMU Riverside Campus #6), Riverside Campus Prospect, for well(s) located on Texas A&M University property in Brazos County, Texas. The Texas A&M University System is required by law to comply with Section 91.402(c) and (d) of the Natural Resources Code, therefore, we are using a form which meets all requirements of the State of Texas and The Texas A&M University System.

If you have any questions regarding the division order, please contact me at (409) 845-9612.

Yours truly,



Eddie D. Gose, J.D.
Assistant General Counsel
for Real Estate

EDG:ta
PF# EDG-520
Enclosure



System Real Estate Office

OIL AND GAS DIVISION ORDER
In Compliance with
TEX. NAT. RES. CODE ANN.
§ 91.402(c) and (d)

TO: ULTRAMAR OIL AND GAS LIMITED **NO.: 81286**
16825 Northchase Drive, Suite 1200
Houston, Texas 77060

EFFECTIVE: 7:00 a.m. First
Production

The undersigned severally and not jointly certifies it is the legal owner of the interest set out below of all the oil, gas and related liquid hydrocarbons produced from the property described below:

OPERATOR: ULTRAMAR OIL AND GAS LIMITED ("Payor")

PROPERTY NAME: TAMU Riverside Campus #6

COUNTY: Brazos

STATE: Texas

LEGAL DESCRIPTION:

460.721 acres more or less out of the John Williams Survey, A-237, James Curtis Survey A-12, and the Thomas F. McKinney Survey, A-33, Brazos County, Texas.

Credit To	Division of Interest	Post Office Address
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Royalty Interest

Texas A&M University (Commissioner of the General Land Office at Austin, Texas, designated as Payee for the Benefit of Texas A&M University) Owner No. 20057	See Schedule Below	Revenue: State of Texas Commissioner of General Land Office Stephen F. Austin Bldg. Austin, Texas 78701 Correspondence: The Texas A&M University System System Real Estate Office College Station, Texas 77843-1120
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PERCENTAGE INTEREST SCHEDULE FOR
RIVERSIDE CAMPUS #6 WELL
(Tract 10: 32.9753 acres, more or less)
and
(Tract 11: 198.2847 acres, more or less)

Royalty Owner	Mineral Interest	Lease Royalty	Production Unit	Interest In Oil & Gas Production
The Texas A&M University System (Tract 10)	1.00000000	.18750000	.07157325	.01341998
The Texas A&M University System (Tract 11)	1.00000000	.25000000	.43037912	.10759478 .12101476

THIS AGREEMENT DOES NOT AMEND ANY LEASE OR OPERATING
AGREEMENT BETWEEN THE INTEREST OWNER AND THE LESSEE OR
OPERATOR OR ANY OTHER CONTRACTS FOR THE PURCHASE OF OIL OR
GAS.



The following provisions apply to the interest owner ("Owner") executing this agreement:

Terms of Sale: Owner will be paid in accordance with the division of interests set out above. The price paid by Payor shall be determined from definitions and explanations of royalty terms and provisions contained in that certain oil and gas lease recorded in Volume 1232, Page 123 of the Oil and Gas Lease records of Brazos County, Texas. Quantities shall be computed from regularly compiled tank tables, or meters of a positive displacement type, or orifice type meters, at Payor's option or by the method or methods provided in such contract or contracts of sale of oil and gas between Payor and third party buyer or buyers. Qualities shall be determined by practices prevailing in the area, or as provided in said contracts of sale (in no event shall such methods result in payments less than those established in the royalty provisions of the oil and gas lease), or in accordance with the rules and regulations of governmental agencies, Boards, or Commissions having recognized jurisdiction or control over the production and handling of oil and gas in the area.

Payment: From the effective date, payment is to be made monthly by Payor's check, based on this division of interest, for production during the 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 \$25 may be accrued before disbursement until the total amount equals \$25 or more, or until December 31 of each year, whichever occurs first. Owner agrees to refund to Payor any amounts attributable to an interest or part of an interest that Owner does not own.

Indemnity: Owner agrees to indemnify and hold Payor harmless from all liability, to the extent permitted by the laws of the State of Texas, resulting from



payments made to Owner in accordance with this division of interest. Such indemnity includes but is not limited to attorney fees or judgments in connection with any suit that affects Owner's interest to which Payor is made a party and reimbursement to Payor for payments made if Owner does not have merchantable title to the production sold under this oil and gas division order.

Dispute; Withholding of Funds: If a suit is filed that affects the interest of Owner, written notice shall be given to Payor by Owner together with a copy of the complaint or petition filed.

In the event of a title dispute or adverse claim that affects title to the division of interest credited herein, Payor is authorized to suspend 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: 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 in or division of ownership of any interest affected hereby, however accomplished, shall be binding on Payor until thirty (30) days after Payor has been furnished, by certified United States mail, the original or a certified copy of the recorded instrument or instruments evidencing such change of ownership.

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, Owner may have certain statutory rights regarding payments under the laws of the State of Texas.

SIGNATURE OF OWNER: THE TEXAS A&M UNIVERSITY SYSTEM
Herbert H. Richardson, Chancellor

By: _____

[Handwritten Signature]
JAMES B. BOND
Deputy Chancellor and
General Counsel

SIGNED this 18 day of January, 1997.

ADDRESS:

Executive Director
System Real Estate Office
College Station, TX 77843-1120

OWNER'S TAX I.D. NO.: 

WITNESS:

Nancy Moore
Shirley Leggett





System Real Estate Office

OIL AND GAS DIVISION ORDER
In Compliance with
V.T.C.A., NATURAL RESOURCES CODE
Section 91.402(c) and (d)

TO: ULTRAMAR OIL AND GAS LIMITED
16825 Northchase Drive, Suite 1200
Houston, Texas 77060

NO.: 81285

EFFECTIVE: 7 a.m. First
Production

The undersigned severally and not jointly certifies it is the legal owner of the interest set out below of all the oil, gas and related liquid hydrocarbons produced from the property described below:

OPERATOR: ULTRAMAR OIL AND GAS LIMITED ("Payor")

PROPERTY NAME: TAMU Riverside Campus #5

COUNTY: Brazos

STATE: Texas

LEGAL DESCRIPTION:

320.0 acres, more or less, out of the James Curtis, Jr., Survey, A-12, Brazos County, Texas.

Credit To	Division of Interest	Post Office Address
<u>Royalty Interest</u> Texas A&M University (Commissioner of the General Land Office at	See Schedule Below	Revenue: State of Texas Commissioner of General

Austin, Texas, designated
as Payee for the Benefit
of Texas A&M University)
Owner No. 18795-2

Land Office
Stephen F. Austin Bldg.
Austin, Texas 78701

Correspondence:
The Texas A&M University
System
System Real Estate Office
College Station, TX 77843-
1120

PERCENTAGE INTEREST SCHEDULE FOR
RIVERSIDE CAMPUS #5 TRACT
(320 acres, more or less)

Royalty Owner	Mineral Interest	Lease Royalty	Production Unit	Interest In Oil & Gas Production
The Texas A&M University System	1.0000000	.2500000	1.0000000	.2500000

THIS AGREEMENT DOES NOT AMEND ANY LEASE OR OPERATING
AGREEMENT BETWEEN THE INTEREST OWNER AND THE LESSEE OR
OPERATOR OR ANY OTHER CONTRACTS FOR THE PURCHASE OF OIL OR
GAS.

The following provisions apply to the interest owner ("Owner") executing this agreement:

Terms of Sale: Owner will be paid in accordance with the division of interests set out above. The price paid by Payor shall be determined from definitions and explanations of royalty terms and provisions contained in that certain oil and gas lease



dated December 11, 1990, and recorded in Volume 1232, Page 123 of the Oil and Gas Records of Brazos County, Texas. Quantities shall be computed from regularly compiled tank tables, or meters of a positive displacement type, or orifice type meters, at Payor's option or by the method or methods provided in such contract or contracts of sale of oil and gas between Payor and third party buyer or buyers. Qualities shall be determined by practices prevailing in the area, or as provided in said contracts of sale (in no event shall such methods result in payments less than those established in the royalty provisions of the oil and gas lease), or in accordance with the rules and regulations of governmental agencies, Boards, or Commissions having recognized jurisdiction or control over the production and handling of oil and gas in the area.

Payment: From the effective date, payment is to be made monthly by Payor's check, based on this division of interest, for production during the 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 \$25 may be accrued before disbursement until the total amount equals \$25 or more, or until December 31 of each year, whichever occurs first. Owner agrees to refund to Payor any amounts attributable to an interest or part of an interest that Owner does not own.

Indemnity: Owner agrees to indemnify and hold Payor harmless from all liability, to the extent permitted by the laws of the State of Texas, resulting from payments made to Owner in accordance with this division of interest. Such indemnity includes but is not limited to attorney fees or judgments in connection with any suit that affects Owner's interest to which Payor is made a party and reimbursement to Payor for



payments made if Owner does not have merchantable title to the production sold under this oil and gas division order.

Dispute; Withholding of Funds: If a suit is filed that affects the interest of Owner, written notice shall be given to Payor by Owner together with a copy of the complaint or petition filed.

In the event of a title dispute or adverse claim that affects title to the division of interest credited herein, Payor is authorized to suspend 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: 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 in or division of ownership of any interest affected hereby, however accomplished, shall be binding on Payor until thirty (30) days after Payor has been furnished, by certified United States mail, the original or a certified copy of the recorded instrument or instruments evidencing such change of ownership.



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, Owner may have certain statutory rights regarding payments under the laws of the State of Texas.

SIGNATURE OF OWNER: THE TEXAS A&M UNIVERSITY SYSTEM
Herbert H. Richardson, Chancellor

By: 

JAMES B. BOND
Deputy Chancellor and
General Counsel

SIGNED this 9th day of June, 1992.

ADDRESS:

Executive Director
System Real Estate Office
College Station, TX 77843-1120

OWNER'S TAX I.D. NO.: 

WITNESS:







(5)

U 94337

Letter from TAMU
w/ Division order
6/11/92

2333

File

1194337



CODY ENERGY, INC.

7555 E. Hampden Avenue
Suite 600
Denver, Colorado 80231
(303) 695-3600
(303) 695-3650 Fax

September 14, 1994

Mr. Ernesto Garza
Texas General Land Office
1700 North Congress Avenue
Austin, Texas 78701-1495

RE: GLO-1 credit request for Riverside Campus December 1993 oil.

Dear Mr. Garza,

Enclosed please find copies of our December 1993 oil royalty forms and payments for the Riverside Campus wells. Check number 122547 included a recoupment in the amount of (\$ 15,213.63) for November 1992 through January 1993 Riverside Campus #6. The total royalty due was \$15,174.98. The total check amount paid with the recoupment was \$1.00.

15,214.63	Incorrect royalty amount paid before recoupment
<u>-15,213.63</u>	Recoupment taken
1.00	Total paid check #122547

15,174.98	Correct royalty amount due
<u>-15,214.63</u>	Royalty paid before recoupment
-39.67	Credit due back to Cody Energy

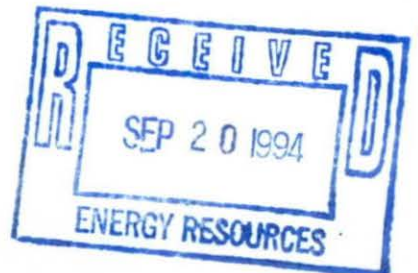
Because this is a "non-routine" adjustment, I am requesting your approval to take the credit of (\$39.67) on one of our next oil payments.

If you have any questions please call me at (303)695-3718.

Sincerely,
CODY ENERGY, INC.

Susan K. Allen

Susan K. Allen
Senior Revenue Accountant



ER MINERAL LEDGER FROM F/Y 92 GLO 1370 MFN 94337 CLASS 31 AS OF: 09-29-94

REMITTER NAME/ FY-REG NO CL# VOUCHER/ FOR DATE DUE/ ROYALTY DUE/
MCF/BBLs GRS/TOT VALUE TRANSFER TYPE DATE PAID ROYALTY PAID

DEPRESS F6 FOR MORE DETAILS, ELSE DEPRESS XMIT TO END

CODY ENERGY INC	94-013779	10		09-93	11-05-93	45.67-
CODY ENERGY INC	94-019421	13		10-93	12-06-93	26,854.82-
CODY ENERGY INC	94-024994	16		09-93	01-05-94	2,159.62-
CODY ENERGY INC	94-024994	16		11-93	01-05-94	22,008.44-
1,070	14,292.44				01-00-94	3,573.11
					01-00-94	
1,603	21,743.17				01-00-94	5,435.79
113	1,516.55				01-00-94	284.35
696	9,364.39				01-00-94	2,341.10
349	4,661.49				01-00-94	1,165.37
896	11,970.05				01-00-94	2,992.51
682	9,119.18				01-00-94	2,279.80
CODY ENERGY INC	94-031779	20	CA	11-92	02-05-94	15,213.63
CODY ENERGY INC	94-031779	20		12-93	02-05-94	15,214.63-

DATE REQUESTED -

COMPANY 1 XXXX WILLIAMS-CODY, INC.

Check Request

2/3/94

CO. OTHER

CASH ACCOUNT

REQUEST FOR CHECK
 WIRE
 REQUEST FOR MANUAL CHECK

OPERATING
 REVENUE
 OTHER

NEED BY: 2/3
RETURN TO:

TO: Texas General Land Office
Energy Resources Department

VENDOR # 5441
OWNER # (REVENUE)

1700 N. Congress

Austin, Texas 78701

INVOICE DATE	INVOICE #	DESCRIPTION	AMOUNT
		Pay Royalty for 12/93 Riverside Campus Oil.	15214 63
		11/92-1/93 Recoupment	15213 63
		<i>slb 15174.98</i> <i>need to recoup #39.67</i>	
		TOTAL	1 00

ROA 9401-FOA-17
320290
372020

9402-RVM-8

REQUESTER MUST COMPLETE

WELL NAME _____

MAJOR/SUB ACCOUNT: _____

COST CENTER _____

PROJECT/AFE _____

DECK: _____

BILL PARTNERS:
YES NO

AMOUNT _____

REQUESTED BY: Susan Allen DATE 2/3/94

APPROVED BY: *Sally Maery Pieper* DATE 2/4/94

FOR ACCOUNTING USE:

COST CENTER _____

INDIV. ID# _____

VENDOR # _____

OCCURENCE DATE _____

DUE DATE: _____

CHECK # _____

CASH ACCT: _____

ENTRY CONTROL # _____

ENTRY CONTROL DATE: _____

APPROVED: _____

DATE _____



100-07155-11

0-26

0-000000

- 1,095-9100
- 2,893-40-00
- 5,102-23100
- 2,002-11000
- 1,100-33000
- 210-02-000
- 1,100-0200

pd

✓ 10/6/94



copy



ROYALTY PAYMENT DOCUMENT GLO 3

Payer Tax ID [redacted]

Check Number _____

Payer Name Cody Energy

Total Check Amount \$ 1.00

Prepared by Susan Allen

Telephone No. (303) 695-3718

Payer Number	State Lease Number	Production		Production Month/Year	Amount of Royalty
		Oil	Gas		
16517	94337	X		12/93	\$ 15,214.63
16517	94337	X		11/92-1/93 Recap	(15,213.63)
Check Total					\$ 1.00

Pay GLO royalty for 12/93 Riverside Campus Oil including 11/92-1/93 recoupment

OWNER 5441

DATE 2/4/94

\$ 1.00

CODY ENERGY, INC.

7555 EAST HAMPDEN AVE STE 600
DENVER CO 80231

REVENUE DISTRIBUTION ACCOUNT

One dollar and no cents

NationsBank of Texas, N.A.
Wichita Falls, Texas 76301

122547

DATE
2/4/94

CHECK TOTAL

\$1.00

PAY
TO THE ORDER OF

Texas General Land Office
Energy Resources Department
1700 N. Congress
Austin, TX 78701

NON NEGOTIABLE

(6) M94337
the fun codes
dated 9-14-94

3333

DO NOT DESTROY



UNIT AGREEMENT MEMO

Unit No. 2204

Operator CoDA Energy / Mission
Unit Name Riverside Camp #6
County Brazos
Effective Date 11-19-92
Unitized for: Oil _____ Gas _____ Oil & Gas _____

A&M
1. M.F. No. 94337 Tr.# 10
Lease Acres: see below ÷ Total Unit Acres _____ =
Tract Participation: .0536799375 X
Royalty Decimal: * .25 =
Unit Royalty Decimal: .013419984375
*Royalty Reduction: Yes _____ No _____

(A&M)
2. M.F. No. 94337 Tr.# 11
Lease Acres: 198.2897 ÷ Total Unit Acres 460.721 =
Tract Participation: .43037913 X
Royalty Decimal: * .25 =
Unit Royalty Decimal: .1075947825
*Royalty Reduction: Yes _____ No _____

(A&M)
3. M.F. No. 95036 Tr.# _____
Lease Acres: 4.5 ÷ Total Unit Acres 460.721 =
Tract Participation: .0097673 X
Royalty Decimal: * .25 =
Unit Royalty Decimal: .002441825
*Royalty Reduction: Yes _____ No _____

4. M.F. No. _____ Tr.# _____
Lease Acres: _____ ÷ Total Unit Acres _____ =
Tract Participation: _____ X
Royalty Decimal: * _____ =
Unit Royalty Decimal: _____
*Royalty Reduction: Yes _____ No _____

Remarks: This Buck sheet is to replace 1st corrected Buck sheet. The NPRI has been accounted for by adjusting the Tract. Par. for Tract 10

Prepared by: _____

Data Base Update

Date

GIS

Date

Mineral Maps

Date

Unit = 2204

DO NOT DESTROY

GLO-36-10-84

-MEMO-

1751842480300

Operator Cody Energy

Unit Name Riverside Campus Well No 6

County Brazos

Effective Date 11-19-92

Unitized for: Oil Gas Oil & Gas

1. M.F. No. 94337

(TXAM)

Area _____ Tr. 10

Reduced

Sec. _____ Blk. _____ Survey _____

$$\frac{32.9753}{460.721} \times \frac{3}{16} = \frac{1.3419984375}{.07157325} \%$$

$$\frac{1.3419984375}{.07157325} = .013419984375$$

2. M.F. No. 94337

(TXAM)

Area _____ Tr. 11

Sec. _____ Blk. _____ Survey _____

$$\frac{178.2847}{460.721} \times \frac{1}{4} = \frac{10.75947825}{.43037913} \%$$

$$\frac{10.75947825}{.43037913} = .02441825$$

3. M.F. No. 95036

(HROD)

Area _____ Tr. 9

Sec. _____ Blk. _____ Survey _____

$$\frac{4.5}{460.721} \times \frac{1}{4} = \frac{.2441825}{.0097673} \%$$

$$\frac{.2441825}{.0097673} = .02441825$$

4. M.F. No. _____

Area _____ Tr. _____

Sec. _____ Blk. _____ Survey _____

_____ x _____ = _____ %

REMARKS:

This Buck Sheet - is to replace the previous one - that was set up incorrectly. The Overriding working interest was not included on tract 10

Unit # 2204

DO NOT DESTROY

GLO-36-10-84

-MEMO-

Operator Cody Energy

Unit Name Riverside Campus Well No. 6

County Brazos

Effective Date 11-19-92

Unitized for: Oil Gas Oil & Gas

1. M.F. No. 94837

Area _____ Tr. _____

Sec. _____ Blk. 50,195 % Survey _____

$\frac{231.26}{460.721} \times \frac{1}{4} = 12.549 \%$
.501952 .25

2. M.F. No. 95036

Area _____ Tr. _____

Sec. _____ Blk. _____ Survey _____

$\frac{4.5}{460.721} \times \frac{1}{4} = .2442 \%$
.009767 .25 .002442

3. M.F. No. _____

Area _____ Tr. _____

Sec. _____ Blk. _____ Survey _____

_____ x _____ . _____ %

4. M.F. No. _____

Area _____ Tr. _____

Sec. _____ Blk. _____ Survey _____

_____ x _____ . _____ %

REMARKS:

DESIGNATION OF POOLED UNIT

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

WHEREAS, ULTRAMAR OIL AND GAS LIMITED, whose address is 16825 Northchase Drive, Suite 1200, Houston, Texas 77060, (herein referred to as "Lessee") is the present owner and holder of the oil, gas and mineral leases described in Exhibit "A" attached hereto and by reference made a part hereof, as the same might have heretofore been amended (herein referred to as "said Leases"); and

WHEREAS, Section III D of the Oil and Gas Lease dated December 11, 1990, recorded in Volume 1232, Page 123, Official Public Records of Brazos County, Texas, from the Board of Regents of the Texas A & M University System to Ultramar Oil and Gas Limited (herein referred to as the "A & M Lease") provides that pooling or unitization of all or any part of the leased premises with an off-premises well, defined to mean a well located on and completed under land not covered by the A & M Lease, is not permitted without the consent of the Board of Regents or its authorized representative and such consent shall not be forthcoming unless the land covered by the A & M Lease shall comprise not less than 1/2 of the total acreage contained in any such pooled unit;

WHEREAS, except as noted above, each of said Leases authorize Lessee, its successors and assigns, to pool, combine, consolidate and unitize said Leases and the lands covered thereby into a drilling and production unit;

WHEREAS, in the judgment of the Lessee, it is necessary and advisable to pool and combine said Leases insofar as same cover and affect those lands outlined and identified as Unit 6 on the plat attached hereto as Exhibit "B," in order to properly explore, develop, produce and operate the unit area hereinafter described, and to promote the conservation of oil, casinghead gas, and associated hydrocarbons in and under and that may be produced from wells classified as oil wells by the Railroad Commission of the State of Texas which are located on said Leases;

NOW, THEREFORE, Lessee does hereby pool, combine, consolidate, and unitize said Leases insofar as same covers the four hundred sixty and seven hundred twenty-one one thousandths (460.721) acres outlined and identified as Unit 6 on the plat attached hereto as Exhibit "B" and designates said lands as the ULTRAMAR OIL AND GAS LIMITED - RIVERSIDE CAMPUS NO. 6 OIL UNIT (herein referred to as the "Unit"), insofar and only insofar as same covers that certain geological formation commonly known as the Austin Chalk formation in the Giddings Field, for the drilling, development and production of oil, casinghead gas and associated hydrocarbons.

The entire acreage so pooled and combined into the Unit formed by this Designation of Pooled Unit and all drilling and other operations on, and production from such acreage shall, for all purposes of this Designation of Pooled Unit, be treated and considered as if such acreage were covered by, and such drilling and other operations were being conducted on, or such production were had from each of the said Leases, and such operations or production, even though not on or from land covered by each of said Leases shall nevertheless operate to continue each of said Leases in force as to all land, minerals and rights covered by each of said Leases with like effect as though on or from the lands covered by each of said Leases.

Said Leases and all contracts and agreements concerning or relating to the same which pertain to the leasehold, mineral royalty, overriding royalty and/or production estates and rights in and under said lands, and each and every tract or parcel of land included within the boundaries of the Unit herein designated, are hereby pooled, combined and unitized for the purpose of creating said Unit; and the production of oil, casinghead gas and

associated hydrocarbons from said Unit shall be allocated to the separate tracts of land included in said Unit in the proportion that the surface acreage contained in each such tract included in said Unit bears to the total surface acreage contained therein.

It is the intention of the undersigned to include, and it does hereby include, in the Unit all leases which Lessee now owns covering the Unit and any additional lease or leases which may be hereafter acquired by the undersigned covering all or any part of the Unit during the time the Unit remains effective.

Lessee reserves the right to amend this Designation of Production Unit in order to correct any errors or omissions herein or to conform with the size of any proration unit or units as may be authorized, prescribed, or required in any field rules that may be adopted by the Railroad Commission of the State of Texas.

Execution of this Designation of Pooled Unit by The Texas A & M University System shall serve as consent of the formation of this pooled unit and The Texas A & M University System does hereby ratify the A & M Lease and grants the land and premises covered by the A & M Lease to Lessee, its successors and assigns, subject to and in accordance with all of the terms and provisions of the A & M Lease and this Designation of Pooled Unit;

The terms, provisions, covenants and conditions hereof shall be binding upon and inure to the benefit of the undersigned, the owner or owners of any leasehold interest, mineral interest, royalty interest, reversionary interest, overriding royalty interest, or payment out of production in or affecting all or any part of said unitized lands which are covered or affected by any of said Leases or any additional lease covering an interest or interests in lands included in the Unit, and all such parties who execute this instrument, a counterpart hereof, or a ratification hereof, and their respective successors, representatives and assigns.

IN WITNESS WHEREOF, this instrument is executed this 18th day of November, 1992.

ULTRAMAR OIL AND GAS LIMITED

By: 

Its: V. R. President

THE TEXAS A & M UNIVERSITY SYSTEM
Dr. Herbert H. Richardson, Chancellor

By: 

James B. Bond
Deputy Chancellor
and General Counsel

THE STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me this 18th day of November, 1992, by Russell M. Dayless, Vice President of ULTRAMAR OIL AND GAS LIMITED, a Delaware corporation, on behalf of said corporation.

Margaret Oglesbee
Notary Public, State of Texas

My Commission Expires:

9-4-94

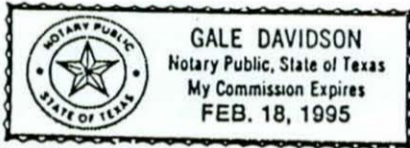


THE STATE OF TEXAS §

COUNTY OF BRAZOS §

BEFORE ME, the undersigned authority, a Notary Public in and for Brazos County, Texas, on this day personally appeared James B. Bond, Deputy Chancellor of The Texas A & M University System, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as the act and deed of the Board of Regents of The Texas A & M University System for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 19th day of November, 1992.



Gale Davidson
Notary Public, State of Texas

My Commission Expires:

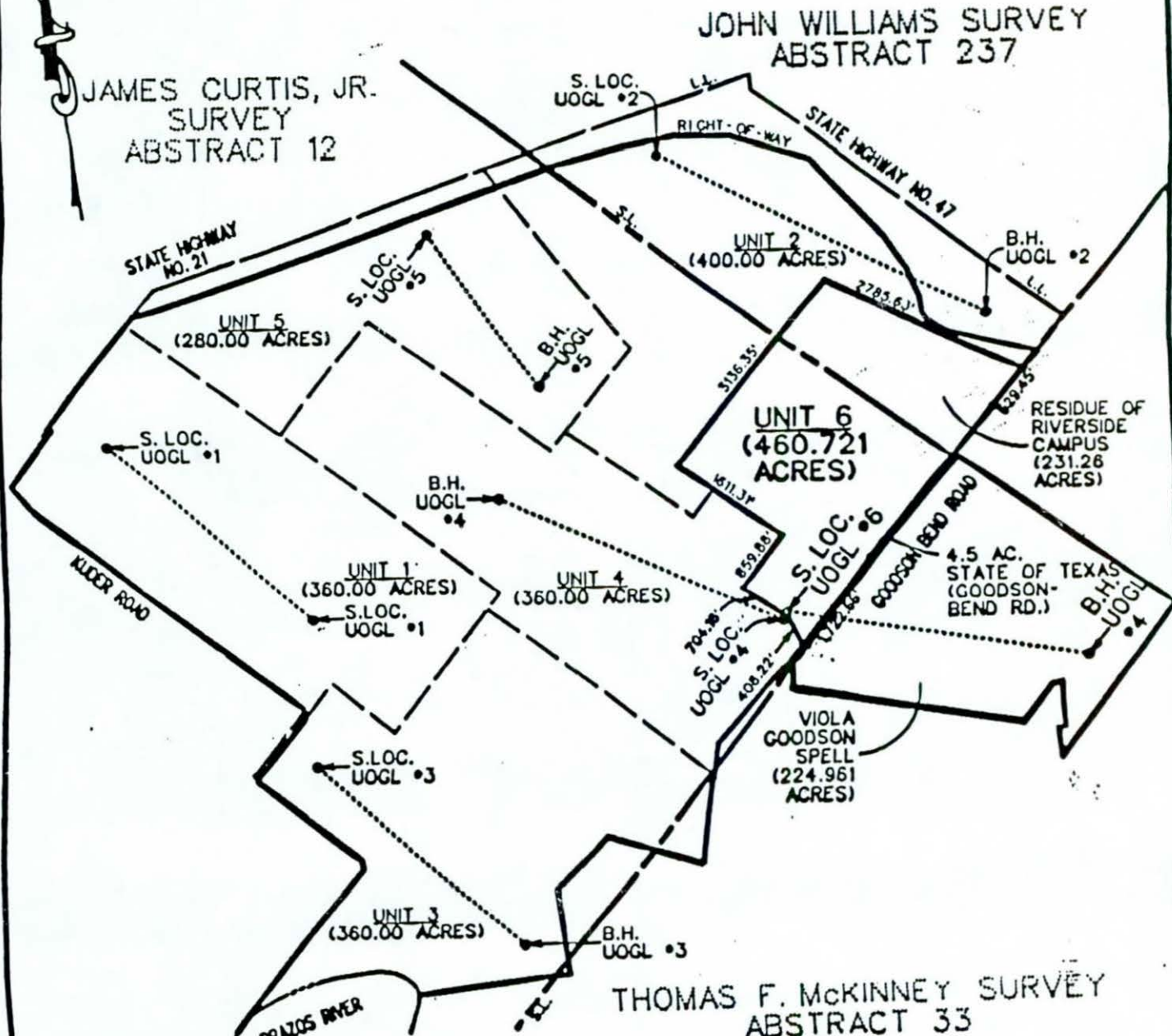
2-18-95

EXHIBIT "A"

LEASE REFERENCE #	LESSOR NAME	ORIGINAL LESSEE NAME	LEASE DATE	BOOK	PAGE ENTRY NO	COUNTY/PARISH
012153-000	THE TEXAS A & M UNIVERSITY SYSTEM	ULTRAHAR OIL AND GAS LIMITED	12/11/90	1232	123	BRAZOS
012265-001	VIOLA GOODSON SPELL	ULTRAHAR OIL AND GAS LIMITED	2/27/92	1448	48	BRAZOS
012265-002	BETTY GOODSON BARTEE	ULTRAHAR OIL AND GAS LIMITED	3/05/92	1479	339	BRAZOS
012265-003	PAM GOODSON	ULTRAHAR OIL AND GAS LIMITED	3/05/92	1479	341	BRAZOS
012265-004	SUE GOODSON PUGH	ULTRAHAR OIL AND GAS LIMITED	3/05/92	1479	148	BRAZOS
012265-005	MARY RUTH DRAKE	ULTRAHAR OIL AND GAS LIMITED	4/15/92	1503	159	BRAZOS
012265-006	SHIRLEY MCKNIGHT	ULTRAHAR OIL AND GAS LIMITED	4/15/92	1503	157	BRAZOS
012265-007	ANN ELLSWORTH KENNY	ULTRAHAR OIL AND GAS LIMITED	4/15/92	1503	155	BRAZOS
012265-008	ROLLA LEE ELLSWORTH	ULTRAHAR OIL AND GAS LIMITED	4/15/92	1503	153	BRAZOS
012265-009	JEAN JOHNSON HENDRIX	ULTRAHAR OIL AND GAS LIMITED	4/15/92	1503	151	BRAZOS
012265-010	MELBA JOHNSON FLINT	ULTRAHAR OIL AND GAS LIMITED	4/15/92	1503	149	BRAZOS
012265-011	ROBERT L. JOHNSON, JR.	ULTRAHAR OIL AND GAS LIMITED	4/15/92	1495	77	BRAZOS
012265-012	DICKY ELLSWORTH	ULTRAHAR OIL AND GAS LIMITED	4/15/92	1512	192	BRAZOS
012265-015	JOSEPH PATTON GOODSON, IND. & AS AIF FOR RICHARD GOODSON & JANICE FORDE	ULTRAHAR OIL AND GAS LIMITED	6/19/92	1586	60	BRAZOS
012265-016	THOMAS EDWARD GOODSON	ULTRAHAR OIL AND GAS LIMITED	6/19/92	1559	10	BRAZOS
012265-017	BETTY GOODSON KLOSE, LIFE ESTATE	ULTRAHAR OIL AND GAS LIMITED	6/19/92	1574	337	BRAZOS
012278-000	STATE OF TEXAS #H-95036	ULTRAHAR OIL AND GAS LIMITED	6/16/92	1555	85	BRAZOS

EXHIBIT "B"

ULTRAMAR RIVERSIDE CAMPUS NO. 6,
BRAZOS COUNTY, TEXAS
TOTAL LEASE AREA - 1991.26 AC.



NOTE:
TAMU RIVERSIDE CAMPUS NO. 6
IS LOCATED 7.0 MILES WEST
OF BRYAN, TEXAS.

SURFACE LOCATION DATA:
ELEV. = 261.0
LATITUDE = 30° 37' 53"
LONGITUDE = 96° 28' 00"

SURFACE TO BOTTOM HOLE:
828.23'

SURFACE LOCATION:
58' FSNL, 422' FSEL

BOTTOM HOLE LOCATION:
1200' FNEL, 500' FSNL

SURFACE LOCATION AND PENETRATION
POINT ARE AT SAME OFFSET TO P.L.
AND S.L. AS INDICATED HEREON.

L.L. = LEASE LINE
S.L. = SURVEY LINE
S.LOC. = SURFACE LOCATION
B.H. = BOTTOM HOLE

SRI SURVEY RESOURCES, INC. HOUSTON, TEXAS	
ULTRAMAR OIL AND GAS LTD. RIVERSIDE CAMPUS WELL NO. 6	
SCALE: P = 2800'	JOB NO.: SR-1527
DATE: 12-Nov-92 09-23	FIELD BOOK NO.:
DRAWN BY: DFT	FILE: @Ultramar\units.dgn

506315

m-94337

FILED

DESIGNATION OF POOLED UNIT

92 NOV 19 AM 11:29

THE STATE OF TEXAS §
COUNTY OF BRAZOS §

KNOW ALL MEN BY THESE PRESENTS, *Mary Ann Ward, CLERK*
W. Joseph Brown
BY _____ DEPUTY

WHEREAS, ULTRAMAR OIL AND GAS LIMITED, whose address is 16825 Northchase Drive, Suite 1200, Houston, Texas 77060, (herein referred to as "Lessee") is the present owner and holder of the oil, gas and mineral leases described in Exhibit "A" attached hereto and by reference made a part hereof, as the same might have heretofore been amended (herein referred to as "said Leases"); and

WHEREAS, Section III D of the Oil and Gas Lease dated December 11, 1990, recorded in Volume 1232, Page 123, Official Public Records of Brazos County, Texas, from the Board of Regents of the Texas A & M University System to Ultramar Oil and Gas Limited (herein referred to as the "A & M Lease") provides that pooling or unitization of all or any part of the leased premises with an off-premises well, defined to mean a well located on and completed under land not covered by the A & M Lease, is not permitted without the consent of the Board of Regents or its authorized representative and such consent shall not be forthcoming unless the land covered by the A & M Lease shall comprise not less than 1/2 of the total acreage contained in any such pooled unit;

WHEREAS, except as noted above, each of said Leases authorize Lessee, its successors and assigns, to pool, combine, consolidate and unitize said Leases and the lands covered thereby into a drilling and production unit;

WHEREAS, in the judgment of the Lessee, it is necessary and advisable to pool and combine said Leases insofar as same cover and affect those lands outlined and identified as Unit 6 on the plat attached hereto as Exhibit "B," in order to properly explore, develop, produce and operate the unit area hereinafter described, and to promote the conservation of oil, casinghead gas, and associated hydrocarbons in and under and that may be produced from wells classified as oil wells by the Railroad Commission of the State of Texas which are located on said Leases;

NOW, THEREFORE, Lessee does hereby pool, combine, consolidate, and unitize said Leases insofar as same covers the four hundred sixty and seven hundred twenty-one one thousandths (460.721) acres outlined and identified as Unit 6 on the plat attached hereto as Exhibit "B" and designates said lands as the ULTRAMAR OIL AND GAS LIMITED - RIVERSIDE CAMPUS NO. 6 OIL UNIT (herein referred to as the "Unit"), insofar and only insofar as same covers that certain geological formation commonly known as the Austin Chalk formation in the Giddings Field, for the drilling, development and production of oil, casinghead gas and associated hydrocarbons.

The entire acreage so pooled and combined into the Unit formed by this Designation of Pooled Unit and all drilling and other operations on, and production from such acreage shall, for all purposes of this Designation of Pooled Unit, be treated and considered as if such acreage were covered by, and such drilling and other operations were being conducted on, or such production were had from each of the said Leases, and such operations or production, even though not on or from land covered by each of said Leases shall nevertheless operate to continue each of said Leases in force as to all land, minerals and rights covered by each of said Leases with like effect as though on or from the lands covered by each of said Leases.

Said Leases and all contracts and agreements concerning or relating to the same which pertain to the leasehold, mineral royalty, overriding royalty and/or production estates and rights in and under said lands, and each and every tract or parcel of land included within the boundaries of the Unit herein designated, are hereby pooled, combined and unitized for the purpose of creating said Unit; and the production of oil, casinghead gas and

associated hydrocarbons from said Unit shall be allocated to the separate tracts of land included in said Unit in the proportion that the surface acreage contained in each such tract included in said Unit bears to the total surface acreage contained therein.

It is the intention of the undersigned to include, and it does hereby include, in the Unit all leases which Lessee now owns covering the Unit and any additional lease or leases which may be hereafter acquired by the undersigned covering all or any part of the Unit during the time the Unit remains effective.

Lessee reserves the right to amend this Designation of Production Unit in order to correct any errors or omissions herein or to conform with the size of any proration unit or units as may be authorized, prescribed, or required in any field rules that may be adopted by the Railroad Commission of the State of Texas.

Execution of this Designation of Pooled Unit by The Texas A & M University System shall serve as consent of the formation of this pooled unit and The Texas A & M University System does hereby ratify the A & M Lease and grants the land and premises covered by the A & M Lease to Lessee, its successors and assigns, subject to and in accordance with all of the terms and provisions of the A & M Lease and this Designation of Pooled Unit;

The terms, provisions, covenants and conditions hereof shall be binding upon and inure to the benefit of the undersigned, the owner or owners of any leasehold interest, mineral interest, royalty interest, reversionary interest, overriding royalty interest, or payment out of production in or affecting all or any part of said unitized lands which are covered or affected by any of said Leases or any additional lease covering an interest or interests in lands included in the Unit, and all such parties who execute this instrument, a counterpart hereof, or a ratification hereof, and their respective successors, representatives and assigns.

IN WITNESS WHEREOF, this instrument is executed this 18th day of November, 1992.

ULTRAMAR OIL AND GAS LIMITED

By: [Signature]
Its: Vice President

THE TEXAS A & M UNIVERSITY SYSTEM
Dr. Herbert H. Richardson, Chancellor

By: [Signature]
James B. Bond
Deputy Chancellor
and General Counsel

THE STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me this 18th day of November, 1992, by Russell M. Dayless, Vice President of ULTRAMAR OIL AND GAS LIMITED, a Delaware corporation, on behalf of said corporation.

Margaret Oglesbee
Notary Public, State of Texas

My Commission Expires:

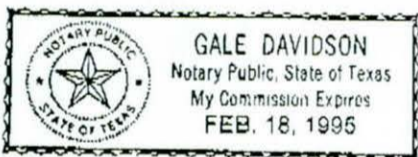
9-4-94



THE STATE OF TEXAS §
 §
COUNTY OF BRAZOS §

BEFORE ME, the undersigned authority, a Notary Public in and for Brazos County, Texas, on this day personally appeared James B. Bond, Deputy Chancellor of The Texas A & M University System, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as the act and deed of the Board of Regents of The Texas A & M University System for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 19th day of November, 1992.



Gale Davidson
Notary Public, State of Texas

My Commission Expires:

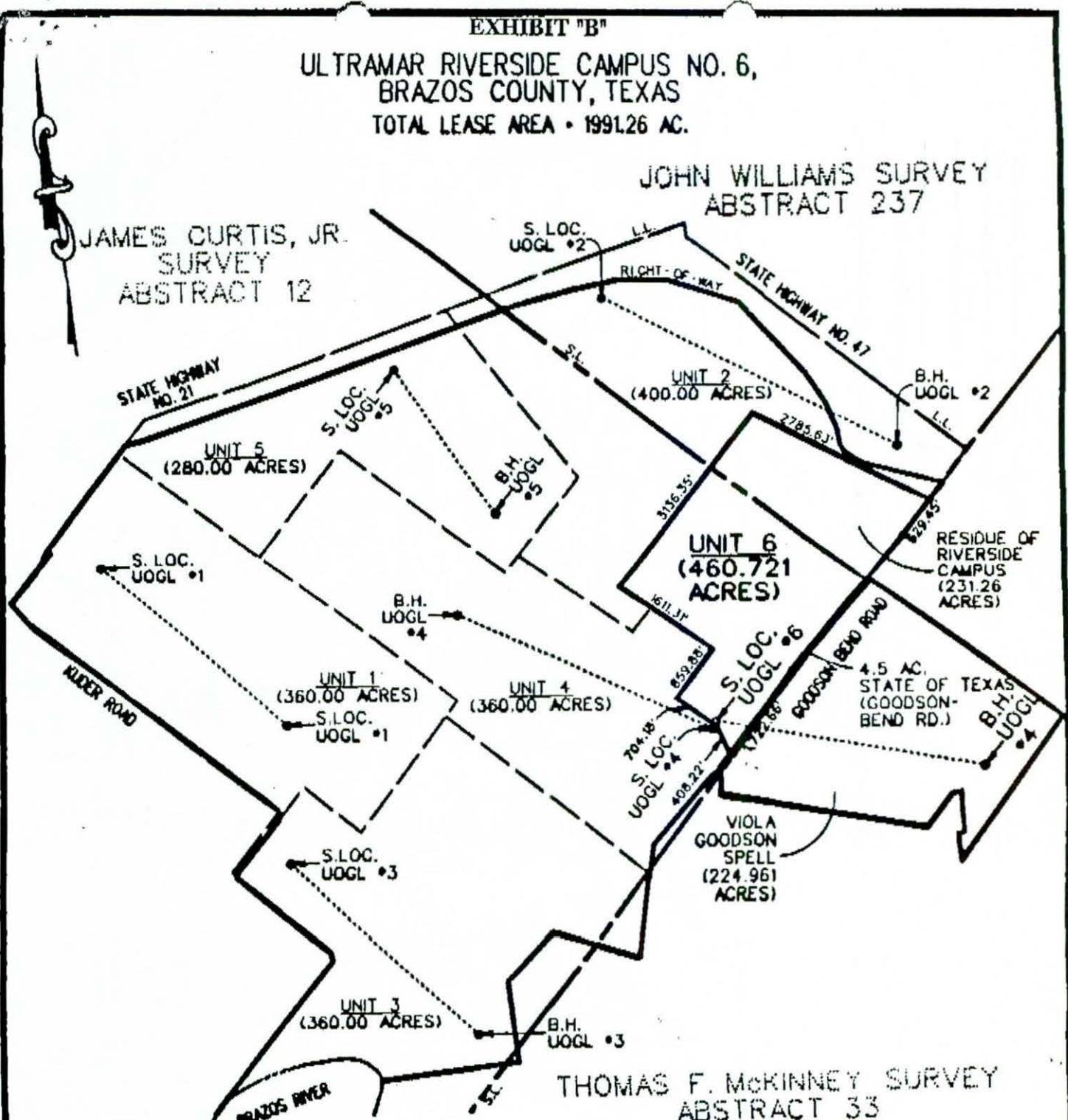
2-18-95

EXHIBIT "A"

LEASE REFERENCE #	LESSOR NAME	ORIGINAL LESSEE NAME	LEASE DATE	BOOK	PAGE ENTRY NO	COUNTY/PARISH
012153-000	THE TEXAS A & M UNIVERSITY SYSTEM	ULTRAMAR OIL AND GAS LIMITED	12/11/90	1232	123	BRAZOS
012265-001	VIOLA GOODSON SPELL	ULTRAMAR OIL AND GAS LIMITED	2/27/92	1448	48	BRAZOS
012265-002	BETTY GOODSON BARTEE	ULTRAMAR OIL AND GAS LIMITED	3/05/92	1479	339	BRAZOS
012265-003	PAM GOODSON	ULTRAMAR OIL AND GAS LIMITED	3/05/92	1479	341	BRAZOS
012265-004	SUE GOODSON PUGH	ULTRAMAR OIL AND GAS LIMITED	3/05/92	1479	148	BRAZOS
012265-005	MARY RUTH DRAKE	ULTRAMAR OIL AND GAS LIMITED	4/15/92	1503	159	BRAZOS
012265-006	SHIRLEY MCKNIGHT	ULTRAMAR OIL AND GAS LIMITED	4/15/92	1503	157	BRAZOS
012265-007	ANN ELLSWORTH KENNY	ULTRAMAR OIL AND GAS LIMITED	4/15/92	1503	155	BRAZOS
012265-008	ROLLA LEE ELLSWORTH	ULTRAMAR OIL AND GAS LIMITED	4/15/92	1503	153	BRAZOS
012265-009	JEAN JOHNSON HENDRIX	ULTRAMAR OIL AND GAS LIMITED	4/15/92	1503	151	BRAZOS
012265-010	MELBA JOHNSON FLINT	ULTRAMAR OIL AND GAS LIMITED	4/15/92	1503	149	BRAZOS
012265-011	ROBERT L. JOHNSON, JR.	ULTRAMAR OIL AND GAS LIMITED	4/15/92	1495	77	BRAZOS
012265-012	DICKY ELLSWORTH	ULTRAMAR OIL AND GAS LIMITED	4/15/92	1512	192	BRAZOS
012265-015	JOSEPH PATTON GOODSON, IND. & AS AIF FOR RICHARD GOODSON & JAMICE FORDE	ULTRAMAR OIL AND GAS LIMITED	6/19/92	1586	60	BRAZOS
012265-016	THOMAS EDWARD GOODSON	ULTRAMAR OIL AND GAS LIMITED	6/19/92	1559	10	BRAZOS
012265-017	BETTY GOODSON KLOSE, LIFE ESTATE	ULTRAMAR OIL AND GAS LIMITED	6/19/92	1574	337	BRAZOS
012278-000	STATE OF TEXAS #K-95036	ULTRAMAR OIL AND GAS LIMITED	6/16/92	1555	85	BRAZOS

EXHIBIT "B"

ULTRAMAR RIVERSIDE CAMPUS NO. 6,
BRAZOS COUNTY, TEXAS
TOTAL LEASE AREA • 1991.26 AC.



NOTE:
TAMU RIVERSIDE CAMPUS NO. 6
IS LOCATED 7.0 MILES WEST
OF BRYAN, TEXAS.

SURFACE LOCATION DATA:
ELEV. = 261.0
LATITUDE = 30° 37' 53"
LONGITUDE = 96° 28' 00"

SURFACE TO BOTTOM HOLE:
828.23'

SURFACE LOCATION:
58' FSML, 422' FSEL

BOTTOM HOLE LOCATION:
1200' FMEL, 500' FSML

SURFACE LOCATION AND PENETRATION
POINT ARE AT SAME OFFSET TO P.L.
AND S.L. AS INDICATED HEREON.

L.L. • LEASE LINE
S.L. • SURVEY LINE
S.LOC. • SURFACE LOCATION
B.H. • BOTTOM HOLE

SRI
SURVEY RESOURCES, INC.
HOUSTON, TEXAS

ULTRAMAR OIL AND GAS LTD.
RIVERSIDE CAMPUS
WELL NO. 6

SCALE: 1" = 2000'

JOB NO.: 280-1527

DATE: 12-NOV-92 09-23

FIELD BOOK NO.:

DRAWN BY: DFT

FILE: d:\ultra\campus\well6.dgn

7

File No. 094337
unit agreement

Date Filed: 2-17-05
Jerry E. Patterson, Commissioner

By Scha

Corpus Christi State University
Laredo State University
Prairie View A&M University
Tarleton State University
Texas A&I University
Texas A&M University
West Texas State University



Texas Agricultural Experiment Station
Texas Agricultural Extension Service
Texas Animal Damage Control Service
Texas Engineering Experiment Station
Texas Engineering Extension Service
Texas Forest Service
Texas Transportation Institute
Texas Veterinary Medical Diagnostic Laboratory

129

THE TEXAS A&M UNIVERSITY SYSTEM

COLLEGE STATION, TEXAS 77843-1120

System Real Estate Office

March 29, 1993

Telephone (409) 845-9612

Facsimile (409) 862-2713

Mr. Jeff Dusenbury
Manager of Royalty Reporting
Energy Resources
Texas General Land Office
Stephen F. Austin Building
1700 North Congress Avenue, Room 640
Austin, Texas 78701

M-95036 / HRow 4.5 ac Co. rd.
276
278

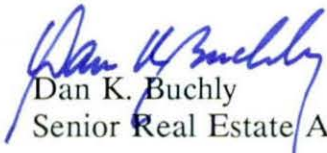
RE: Designation of Pooled Unit for Riverside Campus Well No. 6, Ultramar Oil & Gas Limited; Our File No. OG-91-008

Dear Mr. Jeff Dusenbury:

As requested in our telephone conversation on today's date, enclosed is a copy of the Designation of Pooled Unit with Exhibit "A" showing each Lessor for Riverside Campus Well No. 6.

If you need additional information or should you have any questions regarding this matter, please do not hesitate to contact me at (409) 845-9612.

Sincerely,


Dan K. Buchly
Senior Real Estate Analyst

DKB:gd
PF# OG-91-008
Enclosure



81

File No. 094337
letter from Texas AM

Date Filed: 2-17-05
Jerry E. Patterson, Commissioner

By Schor

4 3 3



System Real Estate Office

OIL AND GAS DIVISION ORDER
In Compliance with
V.T.C.A., NATURAL RESOURCES CODE
Section 91.402(c) and (d)

TO: **ULTRAMAR OIL AND GAS LIMITED**
16825 Northchase Drive, Suite 1200
Houston, Texas 77060

NO.: 81282

EFFECTIVE: 7 a.m. First
Production

The undersigned severally and not jointly certifies it is the legal owner of the interest set out below of all the oil, gas and related liquid hydrocarbons produced from the property described below:

OPERATOR: **ULTRAMAR OIL AND GAS LIMITED** ("Payor")

PROPERTY NAME: TAMU Riverside Campus #3

COUNTY: Brazos

STATE: Texas

LEGAL DESCRIPTION:

360 acres, more or less, out of the James Curtis, Jr., Survey, A-12, and the Thomas F. McKinney Survey, A-33, Brazos County, Texas.

Credit To	Division of Interest	Post Office Address
<u>Royalty Interest</u> Texas A&M University	See Schedule Below	Revenue:
(Commissioner of the General Land Office at		State of Texas Commissioner of General

Austin, Texas, designated
as Payee for the Benefit
of Texas A&M University)
Owner No. 18795-2

Land Office
Stephen F. Austin Bldg.
Austin, Texas 78701

Correspondence:
The Texas A&M University
System
System Real Estate Office
College Station, TX 77843-
1120

3

PERCENTAGE INTEREST SCHEDULE FOR
RIVERSIDE CAMPUS #3 TRACT
(360 acres, more or less)

Royalty Owner	Mineral Interest	Lease Royalty	Production Unit	Interest In Oil & Gas Production
The Texas A&M University System	.99641668	.2500000	1.0000000	.24910417

THIS AGREEMENT DOES NOT AMEND ANY LEASE OR OPERATING
AGREEMENT BETWEEN THE INTEREST OWNER AND THE LESSEE OR
OPERATOR OR ANY OTHER CONTRACTS FOR THE PURCHASE OF OIL OR
GAS.

The following provisions apply to the interest owner ("Owner") executing this agreement:

Terms of Sale: Owner will be paid in accordance with the division of interests set out above. The price paid by Payor shall be determined from definitions and explanations of royalty terms and provisions contained in that certain oil and gas lease



dated December 11, 1990, and recorded in Volume 1232, Page 123 of the Oil and Gas Records of Brazos County, Texas. Quantities shall be computed from regularly compiled tank tables, or meters of a positive displacement type, or orifice type meters, at Payor's option or by the method or methods provided in such contract or contracts of sale of oil and gas between Payor and third party buyer or buyers. Qualities shall be determined by practices prevailing in the area, or as provided in said contracts of sale (in no event shall such methods result in payments less than those established in the royalty provisions of the oil and gas lease), or in accordance with the rules and regulations of governmental agencies, Boards, or Commissions having recognized jurisdiction or control over the production and handling of oil and gas in the area.

Payment: From the effective date, payment is to be made monthly by Payor's check, based on this division of interest, for production during the 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 \$25 may be accrued before disbursement until the total amount equals \$25 or more, or until December 31 of each year, whichever occurs first. Owner agrees to refund to Payor any amounts attributable to an interest or part of an interest that Owner does not own.

Indemnity: Owner agrees to indemnify and hold Payor harmless from all liability, to the extent permitted by the laws of the State of Texas, resulting from payments made to Owner in accordance with this division of interest. Such indemnity includes but is not limited to attorney fees or judgments in connection with any suit that affects Owner's interest to which Payor is made a party and reimbursement to Payor for



payments made if Owner does not have merchantable title to the production sold under this oil and gas division order.

Dispute; Withholding of Funds: If a suit is filed that affects the interest of Owner, written notice shall be given to Payor by Owner together with a copy of the complaint or petition filed.

In the event of a title dispute or adverse claim that affects title to the division of interest credited herein, Payor is authorized to suspend 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: 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 in or division of ownership of any interest affected hereby, however accomplished, shall be binding on Payor until thirty (30) days after Payor has been furnished, by certified United States mail, the original or a certified copy of the recorded instrument or instruments evidencing such change of ownership.



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, Owner may have certain statutory rights regarding payments under the laws of the State of Texas.

SIGNATURE OF OWNER: THE TEXAS A&M UNIVERSITY SYSTEM
Herbert H. Richardson, Chancellor

By: 

JAMES B. BOND
Deputy Chancellor and
General Counsel

SIGNED this 9th day of June, 1992.

ADDRESS:

Executive Director
System Real Estate Office
College Station, TX 77843-1120

OWNER'S TAX I.D. NO.: 

WITNESS:







9

File No. 094337

D10

Date Filed: 2-17-05

Jerry E. Patterson, Commissioner

By Schon



System Real Estate Office

OIL AND GAS DIVISION ORDER
In Compliance with
TEX. NAT. RES. CODE ANN.
§ 91.402(c) and (d)

TO: ULTRAMAR OIL AND GAS LIMITED NO.: 81286
16825 Northchase Drive, Suite 1200
Houston, Texas 77060

EFFECTIVE: 7:00 a.m. First
Production

The undersigned severally and not jointly certifies it is the legal owner of the interest set out below of all the oil, gas and related liquid hydrocarbons produced from the property described below:

OPERATOR: ULTRAMAR OIL AND GAS LIMITED ("Payor")

PROPERTY NAME: TAMU Riverside Campus #6

COUNTY: Brazos

STATE: Texas

LEGAL DESCRIPTION:

460.721 acres more or less out of the John Williams Survey, A-237, James Curtis Survey A-12, and the Thomas F. McKinney Survey, A-33, Brazos County, Texas.

Credit To	Division of Interest	Post Office Address
-----------	----------------------	---------------------

Royalty Interest

Texas A&M University	See Schedule Below	Revenue:
(Commissioner of the General Land Office at Austin, Texas, designated as Payee for the Benefit of Texas A&M University) Owner No. 20057		State of Texas Commissioner of General Land Office Stephen F. Austin Bldg. Austin, Texas 78701
		Correspondence:
		The Texas A&M University System System Real Estate Office College Station, Texas 77843-1120

PERCENTAGE INTEREST SCHEDULE FOR
RIVERSIDE CAMPUS #6 WELL
(Tract 10: 32.9753 acres, more or less)
and
(Tract 11: 198.2847 acres, more or less)

Royalty Owner	Mineral Interest	Lease Royalty	Production Unit	Interest In Oil & Gas Production
# 10 The Texas A&M University System (Tract 10)	1.00000000	.18750000	.07157325	.01341998
# 11 The Texas A&M University System (Tract 11)	1.00000000	.25000000	.43037912	<u>.10759478</u> .12101476

THIS AGREEMENT DOES NOT AMEND ANY LEASE OR OPERATING
AGREEMENT BETWEEN THE INTEREST OWNER AND THE LESSEE OR
OPERATOR OR ANY OTHER CONTRACTS FOR THE PURCHASE OF OIL OR
GAS.



The following provisions apply to the interest owner ("Owner") executing this agreement:

Terms of Sale: Owner will be paid in accordance with the division of interests set out above. The price paid by Payor shall be determined from definitions and explanations of royalty terms and provisions contained in that certain oil and gas lease recorded in Volume 1232, Page 123 of the Oil and Gas Lease records of Brazos County, Texas. Quantities shall be computed from regularly compiled tank tables, or meters of a positive displacement type, or orifice type meters, at Payor's option or by the method or methods provided in such contract or contracts of sale of oil and gas between Payor and third party buyer or buyers. Qualities shall be determined by practices prevailing in the area, or as provided in said contracts of sale (in no event shall such methods result in payments less than those established in the royalty provisions of the oil and gas lease), or in accordance with the rules and regulations of governmental agencies, Boards, or Commissions having recognized jurisdiction or control over the production and handling of oil and gas in the area.

Payment: From the effective date, payment is to be made monthly by Payor's check, based on this division of interest, for production during the 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 \$25 may be accrued before disbursement until the total amount equals \$25 or more, or until December 31 of each year, whichever occurs first. Owner agrees to refund to Payor any amounts attributable to an interest or part of an interest that Owner does not own.

Indemnity: Owner agrees to indemnify and hold Payor harmless from all liability, to the extent permitted by the laws of the State of Texas, resulting from



payments made to Owner in accordance with this division of interest. Such indemnity includes but is not limited to attorney fees or judgments in connection with any suit that affects Owner's interest to which Payor is made a party and reimbursement to Payor for payments made if Owner does not have merchantable title to the production sold under this oil and gas division order.

Dispute; Withholding of Funds: If a suit is filed that affects the interest of Owner, written notice shall be given to Payor by Owner together with a copy of the complaint or petition filed.

In the event of a title dispute or adverse claim that affects title to the division of interest credited herein, Payor is authorized to suspend 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: 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 in or division of ownership of any interest affected hereby, however accomplished, shall be binding on Payor until thirty (30) days after Payor has been furnished, by certified United States mail, the original or a certified copy of the recorded instrument or instruments evidencing such change of ownership.

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, Owner may have certain statutory rights regarding payments under the laws of the State of Texas.

SIGNATURE OF OWNER: THE TEXAS A&M UNIVERSITY SYSTEM
Herbert H. Richardson, Chancellor

By: 

JAMES B. BOND
Deputy Chancellor and
General Counsel

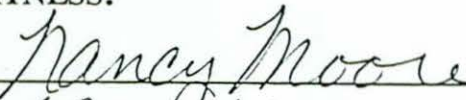

SIGNED this 18 day of January, 1997.

ADDRESS:

Executive Director
System Real Estate Office
College Station, TX 77843-1120

OWNER'S TAX I.D. NO.: 

WITNESS:



TRACT NINE

4.5 acres out of 460.721 acres
Unit Participation = .00976730

	<u>Tract Participation</u>	<u>Unit Participation</u>
<u>LESSOR'S ROYALTY</u>		
The State of Texas	<u>.2500000</u>	<u>.00244182</u>
<u>NET REVENUE INTEREST OF WORKING INTEREST OWNER</u>		
Ultramar Oil and Gas Limited	<u>.75000000</u>	<u>.00732548</u>
TOTAL TRACT NINE:	<u>1.00000000</u>	<u>.00976730</u>

#9
HROW

m 950 36

TRACT TEN

32.9753 acres out of 460.721 acres
Unit Participation = .07157325

	<u>Tract Participation</u>	<u>Unit Participation</u>
<u>LESSOR'S ROYALTY</u>		
Texas A & M University (1/4 RI Less 1/16 NPRI)	<u>.1875000</u>	<u>.01341998</u>
<u>NON-PARTICIPATING ROYALTY INTEREST</u>		
The Federal Land Bank of Houston	<u>.0625000</u>	<u>.00447333</u>
<u>OVERRIDING ROYALTY INTEREST</u>		
Flair-Tex Resources, Inc.	<u>.0100000</u>	<u>.00071573</u>
<u>NET REVENUE INTEREST OF WORKING INTEREST OWNER</u>		
Ultramar Oil and Gas Limited	<u>.7400000</u>	<u>.05296421</u>
TOTAL TRACT TEN:	<u>1.0000000</u>	<u>.07157325</u>

#10
A+M

m 94337

TRACT ELEVEN

198.2847 acres out of 460.721 acres
Unit Participation = .43037913

	<u>Tract Participation</u>	<u>Unit Participation</u>
<u>LESSOR'S ROYALTY</u>		
Texas A & M University	<u>.2500000</u>	<u>.10759478</u>
<u>OVERRIDING ROYALTY INTEREST</u>		
Flair-Tex Resources, Inc.	<u>.0100000</u>	<u>.00430379</u>
<u>NET REVENUE INTEREST OF WORKING INTEREST OWNER</u>		
Ultramar Oil and Gas Limited	<u>.7400000</u>	<u>.31848056</u>
TOTAL TRACT ELEVEN:	<u>1.0000000</u>	<u>.43037913</u>

#11
AW

m 94337

107

File No. 094337
D/O

Date Filed: 2-17-05
Jerry E. Patterson, Commissioner
By Sches



System Real Estate Office

OIL AND GAS DIVISION ORDER
In Compliance with
V.T.C.A., NATURAL RESOURCES CODE
Section 91.402(c) and (d)

TO: ULTRAMAR OIL AND GAS LIMITED
16825 Northchase Drive, Suite 1200
Houston, Texas 77060

NO.: 81284

EFFECTIVE: 7 a.m. First
Production

The undersigned severally and not jointly certifies it is the legal owner of the interest set out below of all the oil, gas and related liquid hydrocarbons produced from the property described below:

OPERATOR: ULTRAMAR OIL AND GAS LIMITED ("Payor")

PROPERTY NAME: TAMU Riverside Campus #4

COUNTY: Brazos

STATE: Texas

LEGAL DESCRIPTION:

360 acres, more or less, out of the James Curtis, Jr., Survey, A-12, Brazos County, Texas.

Credit To	Division of Interest	Post Office Address
<u>Royalty Interest</u> Texas A&M University (Commissioner of the General Land Office at	See Schedule Below	Revenue: State of Texas Commissioner of General

Austin, Texas, designated
as Payee for the Benefit
of Texas A&M University)
Owner No. 18795-2

Land Office
Stephen F. Austin Bldg.
Austin, Texas 78701

Correspondence:
The Texas A&M University
System
System Real Estate Office
College Station, TX 77843-
1120

#4

PERCENTAGE INTEREST SCHEDULE FOR
RIVERSIDE CAMPUS #4 TRACT
(360 acres, more or less)

Royalty Owner	Mineral Interest	Lease Royalty	Production Unit	Interest In Oil & Gas Production
The Texas A&M University System	.98239584	.2500000	1.0000000	.24559896

THIS AGREEMENT DOES NOT AMEND ANY LEASE OR OPERATING
AGREEMENT BETWEEN THE INTEREST OWNER AND THE LESSEE OR
OPERATOR OR ANY OTHER CONTRACTS FOR THE PURCHASE OF OIL OR
GAS.

The following provisions apply to the interest owner ("Owner") executing this agreement:

Terms of Sale: Owner will be paid in accordance with the division of interests set out above. The price paid by Payor shall be determined from definitions and explanations of royalty terms and provisions contained in that certain oil and gas lease



dated December 11, 1990, and recorded in Volume 1232, Page 123 of the Oil and Gas Records of Brazos County, Texas. Quantities shall be computed from regularly compiled tank tables, or meters of a positive displacement type, or orifice type meters, at Payor's option or by the method or methods provided in such contract or contracts of sale of oil and gas between Payor and third party buyer or buyers. Qualities shall be determined by practices prevailing in the area, or as provided in said contracts of sale or (in no event shall such methods result in payments less than those established in the royalty provisions of the oil and gas lease), in accordance with the rules and regulations of governmental agencies, Boards, or Commissions having recognized jurisdiction or control over the production and handling of oil and gas in the area.

Payment: From the effective date, payment is to be made monthly by Payor's check, based on this division of interest, for production during the 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 \$25 may be accrued before disbursement until the total amount equals \$25 or more, or until December 31 of each year, whichever occurs first. Owner agrees to refund to Payor any amounts attributable to an interest or part of an interest that Owner does not own.

Indemnity: Owner agrees to indemnify and hold Payor harmless from all liability, to the extent permitted by the laws of the State of Texas, resulting from payments made to Owner in accordance with this division of interest. Such indemnity includes but is not limited to attorney fees or judgments in connection with any suit that affects Owner's interest to which Payor is made a party and reimbursement to Payor for



payments made if Owner does not have merchantable title to the production sold under this oil and gas division order.

Dispute; Withholding of Funds: If a suit is filed that affects the interest of Owner, written notice shall be given to Payor by Owner together with a copy of the complaint or petition filed.

In the event of a title dispute or adverse claim that affects title to the division of interest credited herein, Payor is authorized to suspend 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: 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 in or division of ownership of any interest affected hereby, however accomplished, shall be binding on Payor until thirty (30) days after Payor has been furnished, by certified United States mail, the original or a certified copy of the recorded instrument or instruments evidencing such change of ownership.



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, Owner may have certain statutory rights regarding payments under the laws of the State of Texas.

SIGNATURE OF OWNER: THE TEXAS A&M UNIVERSITY SYSTEM
Herbert H. Richardson, Chancellor

By: 

JAMES B. BOND
Deputy Chancellor and
General Counsel


SIGNED this 9th day of June, 1992.

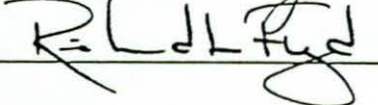
ADDRESS:

Executive Director
System Real Estate Office
College Station, TX 77843-1120

OWNER'S TAX I.D. NO.: 

WITNESS:







117

File No. 094337
D10

Date Filed: 2-17-05
Jerry E. Patterson, Commissioner

By Scha

From: Shirley Chou
To: Cook, Susan
Date: 11/10/2006 2:33:13 PM
Subject: Re: FW: gas sale volum discrepancy on MF094337

Susan,

I talked to Mike Nicklaus (one of our team leader) today about volume discrepancy on MF094337, per Mike, our GLOBASE can only accept one royalty decimal (.25); so please report the way you are always reporting, there will be the small volume discrepancy each month.

Thanks.

Shirley Chou
General Land Office
512-463-5408
512-475-1543 (fax)

>>> "Susan Cook" <scook@Petrohawk.com> 10/2/2006 2:21 PM >>>
What we've found on the volume discrepancy for the Riverside Campus # 1-5 tracts is that we are not paying a full .25 royalty rate on tract # 3 or tract # 4 due to a .000896 and .00441 respectively which was excepted in the original lease per page 9 of Exhibit A (attached). The royalty is being paid to the Farm Credit Bank of Texas per the ratification of the lease.

The # 6 well also had royalty excepted to the Farm Credit Bank of Texas in the amount of .00447333.

We believe this is the difference in volume per the PR report vs. our royalty reports. In the future we'd like to report the royalty rate as:

3 = .249104
4 = .24559
6 = .24552667

This way everything will tie to the production reports. I believe years ago someone was unable to get the electronic reporting system to accept the real royalty rate and we've working around the problem using a .25 royalty rate when in fact it is paid less the Farm Credit Bank. We apologize for any inaccuracy this may have caused but believe our royalty payments are correct in value paid.

Please let us know if this will resolve the prior months and if you'd like us to begin reporting with the above royalty rates. Thank you.

Susan Peters Cook
Petrohawk Energy Corporation
Main: 832-204-2700
Direct: 832-369-2105
Fax: 832-369-2205

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

From: Shirley Chou [mailto:Shirley.Chou@GLO.STATE.TX.US]
Sent: Wednesday, September 20, 2006 8:46 AM

To: Susan Cook
Subject: gas sale volum discrepancy on MF094337

Susan,

Per our conversation this morning, please see the attached " GLO vs RRC tract volume comparison" work sheet.

There are gas sale volume discrepancies on the non unitized wells for 9/2001 through 8/2005, please check into this issue, and email me on what your finding.

Thanks.

Shirley Chou
General Land Office
512-463-5408
512-475-1543 (fax)

458054

OIL AND GAS LEASE

FILED
At 2 O'clock PM

THE TEXAS A&M UNIVERSITY SYSTEM

JAN 15 1991

MARY ANN WARD
County Clerk, Brazos County, Bryan, Texas
By Jo Miller Deputy

I. STATUTORY REQUIREMENTS

A. AWARD OF LEASE [Ed. Code 85.58(a)].

THE BOARD OF REGENTS OF THE TEXAS A&M UNIVERSITY SYSTEM, Lessor, in consideration of payment by ULTRAMAR OIL AND GAS LIMITED, Lessee of the sum of FIVE HUNDRED SEVEN THOUSAND EIGHT HUNDRED FOUR AND 45/100 DOLLARS (\$507,804.45), the receipt of which is hereby acknowledged, and of the royalties, covenants, stipulations, and conditions contained herein, and hereby agreed to be paid, observed, and performed by Lessee, DOES HEREBY GRANT, LEASE, AND LET unto Lessee, for the sole and only purpose of prospecting, drilling for, and producing oil, gas, casinghead gas, distillate, and associated hydrocarbons, and constituent elements (including sulphur), but not including coal, lignite, gravel, iron ore, caliche, sand, fissionable minerals and any other minerals, the following described land in Brazos County, Texas, which land was acquired by the State of Texas for the use and benefit of The Texas A&M University System:

See Attached Exhibit "A"

Said land shall be deemed for the purposes of bonus and rental payments to contain 1,991.39 acres, whether it actually contains more or less.

B. EXPLORATORY TERM [Ed. Code 85.59(a)(b) and (c)]. Subject to each of the conditions contained herein, this lease shall be for a term of three (3) years from this date (hereinafter called Primary Term), and as long thereafter as oil and gas, or either of them is produced in paying quantities from the leased premises or land with which the leased premises is pooled hereunder, provided, however, the term of this lease may be extended under the following conditions:

If the Board finds that lessee has proceeded with diligence to protect the interests of the State, and that there is a likelihood that oil, gas, or distillate will be discovered on the leased premises, the Board may by unanimous vote extend this lease for a period not to exceed three (3) years, conditioned upon Lessee continuing to pay the yearly rentals provided herein, and upon any additional terms the Board may see fit and proper to demand. No such extension may be granted until the last thirty (30) days of the original term of the lease.

C. ANNUAL RENTALS [Ed. Code 85.55(c) and 85.61]. One (1) year from the date hereof, and on the same date of each of the following years during the primary term of this lease, Lessee shall pay to Lessor an annual rental of \$10.00 per acre. Provided, however, that if Lessee is engaged in actual drilling operations for the discovery of oil and/or gas on the leased premises on the anniversary date of this lease, no annual rental shall be payable as to the acreage contained in that tract on which said operations are being conducted as long as such are proceeding in good faith; and if oil and/or gas are discovered in paying quantities on any tract covered by this lease, then as to that tract this lease shall remain in force so long as production is obtained in paying quantities from said tract. When

THE GRANTOR'S interest hereby conveyed in the above-described tracts acquired by Declaration of Taking ((a) above) is the fee title SUBJECT to EXISTING EASEMENTS for PUBLIC ROADS and HIGHWAYS, PUBLIC UTILITIES, RAILROADS and PIPELINES.

THE GRANTOR'S interest hereby conveyed in the above-described tracts acquired by Warranty Deed ((b) above) is the fee title SUBJECT to EXISTING EASEMENTS for PUBLIC ROADS and HIGHWAYS, PUBLIC UTILITIES, RAILROADS and PIPELINES, and ALSO to the following SPECIFIC RESERVATIONS, CONDITIONS and COVENANTS:

EXCEPTED from the conveyance of the above-referenced TRACTS BA-16 and BA-19 is an undivided, 1/16th interest (same being 1/2 of the usual 1/8 royalty) in and to all of the oil, gas, and other minerals in and under, or that may be produced from the land; which is the same RESERVATION in a deed from the Federal Land Bank of Houston to Ross Boano, recorded in Volume 100, Page 480, of the Deed Records of Brazos County, Texas, to which deed reference is here made for fuller description. Said TRACTS BA-16 and BA-19 are described as follows:

✓ TRACT BA-16

A tract of land situated in the County of Brazos, State of Texas, and being part of the James Curtis, Jr., Survey (A-12), and being more particularly described as follows, all bearings being referred to true north:

BEGINNING at the most northerly corner of the Charles Todaro 10.5 acre tract, said point being on the south-easterly line of the Frank Hubscek 53.5 acre tract;

THENCE north $44^{\circ} 47'$ east, 517.2 feet along said south-easterly line of said Frank Hubscek 53.5 acre tract to a point on the northeasterly line of the aforesaid James Curtis, Jr., Survey (A-12), said point being in the center line of a county road;

THENCE south $43^{\circ} 49'$ east, 884.1 feet along said north-easterly survey line and said center line of said county road to a point on the northwesterly line of the right-of-way for a county road;

THENCE south $47^{\circ} 20'$ west, 517.2 feet along said north-westerly right-of-way line for said county road to a point;

THENCE north $43^{\circ} 49'$ west, 861.0 feet along the northeasterly line of the aforesaid Charles Todaro 10.5 acre tract to the point of beginning, containing 10.4 acres, more or less.

1/ TRACT BA-10

A tract of land situated in the County of Brazos, State of Texas, being part of the James Curtis, Jr., Survey (A-12), and part of the Thomas F. McKinney Survey (A-33), and being more particularly described as follows, all bearings being referred to true north:

BEGINNING at the most southerly corner of the Antonio Cascio 100.9 acre tract, said corner being on the north-easterly line of the Joe Viola 60-foot lane;

THENCE north $45^{\circ} 10'$ east, 3263.3 feet along the south-easterly lines of the said Antonio Cascio 100.9 acre tract, the Ignazio Proscione 99.2 acre tract, and the Santo Di Mario 98.0 acre tract to a point;

THENCE north $45^{\circ} 13'$ west, 428.1 feet along a northeasterly line of the said Santo Di Mario 98.0 acre tract to a point;

THENCE north $44^{\circ} 47'$ east, 759.2 feet along a southeasterly line of the said Santo Di Mario 98.0 acre tract, and the southeasterly lines of the Lena Scapanati 16.1 acre tract and the Rosa Morill 16.1 acre tract to a point on the south-easterly line of the Joe Piccolo 16.1 acre tract;

THENCE south $45^{\circ} 49'$ east, 821.1 feet along the southwesterly line of the Sam Piccolo 6.8 acre tract to a point on a curve on the northwesterly right-of-way line for a county road;

THENCE along the said northwesterly right-of-way line for the said county road as follows: 274.4 feet along the arc of a curve to the left, the radius of which is 5754.65 feet and the chord of which bears south $45^{\circ} 40'$ west, 274.4 feet to a point of tangency;

THENCE south $44^{\circ} 18'$ west, 1730.0 feet to a point;

THENCE south $57^{\circ} 50'$ west, 97.9 feet to a point;

THENCE south $48^{\circ} 36'$ west, 1271.6 feet to a point;

THENCE south $15^{\circ} 13'$ west, 486.2 feet to a point;

THENCE departing from said northwesterly right-of-way line for said county road north $65^{\circ} 55'$ west, 596.6 feet along the north-easterly line of the sforesaid Joe Viola 60-foot lane to the point of beginning, and containing 42.5 acres, more or less.

IT IS FURTHER EXPRESSLY UNDERSTOOD and AGREED that the above-referenced TRACT BA-20 was acquired SUBJECT to the rights of the public to that portion of the Pitte-Bridge Road, which formerly traversed this land; and this tract is conveyed with that RESERVATION. Said TRACT BA-20 is described as follows:

1/ TRACT BA-20

A tract of land situated in the County of Brazos, State of Texas, being part of the James Curtis, Jr., Survey (A-12) and

472378

FILED

RATIFICATION OF OIL, GAS AND MINERAL LEASES 1 AUG 30 AM 10:09

THE STATE OF TEXAS)
COUNTY OF BRAZOS)

KNOW ALL MEN BY THESE PRESENTS

Mary Lou Johnson CO. CLERK
BRAZOS COUNTY COURTHOUSE
BRYAN, TEXAS
Mary Lou Johnson DEPUTY

WHEREAS, heretofore, under date of December 11, 1990, The Board of Regents of the Texas A & M University System as Lessor, did execute and deliver to Ultramar Oil and Gas Limited as Lessee, an oil and gas lease, recorded in Volume 1232, Page 123, Official Records of Brazos County, Texas, covering 1,991.39 acres of land, more or less, situated in the James Curtis, Jr. Survey, A-12, John Williams Survey, A-237, and the Thomas F. McKinney Survey, A-33, Brazos County, Texas, said land being more fully described in said lease, reference to said lease and to the record thereof being here made for all purposes; and

WHEREAS, it is the desire of the undersigned parties hereto to adopt, ratify and confirm a portion of said lease as to: 85.1 acres, more or less, out of the James Curtis, Jr. Survey, A-12, Brazos County, Texas, identified as BA-16 and BA-19 on Exhibit A attached to the lease, being the land described in a certain deed from The Federal Land Bank of Houston to Ross Bonano, dated July 24, 1988³⁹ and recorded in Volume 100, Page 481 of the Deed Records of Brazos County, Texas;

NOW, THEREFORE, in consideration of the premises and One Dollar (\$1.00) and other valuable considerations all cash to us in hand paid, the receipt of which is hereby acknowledged and confessed, the Farm Credit Bank of Texas (formerly the Federal Land Bank of Texas), does hereby adopt, ratify and confirm said lease in all its terms and provisions and do hereby authorize the owner or owners of said lease, its successors or assigns, to pool the royalty interest of the undersigned in the same manner and in accordance with the terms and conditions as provided in the subject lease, however, if said lease now or hereafter covers tracts with royalty ownership differing either as to parties or amounts, no pooling or unitization or communitization of such royalty interests is hereby intended nor shall result solely by the execution of this instrument.

EXECUTED, this 9th day of August, 1991.

WITNESS our hands and seals this the 9th day of August, A.D. 1991.

FARM CREDIT BANK OF TEXAS

Gary M. Vaughn
Gary M. Vaughn, Senior Vice President

RECORDED FOR EXAMINATION
DUB 8-8-91
TEST FARM CREDIT BANK OF TEXAS
Sylvia Hamilton
Sylvia Hamilton, Assistant Secretary

STATE OF TEXAS

COUNTY OF TRAVIS

BEFORE ME, the undersigned authority, on this day personally appeared Gary M. Vaughn, Senior Vice President of the Farm Credit Bank of Texas, a corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledge to me that he executed the same as the act and deed of said corporation, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN under my hand and seal of office, this 9th day of August, A. D. 1991.



Marilyn J. Rees
Notary Public in and for the State
of Texas

GLO_vs_RRC_Tract_Volume_Compari

THERE ARE SIX WELLS (#1,#2,#3,#4,#5<#6) INVOLVED IN OIL WELL 03-21158.
 UNIT 2204 (RIVERSIDE CAMPUS #6) ONLY APPLIES TO WELL #6.
 WELL #1 THROUGH #5 ARE NON UNITIZED WELLS.

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	AL	AM	AN	AO	AP
MFN.	Product ion YRMO	TP	RRC Trans Lines	WELL #6 GAS SALE VOL	TRACT GAS SALE VOL (C)*(E)	GLO-1 GAS SALE TRACT VOL	TRACT GAS SALE VOL DIFF (G)-(F)	WELL #1 TO #5 GAS SALE VOL (D)- (E)	GLO-1 NON UNITIZED GAS SALE VOL	NON UNITIZED GAS SALE VOL DIFF (J)-(I)	RRC Lease Fuels	WELL #6 LEASE FUEL VOL	TRACT LEASE FUEL VOL (C)*(M)	GLO-1 TRACT LEASE FUEL VOL	TRACT LEASE FUEL VOL DIFF (O)-(N)	WELL #1 TO #5 LEASE FUEL VOL (L)- (M)	GLO-1 NON UNITIZED LEASE FUEL VOL	NON UNITIZED LEASE FUEL VOL DIFF (AN)-(AM)	NOTE REF
MF094337	200109	0.48405906	4762	1446	699.9494	699	-0.949401	3316	3301	-15	30	9	4.356532	5	0.643468	21	21	0	1,2,3
MF094337	200110	0.48405906	5095	1787	865.0135	864	-1.01354	3308	3300	-8	31	10	4.840591	5	0.159409	21	21	0	1,2,3
MF094337	200111	0.48405906	4553	1871	905.6745	905	-0.674501	2682	3064	382	30	12	5.808709	6	0.191291	18	18	0	1,2,3
MF094337	200112	0.48405906	5005	1755	849.5237	849	-0.52365	3250	3241	-9	31	10	4.840591	5	0.159409	21	19	-2	1,2,3,4
MF094337	200201	0.48405906	5294	1807	874.6947	875	0.305279	3487	3476	-11	31	11	5.32465	5	-0.32465	20	18	-2	1,2,3,4
MF094337	200202	0.48405906	3936	1600	774.4945	775	0.505504	2336	2573	237	28	10	4.840591	4	-0.840591	18	16	-2	1,2,3,4
MF094337	200203	0.48405906	4968	1807	874.6947	878	3.305279	3161	2926	-235	31	12	5.808709	5	-0.808709	19	19	0	1,2,3
MF094337	200204	0.48405906	4463	1859	899.8658	900	0.134207	2604	2592	-12	30	12	5.808709	5	-0.808709	18	17	-1	1,2,3,4
MF094337	200205	0.48405906	4366	1753	848.5555	850	1.444468	2613	2602	-11	31	12	5.808709	5	-0.808709	19	18	-1	1,2,3,4
MF094337	200206	0.48405906	4185	1837	889.2165	890	0.783507	2348	2337	-11	30	13	6.292768	5	-1.292768	17	17	0	1,2,3
MF094337	200207	0.48405906	4474	1826	883.8918	885	1.108156	2648	2640	-8	31	13	6.292768	5	-1.292768	18	15	-3	1,2,3,4
MF094337	200208	0.48405906	5451	1829	885.344	884	-1.344021	3622	3613	-9	31	10	4.840591	4	-0.840591	21	20	-1	1,2,3,4
MF094337	200209	0.48405906	5284	1753	848.5555	847	-1.555532	3531	3519	-12	30	9	4.356532	6	1.643468	21	21	0	1,2,3
MF094337	200210	0.48405906	5184	1840	890.6687	890	-0.66867	3344	3332	-12	31	10	4.840591	5	0.159409	21	21	0	1,2,3
MF094337	200211	0.48405906	4479	1745	844.6831	845	0.31694	2734	2726	-8	30	11	5.32465	5	-0.32465	19	18	-1	1,2,3,4
MF094337	200212	0.48405906	4075	1488	720.2799	721	0.720119	2587	2576	-11	31	12	5.808709	6	0.191291	19	19	0	1,2,3
MF094337	200301	0.48405906	4103	1518	734.8017	734	-0.801653	2585	2577	-8	31	10	4.840591	6	1.159409	21	20	-1	1,2,3,4
MF094337	200302	0.48405906	3779	1372	664.129	663	-1.12903	2407	2397	-10	28	11	5.32465	6	0.67535	17	17	0	1,2,3
MF094337	200303	0.48405906	3991	1430	692.2045	691	-1.204456	2561	2550	-11	31	10	4.840591	6	1.159409	21	21	0	1,2,3
MF094337	200304	0.48405906	4506	1505	728.5089	727	-1.508885	3001	2991	-10	30	11	5.32465	6	0.67535	19	19	0	1,2,3
MF094337	200305	0.48405906	4352	1484	718.3436	718	-0.343645	2868	2860	-8	31	10	4.840591	5	0.159409	21	20	-1	1,2,3,4
MF094337	200306	0.48405906	3864	1217	589.0999	590	0.900124	2647	2639	-8	30	9	4.356532	4	-0.356532	21	20	-1	1,2,3,4
MF094337	200307	0.48405906	3399	1178	570.2216	570	-0.221573	2221	2215	-6	31	11	5.32465	5	-0.32465	20	20	0	1,2,3
MF094337	200308	0.48405906	4160	1479	715.9233	715	-0.92335	2681	2668	-13	31	10	4.840591	6	1.159409	21	19	-2	1,2,3,4
MF094337	200309	0.48405906	3566	1309	633.6333	634	0.36669	2257	2247	-10	30	10	4.840591	5	0.159409	20	20	0	1,2,3
MF094337	200310	0.48405906	3982	1217	589.0999	589	-0.099876	2765	2755	-10	31	10	4.840591	5	0.159409	21	21	0	1,2,3
MF094337	200311	0.48405906	3507	1127	545.5346	545	-0.534561	2380	2374	-6	30	9	4.356532	5	0.643468	21	21	0	1,2,3
MF094337	200312	0.48405906	4270	1164	563.4447	564	0.555254	3106	3101	-5	31	9	4.356532	5	0.643468	22	21	-1	1,2,3,4
MF094337	200401	0.48405906	3935	1313	635.5695	634	-1.569546	2622	2609	-13	31	10	4.840591	6	1.159409	21	21	0	1,2,3
MF094337	200402	0.48405906	3218	1206	583.7752	582	-1.775226	2012	2003	-9	29	10	4.840591	6	1.159409	19	19	0	1,2,3
MF094337	200403	0.48405906	3488	1362	659.2884	659	-0.28844	2126	2118	-8	31	12	5.808709	6	0.191291	19	19	0	1,2,3

GLO_vs_RRC_Tract_Volume_Compari

MF094337	200404	0.48405906	3269	1226	593.4564	592	-1.456408	2043	2036	-7	30	11	5.32465	6	0.67535	19	19	0	1,2,3
MF094337	200405	0.48405906	2587	633	306.4094	307	0.590615	1954	1947	-7	31	8	3.872472	3	-0.872472	23	23	0	1,2,3
MF094337	200406	0.48405906	2416	849	410.9661	411	0.033858	1567	1559	-8	30	11	5.32465	5	-0.32465	19	19	0	1,2,3
MF094337	200407	0.48405906	2306	632	305.9253	306	0.074674	1674	1665	-9	31	9	4.356532	4	-0.356532	22	22	0	1,2,3
MF094337	200408	0.48405906	2027	526	254.6151	256	1.384934	1501	1497	-4	31	8	3.872472	3	-0.872472	23	23	0	1,2,3
MF094337	200409	0.48405906	1900	186	90.03499	90	-0.034985	1714	1707	-7	30	3	1.452177	1	-0.452177	27	27	0	1,2,3
MF094337	200410	0.48405906	1852	101	48.88997	49	0.110035	1751	1742	-9	31	2	0.968118	1	0.031882	29	29	0	1,2,3
MF094337	200411	0.48405906	1750	30	14.52177	13	-1.521772	1720	1710	-10	30	1	0.484059	0	-0.484059	29	29	0	1,2,3
MF094337	200412	0.48405906	1453	76	36.78849	37	0.211511	1377	1371	-6	31	2	0.968118	1	0.031882	29	29	0	1,2,3
MF094337	200501	0.48405906	1236	142	68.73639	71	2.263613	1094	1096	2	31	4	1.936236	1	-0.936236	27	27	0	1,2,3
MF094337	200502	0.48405906	1149	43	20.81454	21	0.18546	1106	1106	0	28	1	0.484059	1	0.515941	27	27	0	1,2,3
MF094337	200503	0.48405906	1601	24	11.61742	12	0.382583	1577	1572	-5	31	1	0.484059	0	-0.484059	30	30	0	1,2,3
MF094337	200504	0.48405906	1292	0	0	0	0	1292	1285	-7	30	0	0	0	0	30	30	0	1,2,3
MF094337	200505	0.48405906	5452	3898	1886.862	1887	0.137784	1554	1546	-8	31	22	10.6493	9	-1.649299	9	4	-5	1,2,3,4
MF094337	200506	0.48405906	3266	2278	1102.687	1102	-0.686539	988	982	-6	30	21	10.16524	10	-0.16524	9	9	0	1,2,3
MF094337	200507	0.48405906	2888	2021	978.2834	978	-0.28336	867	857	-10	31	21	10.16524	11	0.83476	10	10	0	1,2,3
MF094337	200508	0.48405906	2539	1560	755.1321	756	0.867866	979	971	-8	31	19	9.197122	9	-0.197122	12	12	0	1,2,3

NOTE 1: ON COLUMN "H" (TRACT GAS SALE VOLUME DIFFERENCE), THE VOLUME DISCREPANCY WAS DUE TO THE ROUNDING, THE COMPANY REPORTED 3.305279 MCF MORE FOR 3/2002, AND 2.263613 MCF MORE FOR 1/2005.

NOTE 2: ON COLUMN "K" (NON UNITIZED GAS SALE VOLUME DIFFERENCE), THE COMPANY REPORTED 237 MCF MORE TO GLO THAN RRC FOR 2/2002, THEN THEY REPORTED 235 MCF LESS TO GLO THAN RRC FOR 3/2002. THE NET EFFECT WAS ONLY 2 MCF UNDER REPORTED, NO ACTION TAKEN.
 THEY REPORTED 382 MCF GAS SALE VOLUME MORE TO GLO THAN RRC FOR 11/2001, NO ACTION TAKEN.
 THEY REPORTED 2 MCF GAS SALE VOLUME MORE TO GLO THAN RRC FOR 1/2005, NO ACTION TAKEN.
 FOR THE REST MONTHS, SEE THE FOLLOWING UNDER PAID ROYALTY ANALYSIS:

A	B	C	D	E	F	G	H	
MONTH	UNDER REPOR TED VOL	GLO-2 PRICE	GLO-2 BTU	GROSS AMOUNT (B)*(C)*(D)	UNDER PAID ROYALTY (E)*.25	AMOUNT UNDER \$10.00	NET UNDER PAID ROYALTY (F)-(G)	
200109	15	2.671502	1	40.07	10.02		10.02	
200110	8	2.00891	1	16.07	4.02	4.02	0.00	NO BILLING FOR \$10.00 PER MONTH
200112	9	2.350877	1	21.16	5.29	5.29	0.00	NO BILLING FOR \$10.00 PER MONTH
200201	11	2.72989	1	30.03	7.51	7.51	0.00	NO BILLING FOR \$10.00 PER MONTH
200204	12	3.81	1	45.72	11.43		11.43	
200205	11	3.753	1	41.28	10.32		10.32	
200206	11	3.82488	1	42.07	10.52		10.52	
200207	8	3.77	1	30.16	7.54	7.54	0.00	NO BILLING FOR \$10.00 PER MONTH
200208	9	2.321605	1.483024	30.99	7.75	7.75	0.00	NO BILLING FOR \$10.00 PER MONTH
200209	12	3.79	1	45.48	11.37		11.37	
200210	12	4.19	1	50.28	12.57		12.57	

GLO_vs_RRC_Tract_Volume_Compari

200211	8	4.70	1	37.60	9.40	9.4	0.00	NO BILLING FOR \$10.00 PER MONTH
200212	11	4.60	1	50.60	12.65		12.65	
200301	8	5.41	1	43.28	10.82		10.82	
200302	10	6.20	1	62.00	15.50		15.50	
200303	11	10.08	1	110.88	27.72		27.72	
200304	10	5.509839	1	55.10	13.77		13.77	
200305	8	3.89	1.45	45.12	11.28		11.28	
200306	8	4.594099	1.433	52.67	13.17		13.17	
200307	6	4.19	1.475	37.08	9.27	9.27	0.00	NO BILLING FOR \$10.00 PER MONTH
200308	13	3.527147	1.473	67.54	16.89		16.89	
200309	10	3.654891	1.46	53.36	13.34		13.34	
200310	10	3.28088	1.426551	46.80	11.70		11.70	
200311	6	3.232044	1.424	27.61	6.90	6.9	0.00	NO BILLING FOR \$10.00 PER MONTH
200312	5	3.551868	1.378261	24.48	6.12	6.12	0.00	NO BILLING FOR \$10.00 PER MONTH
200401	13	4.366	1.413	80.20	20.05		20.05	
200402	9	4.062561	1.392	50.90	12.72		12.72	
200403	8	3.703021	1.414	41.89	10.47		10.47	
200404	7	4.030377	1.439	40.60	10.15		10.15	
200405	7	4.437	1.422	44.17	11.04		11.04	
200406	8	5.043739	1.412	56.97	14.24		14.24	
200407	9	4.596	1.433	59.27	14.82		14.82	
200408	4	4.548732	1.436	26.13	6.53	6.53	0.00	NO BILLING FOR \$10.00 PER MONTH
200409	7	3.879	1.43	38.83	9.71	9.71	0.00	NO BILLING FOR \$10.00 PER MONTH
200410	9	3.887	1.479	51.74	12.93		12.93	
200411	10	5.651	1.482	83.75	20.94		20.94	
200412	6	4.859767	1.492	43.50	10.88		10.88	
200503	5	4.657912	1.401961	32.65	8.16	8.16	0.00	NO BILLING FOR \$10.00 PER MONTH
200504	7	5.494797	1.405	54.04	13.51		13.51	
200505	8	5.081	1.373	55.81	13.95		13.95	
200506	6	4.847238	1.36036	39.56	9.89	9.89	0.00	NO BILLING FOR \$10.00 PER MONTH
200507	10	5.389535	1.375	74.11	18.53		18.53	
200508	8	5.799	1.417	65.74	16.43		16.43	
				511.82	98.09	413.73		THE AMOUNT WAS UNDER THE BILLING LIMITATION , NO BILLING WAS GENERATED.
EMAILED SUSAN COOK WITH MISSION RESOURCES CORP ON 9/20/2006, REQUESTED HER TO CHECK INTO THE GAS SALE VOLUME DISCREPANCY ISSUE.								
NOTE 3: ON COLUMN "AL" (TRACT LEASE FUEL VOLUME DIFFERENCE), THE VOLUME DISCREPANCY WAS DUE TO THE ROUNDING.								
NOTE 4: ON COLUMN "AO" (NON UNITIZED LEASE FUEL VOLUME DIFFERENCE), SEE THE FOLLOWING UNDER PAID ROYALTY ANALYSIS:								
A	B	C	D	E	F			

GLO_vs_RRC_Tract_Volume_Compari

MONTH	UNDER REPOR TED VOL	GLO-2 PRICE	GLO-2 BTU	GROSS AMOUNT (B)*(C)*(D)	UNDER PAID ROYALTY (E)*.25															
200112	2	2.350877	1	4.70	1.18															
200201	2	2.72989	1	5.46	1.36															
200202	2	2.014835	1	4.03	1.01															
200204	1	3.81	1	3.81	0.95															
200205	1	3.753	1	3.75	0.94															
200207	3	3.77	1	11.31	2.83															
200208	1	2.321605	1.483024	3.44	0.86															
200211	1	4.7	1	4.70	1.18															
200301	1	5.41	1	5.41	1.35															
200305	1	3.89	1.45	5.64	1.41															
200306	1	4.594099	1.433	6.58	1.65															
200308	2	3.527147	1.473	10.39	2.60															
200312	1	3.551868	1.378261	4.90	1.22															
200505	5	5.081	1.373	34.88	8.72															
					27.25	THE AMOUNT WAS UNDER THE BILLING LIMITATION , NO BILLING WAS GENERATED.														

12)

File No. 094337
E-mail from company

Date Filed: 11-10-2006
Jerry E. Patterson, Commissioner

By SC



TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

DATE: October 27, 2016
TO: Mineral File MF094337 and MF095036
FROM: Susan Draughn
SUBJECT: Update of Unit 2204

Unit 2204 was set-up effective November 11, 1992. The Texas A & M Lease related to MF094337 has a royalty of 25%, but also has two tracts that are burdened by a 1/16 royalty reservation because of the surface and mineral deeds of conveyance in earlier title.

The state accounting system is unable to adjust for the differences within the lease and so by agreement with the operator at the time, Mission Resources, an adjustment was made to the participation factor of Tract 10 to account for the differences in royalty for separate tracts.

This unit set up was reviewed again today, October 27, 2016, and the unit has been adjusted to bring the format up to date to match Alamo reporting controls by "rolling up" the calculations for Tract 10 and 11 that are related to MF094337. The total calculations have not changed from the original set up, effective November 11, 1992. The updated buck slip for unit 2204 is attached.

Thank you.

DO NOT DESTROY



**Texas General Land Office
UNIT AGREEMENT MEMO**

UPA950929

Unit Number 2204
 Operator Name Mission Resources Corporation Effective Date 11/19/1992
 Customer ID C000044640 Unitized For Oil And Gas
 Unit Name Riverside Campus Well #6 Unit Term
 County 1 Brazos RRC District 1 03 Old Unit Number Inactive Status Date
 County 2 RRC District 2
 County 3 RRC District 3
 County 4 RRC District 4
 Unit type Permanent
 State Net Revenue Interest Oil 0.12345659
 State Part in Unit 0.49382636
 Unit Depth Specified Depths Well
 From Depth Formation Top of Austin Chalk to Base of Austin Chalk
 To Depth Participation Basis Surface Acreage
 If Exclusions Apply: See Remarks

Lease Number	Tract No	Lease Acres in Unit	Total Unit Acres	Tract Participation	O/G	Lease Royalty	NRI of Lease in Unit	Royalty Rate Reduction Clause
MF094337	10, 11	223.016174	460.721000	0.48405906	O/G	0.25000000	0.12101476	No
MF095036	9	4.500000	460.721000	0.00976730	O/G	0.25000000	0.00244183	No

API Number
4204131656

Remarks:

[Empty rectangular box for remarks]

Prepared By: SSD Prepared Date: 10/27/16
 GLO Base Updated By: SSD GLO Base Date: 10/27/16
 RAM Approval By: ZW RAM Approval Date: 10.27.16
 GIS By: _____ GIS Date: _____
 Well Inventory By: SSD WI Date: 10/27/16

13.

File No. MF 094337

Memo Re: Unit 2204 County

Date Filed: 10/27/16

George P. Bush, Commissioner

By SSD

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee

\$

Extra Services & Fees (check box, add fee as appropriate)

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 Return Receipt (electronic) \$ _____
 Certified Mail Restricted Delivery \$ _____
 Adult Signature Required \$ _____
 Adult Signature Restricted Delivery \$ _____

Postmark
Here

MF 094337

Postage

\$

Total Postage and Fees

\$

Sent To

ATTN Chris Bird
E2 Operating LLC

Street and Apt. No., or PO Box No.

1560 E. 21st St., Ste 215

City, State, ZIP+4®

Tulsa, OK 74114-1345

7016 0600 0000 6595 7190
0612 5659 0000 0090 9102

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- A unique identifier for your mailpiece.
- Electronic verification of delivery or attempted delivery.
- A record of delivery (including the recipient's signature) that is retained by the Postal Service™ for a specified period.

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for an electronic return receipt, see a retail associate for assistance. To receive a duplicate return receipt for no additional fee, present this USPS®-postmarked Certified Mail receipt to the retail associate.

- Restricted delivery service, which provides delivery to the addressee specified by name, or to the addressee's authorized agent.
- Adult signature service, which requires the signee to be at least 21 years of age (not available at retail).
- Adult signature restricted delivery service, which requires the signee to be at least 21 years of age and provides delivery to the addressee specified by name, or to the addressee's authorized agent (not available at retail).
- To ensure that your Certified Mail receipt is accepted as legal proof of mailing, it should bear a USPS postmark. If you would like a postmark on this Certified Mail receipt, please present your Certified Mail item at a Post Office™ for postmarking. If you don't need a postmark on this Certified Mail receipt, detach the barcoded portion of this label, affix it to the mailpiece, apply appropriate postage, and deposit the mailpiece.

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USPS TRACKING #



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Texas General Land Office

George P. Bush, Commissioner

P.O. Box 12873

Austin, Texas 78711-2873

ATTN: Aurora Jordan 7th flr Enersy
MF094337



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

E2 Operating LLC
 ATTN: Chris Bird
 1560 E. 21st St., Ste 215
 Tulsa, OK 74114-1345



9590 9402 1749 6074 7592 92

7016 0600 0000 6595 7190

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

B. Received by (Printed Name)

-
- Agent
-
-
- Addressee

C. Date of Delivery

3-22

- D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type

- | | |
|--|---|
| <input type="checkbox"/> Adult Signature | <input type="checkbox"/> Priority Mail Express® |
| <input type="checkbox"/> Adult Signature Restricted Delivery | <input type="checkbox"/> Registered Mail™ |
| <input type="checkbox"/> Certified Mail® | <input type="checkbox"/> Registered Mail Restricted Delivery |
| <input type="checkbox"/> Certified Mail Restricted Delivery | <input type="checkbox"/> Return Receipt for Merchandise |
| <input type="checkbox"/> Collect on Delivery | <input type="checkbox"/> Signature Confirmation™ |
| <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500) | <input type="checkbox"/> Signature Confirmation Restricted Delivery |



Texas General Land Office

Reconciliation Billing

PO Box 12873
Austin, TX 78711-2873
(800) 998-4456
8:00 - 5:00 M-F

George P. Bush, Commissioner

E2 Operating LLC
Attn: Chris Bird
1560 E 21ST ST STE 215
Tulsa, OK 74114-1345

Billing Date: 3/14/2018
Billing Due Date: 4/13/2018
Customer Number: C000089478

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
18I00367	MF094337	\$5,023.92	\$0.00	\$502.41	\$181.07	\$5,707.40
Total Due		\$5,023.92	\$0.00	\$502.41	\$181.07	\$5,707.40

Penalty and interest have been calculated thru 3/31/2018. Payment remitted after 3/31/2018 will result in additional penalty and interest charges.

Contact Info: Mike Nicklaus (512) 475-1517 or Mike.Nicklaus@GLO.TEXAS.GOV

NOTICE

- Please update GLO1 and GLO2 production reports to correct volumes.
- Please do not update GLO3 report to include billed royalty, penalty or interest. This receivable has already been recorded.
- For other royalty reporting questions, visit <http://www.glo.texas.gov>, call (512) 463-6850 or email us at glo123@glo.texas.gov.

This notice does not constitute an Audit Billing Notice as defined in Section 52.135 of the Texas Natural Resources Code and, consequently, does not preclude the TGLO from conducting further examinations of these leases, time periods or issues.

Detach and return with payment

Reconciliation Billing

E2 Operating LLC

Billing Date: 3/14/2018

Billing Due Date: 4/13/2018

Customer Number: C000089478

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
18I00367	MF094337	\$5,023.92	\$0.00	\$502.41	\$181.07	\$5,707.40
Total Due		\$5,023.92	\$0.00	\$502.41	\$181.07	\$5,707.40
Amt. Paid						

Customer ID: C000089478
 Invoice Number:
 GLO Lease: MF094337
 GLO Review: E2 Operating LLC
 Review Period: September 2016 - August 2017

Category: Gas
 Auditor/AE: Mnicklau
 Billing Date: 3/1/2018
 P&I Calculation Date: 3/31/2018
 Royalty Rate: 25.000%

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Month / Year	RRC Number	Gas/Oil Volume	Tract Participation Rate	Price	BTU	Gross Value	Royalty Due	Royalty Paid	Additional Royalty Due	Number of Days Late	Interest Rate For Additional Royalty	Penalty Rate From Additional Royalty	Interest Rate From Additional Royalty2	Revenue Due
Oct-16	03-21158	605	1.00000000	\$ 3.677882	1.000000	\$2,225.12	\$556.28	\$0.00	\$556.28	471	4.50%	\$55.63	\$28.26	\$640.17
Nov-16	03-21158	725	1.00000000	\$ 2.826893	1.000000	\$2,049.50	\$512.37	\$0.00	\$512.37	440	4.75%	\$51.24	\$25.40	\$589.01
Dec-16	03-21158	670	1.00000000	\$ 4.227689	1.000000	\$2,832.55	\$708.14	\$0.00	\$708.14	409	4.75%	\$70.81	\$32.25	\$811.20
Jan-17	03-21158	904	1.00000000	\$ 3.867517	1.000000	\$3,496.24	\$874.06	\$0.00	\$874.06	381	4.75%	\$87.41	\$36.63	\$998.10
Feb-17	03-21158	707	1.00000000	\$ 3.262573	1.000000	\$2,306.64	\$576.66	\$0.00	\$576.66	350	4.75%	\$57.67	\$21.84	\$656.17
May-17	03-21158	489	1.00000000	\$ 3.840027	1.458000	\$2,737.79	\$684.45	\$0.00	\$684.45	259	4.75%	\$68.45	\$17.81	\$770.71
Jun-17	03-21158	213	1.00000000	\$ 3.567164	1.457200	\$1,107.19	\$276.80	\$0.00	\$276.80	228	4.75%	\$27.68	\$6.09	\$310.57
Jul-17	03-21158	213	1.00000000	\$ 3.456767	1.458000	\$1,073.51	\$268.38	\$0.00	\$268.38	197	4.75%	\$26.84	\$4.82	\$300.04
Aug-17	03-21158	469	1.00000000	\$ 3.316173	1.457700	\$2,267.14	\$566.78	\$0.00	\$566.78	167	4.75%	\$56.68	\$7.97	\$631.43
TOTALS		4,995				\$20,095.68	\$5,023.92	\$0.00	\$5,023.92			\$502.41	\$181.07	\$5,707.40

COMMENTS: COLUMN (3) ---VOLUMES SHOWN ARE THE LEASE FUEL VOLUMES REPORTED TO THE RRC FOR WELL #03-21158.
 COLUMNS (5) & (6)---PRICES & BTU'S SHOWN ARE THE TRANSMISSION LINE SALES PRICES & BTU'S TAKEN FROM THE GLO2 REPORTS FILED FOR THIS STATE LEASE.

PLEASE GO TO THIS WEB SITE FOR EXPLANATION OF PENALTY AND INTEREST ASSESSMENT:
<http://www.glo.texas.gov/energy-business/oil-gas/rrac/forms/penalty-interest-assessment-rules.pdf>

ATTENTION: BROOKE SCHUPP

CERTIFIED MAIL: 7016 0600 0000 6595 7190

NOTE 1: PLEASE REMIT PAYMENT OF THIS INVOICE SEPARATELY FROM REGULAR ROYALTY PAYMENTS. THE PREFERRED METHOD OF PAYMENT IS BY CHECK ACCOMPANIED WITH THE BOTTOM HALF OF THE ATTACHED INVOICE. IF PAYMENT IS MADE THROUGH ACH DEBIT, NOTIFY THE AUDITOR AS TO THE REMITTANCE DATE SO THE INVOICE CAN BE PROPERLY CREDITED.

NOTE 2: VOLUMES BILLED ARE LEASE FUEL VOLUMES REPORTED TO THE GLO & THE RRC. THIS STATE LEASE REQUIRES ROYALTIES TO BE PAID ON ALL GAS PRODUCTION "WITHOUT DEDUCTION FOR THE COST OF PRODUCING, GATHERING, STORING, SEPARATING, TREATING, DEHYDRATING, COMPRESSING, PROCESSING, TRANSPORTING, AND OTHERWISE MAKING THE OIL, GA, AND OTHER PRODUCTS PRODUCED HEREUNDER READY FOR SALE OF USE".

14

File No. MF 094 337

_____ County

Recon Billing

Date Filed: 3/23/18

George P. Bush, Commissioner

By _____ 